

Board Meeting Nine Mile Ranch w/ Executive Session
January 10, 2026, 9:00am

Board Members in Attendance: Dan McLelland, Rick Lewis, Leo Culloo, Stacey Johnson, Akshay Bhat, Sonya Bachmann, Cole Markusen - late arrival 9:40am

Absent: Noah Brown

Committee Members in Attendance: Kirk Johnson

Owners: Andy Hill, Division 8

Meeting Called to Order at 9:02am

Motion by Leo Culloo, to accept the following meeting agenda, Seconded by Stacey Johnson, with a modification of agenda order, moving the Solicitation of Candidates to after the Executive Session. Agenda was adopted as amended, Motion passed unanimously.

Open Speaker Session, in compliance with RCW 42.30.240 & RCW 64-90-445 - (9:05am - 9:14am)

Speaker: Andy Hill

Andy Hill states that he's likely to submit one or more written complaints to the Board of Directors regarding matters affecting the common interest community in the [Nine Mile Ranch Homeowners] Association.

As an owner, Andy says he's grateful for the considerable efforts Kirk and Stacey [Johnson] have made over the years, and continue to make on behalf of the whole HOA, that their service(s) and experience(s)[are] invaluable.

As a director, Andy says he's unable to comply with [his] legal duties, he insinuates that the whole Board of Directors seems to condone unlawful actions, overlooking what he considers as discourteous, rude, and sometimes bullying tactics, in and out of meetings. Andy alleges that the Board appear unwilling to verify, challenge, or even query what Kirk and Stacey [Johnson]say.

Andy says that he communicated with some Board members, alleges that they agreed with him, felt he brought a fresh dynamic to the Board, and urged him not to resign.

Andy feels that the structure of the Board of Directors and committees [are] unhealthy, being dominated by Kirk and Stacey [Johnson], and combined together, Andy feels that the Board cannot research and discuss facts outside a meeting. Andy says they get very prickly if anyone challenges their view.

Andy questions how much of today's meetings' input has come from anywhere but Kirk and Stacey. He asks if anyone else has even been allowed to add their views, and says he's tried, but alleges that he was not allowed to even query something as trivial as a spelling mistake.

Andy says there's no formal [legal] reporting route for alleged unlawful actions by an HOA Board, that universal legal online advice suggests submitting a complaint to the Board for them to address, and notes he could not find any specific [legal] remedy for his contentions.

Andy outlines what he considers are unlawful Board of Director actions.

He alleges this meeting is illegal, citing that under RCW 64-90-445(2)(f) adequate notice of this meeting was not provided, [specifically requiring] 14 days prior to the meeting, for all owners who have not agreed to email communications, that they should have received a written notice of the meeting and the agenda. He questions whether it was posted to the online website in time. Andy also says he doesn't think you can alter it [the agenda] with just a Motion.

He does not believe that all the meeting materials were provided to the owners, that anything distributed to the Board before the meeting must be available to all unit owners.

He adds that amending the agenda [for this meeting] is an additional item.

He mentions that in an email discussion about meeting minutes, he, as a Director, proposed an amended Meeting Minutes policy. Stacey [Johnson] in the same email thread, proposed an alternative policy. That further, at the meeting, Stacey's policy is laid out as a letter-headed HOA document. Nowhere does it say draft, and because of that he alleges that it is therefore presented as a current policy. He asks what happened to the policy he suggested.

He says at the April 12, 2025 meeting, Leo Culoo brings up the fact that this new HOA documentation is coming in, and how it affects us. Stacey Johnson says it's on her list to follow up and review. I bring it up again on December 21, 2025 in time to address it, 2 weeks before this meeting. Stacey won't discuss it until the meeting. He says that Stacey's chair of the legal committee, and alleges that her role is to keep up with state legislation, feels she's completely ignorant of what he considers to be the significant changes that came into effect on the 1st of January [2026].

Andy concludes that it's for th[ese] reason(s) (he) had to resign.

1) Old Business - Dan McLelland

The Minutes of the Board meeting of October 4th, 2025, as approved by the Board, December 23, 2025 were posted to the HOA website.

