

Special Board Meeting Minutes

Nine Mile Ranch Homeowners Association Special Board Meeting May 23, 2020

Due to the Coronavirus this Board meeting was held telephonically. Board members present; Kirk Johnson, Brian Rabe, Rick Lewis, Brett Coffman, Susan Stewart and Stacey Johnson. Also present was ACC Chair Todd Besaw.

Meeting was called to order at 11:03 am.

Motion to amend the agenda; to remove discussion about Commercial Enterprise Rule, as that appears at this moment to not be time-sensitive and can be addressed at the next regular Board meeting. And, to add discussion about Board and membership meeting protocol issues we are experiencing because of the Covid-19 pandemic. Seconded by Rick Lewis. Motion passed unanimously.

Old Business

Regarding the ditch blockage at Big Horn Ridge due to Barnett's installation of the gate. Barnett has agreed to the overall fix purposed by the Road Committee, and to also have Kirk Johnson oversee the fix. Fix is being priced right now by Tim Mason. Barnett will pay for fix.

New Business

Read into minutes motions passed via email since last meeting of March 14, 2020. Per Bylaws Article IV, Section 4:

- **Motion** made by Kirk Johnson to adopt the Domestic and Farm Animal Density Rule. Seconded by Susan Stewart. Motion passed unanimously on April 22, 2020. Rule is posted on the website.
- On March 30, 2020 an owner in Division 1 was given permission from the ACC to come into compliance with the CCR's Article IX/7 'two dogs limit' clause by way of attrition. The owner currently has three dogs and will therefore reduce to two dogs upon the third dog's death.
- **Motion** made by Kirk Johnson to add "Non Owned Auto Coverage" insurance policy and fee of \$68.00 for the remainder of this current policy year (through 4/18/21). Seconded by Stacey Johnson. Motion passed unanimously on May 16, 2020. Language in bid states: "If your association members/volunteer drives their own car for something work-related, and an accident happens, Non-Owned Auto insurance can protect you. This type of coverage is designed to provide liability coverage for bodily injuries and property damage coverage that association members/volunteer may cause while using a personal vehicle for business purposes."
- **Motion** made by Stacey Johnson to approve the 2020-2021 proposed budget submitted to the Board of Directors, via email, by the treasurer. Kirk seconded the motion. Motion passed unanimously.

- **Motion** made by Kirk Johnson on March 24, 2020; due to universal economic hardship being experienced because of the coronavirus pandemic, I move that no new late fees and interest charges be charged on all members' accounts until August 1, 2020, and that no late fees and interest charges will be retroactively charged regarding the time period of between April 1, 2020 and July 30, 2020. Motion passed unanimously.

Motion made by Kirk Johnson to amend the Enforcement Rules and Fines Schedule such that it will become in-force by way of CCRs Article IX Section 22, amending the first sentence in the Enforcement Rules and Fines Schedule to now read, “These Enforcement Rules and Fine Schedule (Enforcement Rules) for the Nine Mile Ranch Homeowners Association (Association) have been adopted by the Board of Directors (BOD) pursuant to the authority granted in RCW 64.38.020(11) and also pursuant to CCRs Article IX, Section 22.” Additionally I move that the adopted Rule is relocated on the HOA website from its current location to the category “CCRs and Legal” under “Additional Rules”. Seconded by Brett Coffman. Motion passed unanimously.

Motion made by Rick Lewis to approve expense report reimbursement to Kirk Johnson per email sent on May 20, 2020. (Reimbursement is for \$437.56. This is higher than usual as there are \$237.37 being reimbursed for rake maintenance tools) Seconded by Brian Rabe. Motion passed unanimously.

Discussion: driving on roads liability risk to HOA. What started this: a member with an apparent professional liability control and engineering background said to us his concerns regarding HOA liability generated by current road construction conditions. Researching this topic further through Okanogan County Road Dept., the internet, and personal experience the decision of the Board will be to solicit a bid for additional signs for some of the roads blind corners. The Road Committee will identify the places where signs are needed. Many of the HOA main entrance roads already have signs stating “Private Roads/No Warning Signs/20 mph”. Some signs are missing. An inventory will be taken and added to bid to be replaced. The bid will also incorporate adding “Use at Your Own Risk” to the existing and future signs. What is known as the “creek road” is considered the most “at risk” road due to blind corner and a bank that has potential of serious eroding. Kirk Johnson will make up a hand sign to warn of these issues until the bank can be fixed.

