

Big Horn Ridge Gate Issue

status 9.28.18

Written by Kirk Johnson, to all Directors

Please be familiar with the prior-shared emails about this in order to fully understand the continuing information below.

On Friday, September 28, 2018 I had a long phone conversation with Drew Sawchuk, a Lot Owner in Big Horn Ridge (BHR); that's the section of lower Division 8 – the paved road – encumbered under their own additional CCRs. You may recall from the prior emails he is asking the BOD in assisting the administration of fulfilling Barnett's court-forced obligation to install the electrically-operated entrance gate to Canyon View Lane.

Drew requested 1.5 weeks ago that this issue be on the next meeting agenda, and he said he will be traveling from BC Canada to attend our meeting. I asked him then if the issue could wait until the next meeting after that, but he indicated the court-compelled deadline below which causes us to have to consider it in the upcoming meeting.

- As term of the court order, Barnett was compelled to place \$5000.00 in a court-controlled trust account for the gate completion. Apparently the court also set a deadline for a 'next step of progress' to take place by about November 1, and this is what Drew is trying to accomplish with the BOD right now.
- The court is looking for a legitimate place to release the trust funds to; Drew's lawyer advised him to ask the BOD if we are willing to be the receivers and administrators of the money, that the court would most likely accept this as a legit course of action. In this case the HOA/BOD would then spend the funds directly from our account to administer the gate completion?
- Drew and I discussed several potential issues/complications about this that may need to be settled. I expressed to him that I was not talking to him in representation of the BOD right now but that I was only speaking as a single helpful BOD member with my own individual observations and opinions, so here are the issues we discussed:
 - The BHR CCRs, overlaid with the 9MR CCRs, clearly indicate to me that the 9MR BOD has no right or obligation regarding the gate, so I assess that the BOD could spend no HOA funds on the issue. This further infers that the BOD also has no obligation to act about the issue, but I said that at least Susan and so far have advocated being helpful in administering the gate issue. I also offered, on a personal level, that I would also act as a volunteering professional, as the administration work requires a qualified local general contractor to price and deal with it.
 - I discussed that I would be wanting to identify any risks/liabilities the BOD/HOA may be engendering by playing an administering role, and that I would want to make sure there was agreement struck to eliminate any/all liabilities.
 - The court needs a communication from Drew by Nov. 1-ish about a proposed solution. I expressed that in my estimation it is highly unlikely that a full assessment, feasibility path, pricing, and BOD consent/decision could be reached by Nov. 1 but that, upon BOD majority agreement, maybe the BOD could write a letter saying we are willing to administer the situation if certain basic parameters were met, discussed herein, also

including any things like excluding all financial liability, not guaranteeing adequate funds, etc (Barnett's \$5000.00 is likely too little to accomplish the job).

- I have visually inspected, measured, and have taken pictures of the gate issue. I advised Drew that, in my professional opinion, it is likely \$5000.00 will not be enough to complete the process, given the current inadequate construction of the gate in place and various other construction considerations. He understood that, and that would be part of the info he would tell the court. I told him I would at least bring forward a little more clarity to the rough pricing thought ready for the meeting and to be included in the next meeting's discussion if applicable.
- Drew and I discussed that maybe the BOD could resolve at the next meeting to form a small committee to write the proposed general letter and get a majority approval thereafter so the letter could be sent by Nov. 1.

(please see letter sent to Drew, next page)

October 31, 2018

To: Drew Sawchuck
JS168 Ventures Ltd.
1362 Phillips Avenue
Burnaby, BC CANADA V5A 3Z3

From: Kirk Johnson, President
Nine Mile Ranch Homeowners Association
P.O Box 332 / Oroville, WA / 98844

Re: receiving and disbursing funds for Big Horn Ridge gate

Dear Drew,

I, Kirk Johnson, on behalf of the Nine Mile Ranch Board of Directors, am offering that the Nine Mile Ranch Homeowners Association (9MRHOA) does agree to receive funds (Funds) from Lynn Barnett of Tacoma Land Company and disburse those Funds toward the construction/remodel of the existing entrance gate to Big Horn Ridge, on Canyon View Lane, under the following limitations and conditions:

1. No 9MRHOA monies will be used or affected in any way.
2. The Funds will be received and disbursed by 9MRHOA at the direction and approval of the Big Horn Ridge Management Committee (BHRMC), and 9MRHOA shall not be held responsible for consequences that result from the spending of the Funds as approved/directed by the BHRMC. All approvals for Funds disbursement shall be given to 9MRHOA in writing, such writing which may be in email form. It is understood that the Big Horn Ridge Declaration of Covenants, Conditions, and Restrictions (BHRCCRs) @ ss. 2.1 stipulate the terms upon which the BHRMC is brought into existence, such "existence" which 9MRHOA understands has not yet happened as of the date of this letter.
3. The construction/remodeling of the gate will happen under the administration of your own chosen representative/contractor, and 9MRHOA has no responsibility, obligation, or duty about this. 9MRHOA is only a payor of Funds and is in no way responsible for any contract/agreement/bill/invoice (Obligation) regarding construction/remodeling, and no Obligation will bear 9MRHOA's name or address. No payment will be disbursed that exceeds the Funds balance received by 9MRHOA, and 9MRHOA is not responsible for any payments beyond the balance of Funds available.

I hope this meets with your needs. Please let us know if there is anything we can further assist you with about this.

Sincerely,

Kirk Johnson
President, Nine Mile Ranch Homeowners Association Board of Directors