Andy Hill tendered his resignation from the Board, December 21, 2025 via letter to the Board President, Dan McLelland, and was accepted December 22, 2025

2) Website - Cole Markusen

Dan McLelland asks that we address this agenda item when Cole Markusen is able to join us. So, the item appears after Treasury Updates.

3) ACC Business – Rick Lewis

Motion by Rick Lewis, to adopt a Policy regarding the Architectural Control Committee (ACC) records storage and access. Seconded by Stacey Johnson, Leo Culloo asks who has backup access to files in the event that Akshay Bhat becomes unavailable. Motion withdrawal pending establishing a backup access person. Rick Lewis will coordinate with Akshay and Roshni Bhat, and will revisit policy at the March 7, 2026 meeting.

Suggested policy - That any and all official records and communications between the ACC and members be uploaded and stored in Google Drive, which is a cloud-based storage system, with the following administrative and access features:

- 1) The data storage is only accessible by ACC members via their specific designated email accounts.
- 2) That access is granted and controlled only by an officially-designated Board of Director (BOD) member, and that that BOD member be Akshay Bhat until the BOD resolves otherwise.
- 3) That the data is secure from access beyond those designated therein.
- 4) That access shall be redacted for any member that leaves the ACC committee. The ACC chair is to let the designated BOD member know of any changes promptly.
- 5) Cole Markusen will act as a backup data controller.

Motion by Rick Lewis, to adopt a Policy for the Architectural Control Committee (ACC) which outlines how the ACC processes Resident Construction Applications. A two tiered application, one for residence, and one for accessory applications like fencing, driveway, outbuildings. Looking to standardize and streamline the process. Rick is also developing boilerplate communication letters. Motion withdrawal, Rick Lewis will revisit policy at the March 7, 2026 meeting.

Rick Lewis asks if these changes can be made, accepted, and approved through an email communication, or whether they must be discussed and approved in a Board Meeting. Dan McLellan responds that he appreciates the efforts, and through discussion the Board determines that we will review the documents via email, and be prepared to discuss and approve at a Board meeting, prior to posting on the website.

Suggested policy - Submission Process to ACC for Residence Construction (Policy)

- 1) Lot Owner submits a completed ACC Application for Plan Approval to the ACC indicating intent to construct a single-family residence. Plans for construction shall also be submitted, which must include adequate information indicating that the proposed construction will include a minimum of 900 square feet, exclusive of porches, garages and carports.
- 2) ACC shall review the Lot Owner's submissions and issue a conditional approval of the application if the ACC reasonably assesses that the proposed construction will likely include a minimum of 900 square feet.
- 3) Within 30 days of the Lot Owner receiving it, the Lot Owner shall provide to the ACC a copy of the final county-issued Okanogan County New Residence Building Permit 'blue sheet'. The ACC will add together the factors on the 'blue sheet' titled, "SQ. FT. Main Floor" and "SQ. FT. [additional floors, if applicable]" to verify that they all add up to no less than 900 square feet. If the factors do add up to at least 900 square feet then the ACC will issue a final approval to the Lot Owner for proposed construction.
- 4) If they have it already, Lot Owners may submit a county-approved 'blue sheet' (discussed in step 3 above) along with initial ACC application (discussed in step 2 above) and therefore receive final review and approval of construction at the time of initial submission.
- 5) The above standards and submission process also serve to satisfy the Lot Owner's intent to comply with CCRs, Article IX, Section 13, that construction complies with all zoning and building regulations of Okanogan county.

4) Treasury Updates and Business - Stacey Johnson

Stacey Johnson states our financial report with \$53,000 in Checking, \$19,578 in Savings, \$35,714 in CD, and \$3,370 in Reserve Checking.

Motion by Stacey Johnson, to transfer \$2608.00 from Checking to CD Savings for the 2024-2025 approved budgeted amount for inflation adjustment, Seconded by Rick Lewis, Motion passed unanimously.