Discussion regarding whether Residential Home Rentals at the Ranch would be considered “commercial enterprises”. After considerable research and study of Washington state case law it is determined that Rentals are NOT considered a commercial enterprise, however any rental that provides an additional service, such as a B&B, is regarded as a commercial enterprise. This places the CCR enforcement regarding Rentals under the ACC jurisdiction.

Motion by Kirk Johnson to table the discussion for potential director position appointment until after the upcoming elections. Seconded by Rick Lewis. Motion passed unanimously.

Treasurer Report

Checking Account: \$18,288

Savings Account: \$17,358

CD Account: \$34,128

CD will be coming to maturity in July. Will be contacting the bank prior to that. Special assessment collection is at 88% now. Funds are still trickling in. Invoices for this coming year will be mailed next week. Paypal is all set up. Two past-due members whose current addresses were not available were found through Truthfinders background check.

Road Report

After this meeting and therefore including any results from this meeting the Road Committee will prepare a formal Road Report outlining current status and projected year road work plans.

Motion made by Kirk Johnson for \$11,000 weed spraying for spray season 2020/21. Seconded by Susan Stewart. The \$11,000 is the approved spraying amount in the 2020/21 budget. This incorporates 2 to 3 sprays. Spraying is lined up. It is possible it may be less as we have thoroughly sprayed for emergent weeds throughout the last two years. Motion passed unanimously.

Discussion regarding two spurs off of Old Tressle that have never been maintained. The Board was contacted by one of the two owners effected by these spurs, asking if the spurs are being maintained.

Facts:

- CCRs express legal duty to maintain all 60' easements and roads that appear on the maps. These spurs are indeed on the maps as 60' easements.
- The HOA has not maintained these easements for the last 23 years. Prior & current Boards have not acted upon the duty to maintain these easements.
- The HOA has not budgeted for maintenance expenditures for these spurs/easements; snow plowing, weed control, regular maintenance.
- Road Committee fielded pricing and created a final price to bring easements up to maintenance status; \$2,600.

Decision to send a letter to Lot Owner who called regarding those spurs. Letter will state explaining the facts above and that the HOA will bring spurs up to maintaining status when HOA can budget it in soon. There are other areas that need large dollar amounts invested. All of these will be identified and prioritized in a report coming soon. We will make it a high priority to bring the spurs up to standard. The plan is to mow it, spray it, and rake it to shape it up. That would bring it back to its original condition. Cost will be proposed for approval by the Board when Road Committee present breakdown of 2020/21 road work. **Motion** for Kirk to write letter to Lot Owner. Seconded by Rick Lewis. Motion passed unanimously.

Volunteer and professional raking has been done this spring with the new rake. Tim Mason raked about 2 miles in spots all around the Ranch, costing around \$800. Tim was tremendously "jazzed" about how effective the rake is. Volunteer raked Division 3 and some spot areas elsewhere. Tools for the rake were donated as well. Suggestion to pay volunteers \$40 per hour for regimented rake maintenance. We cannot pay a volunteer unless they were licensed. **Motion** made by Brett Coffman to hire out maintenance to rake manufacturer. Seconded by Stacey Johnson. Amend motion to include "other than volunteers who are willing to 'volunteer' to perform regular maintenance". Manufacturer is located between Oroville and Tonasket. Concerns that volunteer may not perform maintenance

properly. Motion amended to; all maintenance on the rake, when hired out, will be performed by the manufacturer. Motion passed unanimously. **Motion** made by Kirk Johnson that Nine Mile Ranch members, who are capable to perform rake maintenance, be allowed to perform basic, regular maintenance on the rake. Volunteers will perform maintenance according to the rake manual provided. Seconded by Brian Rabe. All volunteers, whether performing raking or maintenance, will be given a rake manual. The Road Committee will determine capability. There is now a full kit of tools for basic maintenance. Brett and Kirk donated some of the tools and some were purchased by the HOA. Motion passed unanimously.

