

South Beach Road Association
15022 NW Oakmont Loop
Beaverton, OR 97006

14 April 2017

Re: 2017 Annual Assessments

Dear South Beach Road Association Member:

Greetings from soggy Neskowin! As most of you know, this fall and winter were wet, record breaking wet. A Proposal Rock Loop friend with a recording rain gauge has measured 105 inches of rain since October 1st. His previous high total for an entire year was 113 inches. The rain, in combination with heavy truck traffic, has caused havoc with our roads and has created an abundance of potholes. We are working to repair the roads, but it will require extra effort and expense to return the roads to good condition.

Your assessment billing is enclosed. For 2017, the **assessment for developed lots is \$625** and the **assessment for buildable undeveloped lots is \$250**. This billing is a significant increase from last year. The primary factor responsible for the increase is the cost to repair the abutments of the South Beach Road bridge over Neskowin Creek. The proposed budget for the coming fiscal year is included at the end of this letter.

The repair of the bridge is the culmination of an effort that began 5 years ago with an inspection of the bridge by OBEC Consulting Engineers who determined that scour along both banks of the creek threatened the bridge foundation. To date we and the Proposal Rock Homeowners Association, who have shared equally in the repair expenses, have paid over \$30,000 for the design of a scour mitigation plan and the necessary permits from the Army Corps of Engineers, the Oregon Department of State Lands, the Oregon Department of Fish and Wildlife, and Tillamook County. The original plan was to complete the bridge repair last summer; however, the project was postponed after the original contractor selected for the job realized that he had significantly underestimated the project and could not complete the work for his original bid. This past winter we sent a request for bids to seven contractors. Three of them responded with estimates for the work. We now have a contract with a Tillamook contractor, and the work most likely will start sometime in mid- to late-July. The contractor estimates that the work will take roughly 8 days with the bridge remaining open throughout the project.

For the 2017 assessments, the Board has decided to return to the previous policy of billing for all buildable undeveloped lots. With this action, the Board seeks to be fair to all property owners. Our roads are important to all lots, and it is important that all properties contribute to the maintenance of the roads. The percentage of assessment payments received last year was excellent. The Board hopes compliance for the current billing cycle will be equally strong. The

Board continues to investigate appropriate legal actions to secure payment from property owners who do not pay their assessments and may exercise these options in the coming year.

I wish everyone sunny days ahead.

Sincerely,



Bill Busch

President, South Beach Road Association

**South Beach Road Association Budget
1 July 2017 – 30 June 2018**

Projected expenses

Bridge repair	\$ 64,515 *
Road maintenance	8,200
Roadside mowing and brush clearing	7,500
Riprap repair at beach accesses	3,500
Gate maintenance, utilities	1,550
Road sign maintenance	500
Legal services (collection of delinquent accounts)	2,000
Bookkeeping services	2,000
Insurance – liability	850
Website maintenance	250
Corporation filing expense	50
Bank fees	100
Office supplies, postage, printing	300
Total projected expenses	\$ 91,315
Projected cash on hand, 1 July 2017	\$43,000
Income required to meet the proposed budget	\$48,315 **

* **Explanation of bridge repair expense** – Construction contractor = \$109,300, Inspections during and after construction = \$7,000, Fish salvage = \$1,000, Subtotal = \$117,730, 10% contingency = \$11,730, Total expenses = \$129,030 (to be shared with Proposal Rock Homeowners Association); One half-share of total expense = \$64,515

** **Required income** – This figure is the bare minimum required to meet the proposed budget. There will be no surplus.