Motion by Stacey Johnson, to transfer \$10,301.00 from Checking to Reserve Checking for the 2024-2025 approved budgeted amount for completing repairs in the No-Plow Road areas. This will bring the balance to \$13,671.00 Funds will be transferred back to checking when it's time to pay the work invoices. Repairs will be scheduled in Spring 2026 as vendors and materials become available. The Road Manager, Kirk Johnson, expects that all the outstanding work will be completed on the No Plow areas. Seconded by Rick Lewis, Motion passed unanimously.

Stacey mentions that she had received a \$100.00 deposit. Wells Fargo had received a check from someone directing it to be deposited into our checking account. Stacey was able to track it down to the correct owner, and apply it to their account.

Stacey also updates us on our largest owing past due owner, \$2,139.00, which includes interest, late fees, and the lien fees. The County has had some confusion regarding the parcel numbers, and so the foreclosure process has been delayed. This owner hasn't ever paid our HOA dues or County property taxes.

Motion by Stacey Johnson, to delay the approval of an engagement letter for the audit, Seconded by Rick Lewis, motion tabled until March 7, 2026 Board of Directors meeting.

The CPA firm that we use for audits and tax returns informed us that RCW 64-90 requires us to perform the audit without the option of the members waiving the audit. Stacey shared this with the Board at the September 2025 meeting. Further research shows they were incorrect.

Stacey will write up a report to demonstrate that we can still have the membership to waive the audit, and send it to the Board prior to the March 2026 meeting, where we can evaluate and discuss it. Course of action needs to be determined prior to the Annual Membership Mailing that goes out May 1st, as this would be a ballot item. Stacey has sent an email to the CPA firm stating that it looks like we can still put out a vote to waive the audit, and unless they can prove otherwise, we will connect after the vote.

~~Andy Hill is recognized by Dan McLellan and says that he agrees with Stacey, that the CPA firm's July 7, 2025 post is still there [indicating that we need to do an audit], but that if their Blog posting is reviewed, that the audit is only required after 2028 in certain circumstances. Andy continues to say that as an owner, he emailed the CPA firm to tell them to update their Blog, with no response.~~

Leo Culloo points out that the Board has already had an open session for non Board members to comment, and asks whether previous comments should be removed.

Stacey reminds us about the procedure of using Robert's Rules in making a motion. That the motion should be made, and seconded, which opens it up for discussion.

Motion by Stacey Johnson, to approve the 2026-2027 proposed budget using the “actual” column of the three columns in the proposed budget, Seconded by Rick Lewis, Motion passed unanimously. This was amended further down in the meeting. **Amended Motion** by Leo Culoo, to amend the earlier motion accepting the “Actual” budget column, to now replace and approve the 2026-2027 proposed budget using the center “Per MAAR” column of the three columns in the proposed budget, Seconded by Akshay Bhat, Motion passed unanimously.

Leo Culoo asks Stacey Johnson what the difference in the assessment rate will be. The “Actual” column, with no rate increase would be \$363.70 per owner parcel, the “Per MAAR” column with a 1% rate increase, for inflation, would be \$368.53 per owner parcel. The 2025 cost was \$ 370.43 per owner parcel. This includes Voting Item #3 from the 2021 Ballot, which was for the Road Maintenance Fund and expires at the end of fiscal year 2026/2027.

Stacey asks if there are any other adjustments, or questions regarding the budget, and clarifies that this means we’re not raising the dues.

Cole Markusen asks if there are any additional line items we should plan for. Stacey says that sometimes things like Liability Insurance could increase, but that she won’t know before setting the budget. Other items like Quickbooks may have a small \$ 10.00 increase. Stacey also mentions the \$2,700.00 we have budgeted for the audit, that we may not have to use.

Stacey asks Dan McLelland if he can put the Proposed Budget sheet up on the screen, but Dan doesn’t have the ability, so Kirk Johnson asks him to email it to Andy Hill so that as an observer he has the same information available to review. The budget was emailed to the Board on December 17, 2025

2) Website - Cole Markusen

Cole Markusen starts by saying that we had chatted previously about updating some of the content on the website, and the usability of the website. He says that he wanted to have a further discussion with the Board, and potentially make a motion of creating a committee to make broader decisions.