All but \$3,600 worth of the first collection of the Special Assessment funds for gravel have been spent and placed so far, and approximately \$6,000 worth of annual gravel replenishment funds are still yet to be spent. All gravel placements are scheduled to continue but we are delaying it at this moment because of the PCI gravel being too wet to spread due to recent rains.

Current ditching/culvert maintenance is good from last fall; we were ready for this spring melt and all held up well. We will wait to spend any funds on this until later this year for what shows up as necessary. But we are and have been experienced some significant rains and therefore some wear on ditches and road surfaces, so we'll see how this goes. (one culvert in Division 7 is "plugged with fox kits")

Discussion regarding portion of Mallard Drive and Blue Grouse; whether this road section is legally the HOA's responsibility to maintain. This section of road is from 9 Mile Road to Nine Mile Ranch Division 5, with an original easement agreement between the Eders and Lynn & Marlene Barnett for maintenance of this section. This section is access for the approximately 50 Lots in Division 5. A Lot Owner brought this subject/concern to the Board; questioning whether the HOA is legally responsible to maintain the easement. Lynn Barnett was contacted to confirm whether there has been a filing to turn over maintenance to the HOA. Lynn did not remember. He felt there was a clear precedent set since the HOA has been performing and paying for maintenance for the last 23 years. Should we have Lynn complete the legal process in turning over maintenance responsibility to the HOA? This section is not called out on plat maps by survey coordinates but is indicated in other ways. This is an issue because it was raised by a Lot Owner, and the creek road will need a significant investment soon due to serious erosion. Decision to write Lynn Barnett having the HOA accept the responsibility and liability of said easement. This would benefit the HOA by avoiding legal complication if the Lot Owner who brought this forward decided to sue the HOA, and make general clarification. Also, this easement benefit 50 Lots for access. **Motion** by Stacey Johnson for the Board to produce a letter, written to Lynn Barnett, that for the benefit of Nine Mile Ranch the HOA receives absolute responsibility for the Mallard/Blue Grouse Road Sections that run through the easement known by county as filing number 841707. Seconded by Brett Coffman. Legal Committee will create the draft of letter for approval by the Board. Motion passed unanimously.

Discussion regarding meeting protocol due the Corona virus. Notice to the members, that will be mailed this week, was read out loud, stating the indefinite postponement of the Annual Membership Meeting. Board will continue to monitor the re-opening of Washington State/Okanogan County in hope of future rescheduled meeting. At this moment, Okanogan County is getting ready to submit to the Washington State Health Department to enter into partial Phase 2 which will allow only 5 people to

gather. Board will research actual viable alternatives for meetings that will provide equal opportunity for members to use and participate in meetings, if this situation appears that it will continue...if it were to run into next year annual meeting and future Board meetings. **Motion** made by Stacey Johnson to officially postpone the 2020 Annual Membership Meeting while the Board continues to monitor the situation, with notice being sent this week to all members. Seconded by Brian Rabe. Brett Coffman stated for the record that he does not agree with Washington State Guidelines; Brett believes that our meeting is “essential”. Motion passed unanimously.

Motion made by Kirk Johnson; Pursuant to RCW 64.38.035(4) that we now assemble in closed session to discuss matters involving possible violations of the governing documents of the Association, and matters involving the possible liability of an owner to the Association. Namely 1) the existing unapproved dog breeding business of the owner of Division 1, Lot 47 the recent installation of a permanent fence within the HOA easement and encroaching the HOA road by same owner. Seconded by Susan Stewart. Motion passed unanimously.

Meeting is adjourned at 12:48.

Executive session convened.

Motion made by Kirk Johnson for Stacey Johnson to contact Miller & Chase, PLLC to set up a consultation meeting regarding easement encroachment/blockage on Division 1, Lot 47, motion for \$600. Seconded by Brian Rabe. Motion passed unanimously.