Cole continues to report that he has recently updated the security, which was behind on a number of versions, and also made the website more modern.

Motion by Cole Markusen, that the Board authorizes the modernization and maintenance of the association’s website to ensure that it remains accurate, secure, and accessible to the homeowners. He also asks for the Board to establish a temporary website committee, to make non-binding recommendations regarding the website’s content, structure, updates, and subject to the Board’s final approval. Seconded by Stacey Johnson, Motion passed unanimously.

Dan McLelland asks that Cole Markusen wants to establish a temporary committee. Cole

admits that his background is a bit more technical, and doesn't want to exceed the future adjustments that would be user friendly. Kirk Johnson suggests a director amends the motion to include committee names. Cole asks if anyone wants to join. Stacey Johnson asks that the entire Board look at the website and be prepared to suggest ideas at the next meeting. Stacey offers to dialog changes with Cole as she was instrumental in originally setting up the website. Dan suggests that everyone take a look and submit ideas about changes or navigation they think would be beneficial. Rick Lewis asks about a motion to form a committee, and Kirk suggests adding in names. Rick volunteers to add his name, so the committee is Cole Markusen, Stacey Johnson, and Rick Lewis. It's decided that Stacey and Cole will meet in person, and converse with Rick via the telephone. Leo Culoo verifies that Cole, Stacey, and Rick will be working in the committee as committee members, not Board members. Cole says that they will bring forth suggestions to the next Board meeting.

Action: Board members, please review the website and send observations, suggestions, or possible changes to Cole Markusen.

5) Lot Occupancy Committee - Kirk Johnson. Draft Policy

The Lot Occupancy committee has completed its work about this subject. Kirk Johnson emailed out a Draft updating the proposed Lot Occupancy Policy on December 11, 2025 Kirk requested that Dan McLelland make sure that our observer, Andy Hill, has a copy available for reference. Andy affirms that he has the documents.

Kirk explains that there are two yellow highlighted phrases which refer to additional separate Policy/Rule updates; one is updating the Enforcement Rules and Fines Schedule, the footnotes are for review and discussion, but may be removed. Rick Lewis asks why take out the footnotes, and Kirk explains that if the policy is adopted, then the footnotes become moot.

Motion by Stacey Johnson, to adopt the Lot Occupancy Policy, Seconded by Leo Culoo, Motion passed unanimously.

Stacey Johnson asks if the Policy needs to be amended prior to posting on the website, and Kirk replies that it's ready to post.

6) HOA Meeting Minutes Policy - Stacey Johnson

Motion by Stacey Johnson, to adopt the revised updated Meeting Minutes Policy, Seconded by Cole Markusen, Motion passed unanimously.

Stacey Johnson emailed out a revised and updated Meeting Minutes Policy, Kirk Johnson requested that Dan McLelland make sure that our observer, Andy Hill, has a copy available for reference. Andy affirms that he has the documents. Kirk asks if the version the Andy Hill referenced earlier was also sent out to the Board. Dan McLelland confirms that it was. Stacey

notes from the time we were able to assume Board ownership from Lynn Barnett, that we have constantly strived to improve our process and methods.

Action: Stacey Johnson will remove highlights, and send the Policy to Cole Markusen for posting on the website.

7) Current Applicable State Laws to 9MR HOA 9 (V,3) - Kirk Johnson

Kirk Johnson says that he would like the opportunity to address a couple of our Observer Andy Hill's earlier allegations. Kirk reminds us that Andy insinuated that our Board is acting illegally in its conduct of this meeting. Andy had cited RCW 64-94-45(2)(f), which requires that notice be given prior to this meeting in due time ahead. Kirk recalls that this meeting is a regularly scheduled meeting, and through discussion reveals that these meeting dates are set in September 2025 for the next year, running through September 2026. Kirk asks if the meeting dates are included with the Annual Meeting notice. Akshay Bhat affirms that the meeting dates are not included in the June 2025 Annual Meeting notice.

Kirk asks Dan McLelland if the agenda was posted to the HOA website, Dan confirms that it was posted. Kirk continues, asking if the materials were made available to Andy Hill, and although Kirk asked, and Dan offered to send them, Andy confirmed that he had the materials we reviewed.

Kirk also talks about Andy's concern that the meeting agenda was amended. Kirk mentions that the Courts historically would consider the inability of an association to amend their agenda unduly burdensome and unrealistic. Kirk notes that the amendment was brought forth before the comment period, so that the speaker did have an opportunity to address anything in the agenda, which is the nature of why an agenda is published ahead of time.

Stacey Johnson says that we didn't change or add to the agenda, we simply moved an item down the agenda to accommodate a late arrivals ability to participate.

Akshay Bhat follows up with a suggestion that we could incorporate sending a notice of meetings, and also be diligent about posting meeting materials to the website. Kirk Johnson says that best practices would be to have materials available with as much lead time as possible.

Stacey Johnson says we need to talk regarding the changes that have come into play, which is. RCW 64-38-100. If the governing documents of an association provide for a lien on the lot of any owner for unpaid assessments, then No later than 30 days after the assessment becomes past due, an association must provide a notice of delinquency to the lot owner's first class mail that meets the following criteria.

Stacey says she can include the monthly statements, but it basically lets owners know that we can foreclose. Stacey also has to include information from the Housing Finance Commission

and the State Attorney that is associated with this for them to protect their interests. Given the fact that we have the ability to foreclose, per our CC&Rs, it makes sense that we would need to send out notice. Stacey says she'll work on an educational notification informing our owners this is a legal requirement, and start sending out with her regular notices and statements.

Kirk Johnson summarizes that all past due owners must be notified of risk of lien within 30 days of initial past-due date.

Action: Stacey Johnson to write up suggested notification verbiage to include with future correspondence, billings, and statements. She will have it ready for discussion at the March 7, 2026 meeting.

Stacey Johnson reports that our collectibles are in really great shape. With just two large delinquent accounts, the next step would be small claims court. The owner last year who was in arrears \$3,000.00 is now down to \$300.00 Stacey feels that our Collection Policy is really helpful.

Akshay Bhat points out that the 2025 Fall Newsletter includes mention for owners to help the HOA by attending the Board meetings. He says we could include more specific access instructions with future publications.

Action: Update newsletter(s) and Annual Mailing(s) with more specific access instructions for attending Board meetings. Perhaps set the next year's Board meeting schedule, so it can be published and distributed to those owners only receiving communications via USPS mailings.

8) Road Report Review and Road Business - Kirk Johnson

Kirk Johnson reports that the local manufacturer of our road rake has closed. Kirk thought it would be valuable to secure additional rake tines, as they occasionally break. We broke two (2) last year. Kirk was able to locate a manufacturer in Spokane, Washington, who made them originally. When the rake was purchased, the HOA had 10 extra tines, we've used two (2) in five (5) years, and this will give us 14 extra. These are currently in Kirk's possession.

Motion by Leo Culloo, to purchase six (6) additional rake tines for \$ 385.00, Seconded by Cole Markusen, Motion passed unanimously.

Rick Lewis asks about any other rake parts that might be subject to failure, but Kirk says that the tines are the only unique part, that the rest are standard and available aftermarket. Rake might also need at some point custom repair fabrication from a welder or something to that effect.

Cole Markusen asks if the tines had broken on donnikers, or just wear and tear.. Kirk Johnson explains that the tines are in constant use, and expects that snagging on the rocks broke them, suggesting that there could have been slight weakness or imperfection in their original

tempering. Kirk asked Tim Roberts about his rake, and had the same experience, with very few losses.

Kirk Johnson received a telephone call back from Basin Tree Service about having them analyze our roadside tree trimming needs. Kirk had reached out to them six (6) months ago to get some pricing and suggestions. Kirk included Bill Burman from the Road Committee, and they met up with Basin and drove a couple of the main areas to review for pricing. Kirk will report back to the Board when he receives a quote for the roadside [easement] tree trimming, which is easement maintenance. Roadside easement maintenance [#6471] in the budget, and would take us several years to save for the work that needs to be completed.

Stacey Johnson re-considers that our budget might better be served by including the figures created from the MAAR calculations. MAAR is the Minimum Annual Assessment Rate, and for fiscal year 2026-2027 would raise the regular calculated rate 1% to meet with actual calculated categorical increases, and would allow for a small financial buffer to build. Stacey reminds us that the actual annual assessment rate for fiscal year 2026-2027 would go **down** compared to our current fiscal year due to the expiration of the 1-year \$10.00 per-lot raise that was in the current year.

Amended Motion by Leo Culoo, to amend the earlier motion accepting the “Actual” budget column, to now replace, and approve the 2026-2027 proposed budget using the center “Per MAAR” column of the three columns in the proposed budget, Seconded by Akshay Bhat, Motion passed unanimously. [Agenda item 4]

Leo Culoo asks Stacey Johnson what the difference in the assessment rate will be. The “Actual” column, with no rate increase would be \$363.70 per owner parcel, the “Per MAAR” column with a 1% rate increase, for inflation, would be \$368.53 per owner parcel. The 2025 cost was \$ 370.43 per owner parcel. This includes Voting Item #3 from the 2021 Ballot, which was for the Road Maintenance Fund and expires this year.

Action: Stacey Johnson will write up a new budget and send it out to the Board.

9) Motion to Move to Executive Session - Dan McLelland 11:15am - 11:33am

Motion by Dan McLelland, to Move to Executive Session to have discussions responding to a member driving erratic on NMR HOA and Department of Natural Resources roads, and a Board of Directors resignation, Seconded by Stacey Johnson, Motion passed unanimously.

Motion by Dan McLelland, to Leave Executive Session and return to open session, Seconded by Rick Lewis, Motion passed unanimously. Owner Andy Hill had asked to be contacted, and Sonya Bachmann sent him an email. Andy reconnected and joined the meeting.

Summary of Executive Session:

A decision was made to send a letter to an owner who has been driving erratically on NMR HOA and DNR roads, which is in violation of CC&Rs.

President Dan McLelland presented that Board member Andy Hill had tendered his resignation via email on December 21, 2025, and the Board acknowledged it, with unanimous support for Kirk and Stacey Johnson's contributions and involvement in Board and HOA committees.

Solicitation of Candidates - Stacey Johnson

Motion by Stacey Johnson, to approve the Letter of Solicitation of Candidate letter and Form, Seconded by Rick Lewis, Motion passed unanimously.

Leo Culloo asks how many positions are open. Stacey Johnson responds that we have two positions expiring this year, Dan McLelland (President) and Sonya Bachmann (Secretary) which are two (2), three (3) year positions. We also have one (1), one(1) year position open to fill the vacancy.

Motion by Stacey Johnson, to approve \$ 200.00 for printing and mailing the Letter of Solicitation of Candidate letter and Form, Seconded by Rick Lewis, Motion passed unanimously.

Action: Stacey Johnson will coordinate with Akshay Bhat and Cole Markusen to post to the website. Stacey will get the email list from Akshay, and let Cole know when she has mailed the letter so he can post to the website.

Action: Akshay Bhat asks Stacey Johnson to include a reminder that the Board meeting schedule information and access for members to participate is on the website, with a reminder about posted meeting agendas.

Motion by Stacey Johnson, to include a notification about our Board meetings and protocols, where to find the information posted on our website, that there's an open session available to voice ideas, or that they can contact the President or Board if they want to suggest an addition to the meeting agenda, in the Letter of Solicitation of Candidate letter and Form mailing, Seconded by Rick Lewis, Motion passed unanimously.

Kirk Johnson recommends adding "Notices" at the top/heading of the Letter of Solicitation of Candidate letter.

Motion by Dan McLelland, to adjourn the meeting at 11:50am, Seconded by Rick Lewis, Motion passes unanimously.

Next Meeting March 7th, 2026, Zoom Invitation and Agenda to follow.