

April 14, 2019

**Point Richmond Ridge Homeowners Association
Board of Directors Meeting
(Action Items in Red)**

Location: Gig Harbor Library Meeting Room and H. Herzberger Residence

Scheduled Time: 1530 (Pushed to 1545 by Library)

Call to Order: Called to order by R. Lee at 1550

Roll Call:

BOD: R. Lee, S. Treese, and N. Ecker

ACC: P. Lee (Lot 50), P. Schreiner (Lot 29), and H. Herzberger (Lot 52)

1. Reading/Review/Amend of Previous BOD Meeting Minutes
 - a. R. Lee moved to dispense with reading of the previous BOD minutes. N. Ecker seconded. Approved unanimously.
 - b. R. Lee moved to accept the 2 February 2019, BOD minutes. N. Ecker seconded. Approved unanimously.
2. Reading/Reviewing/Amending BOD Meeting Agenda
 - a. R. Lee asked about amendments or changes to agenda (Attached Exhibit A)
 - b. H. Herzberger requested addition of:
 - i. Discussion of invoice payments – Added as New Business
 - ii. Discussion of ACC Membership – Included in Old Business, Item D1
 - c. P. Lee requested addition of “New Complaints” discussion under New Business. This was considered to be included under New Business, item D
 - d. It was agreed that items on the agenda would be discussed in a different order to accommodate the schedules of attendees. The actual discussion order is reflected in these minutes.
3. Officers’ Reports:
 - a. President
 - i. R. Lee thanked attendees for accommodating meeting on short notice. This was best available time option.
 - ii. R. Lee will be traveling from 23 April to 1 June. During his absence, items which would normally come to his attention, will be directed to S. Treese.
 - iii. **S. Treese will develop agenda and schedule for open BOD meeting** currently scheduled for 2 June. **R. Lee is trying to get this rescheduled to 8 June.** Will know by April 20 if it can be rescheduled. Issue is available meeting spaces.
 - b. Vice President
 - i. S. Treese will discuss his items under Old Business, item A.
 - c. Secretary
 - i. Not present
 - d. Treasurer
 - i. Not present
 - e. ACC-Liaison
 - i. N. Ecker reported that removal of fallen trees in Tract J completed. N. Ecker and J. Waterston repaired gate. (Agenda Old Business, item D2)
 - ii. An unused basket ball hoop was removed from one yard without having to send a letter.
4. Old Business
 - a. Status: Governing Documents Changes

- i. S. Treese reviewed the proposed approach to revision of HOA governing documents. The proposal is attached as Exhibit B.
 - ii. Articles of Incorporation (Articles) appear to be a little easier to amend. This activity is targeted for 2019. Only simple revisions to bring the Articles up to date and eliminate the original HOA formation language are proposed. Amendments adopted by the BOD require 2/3 vote of the membership. Amendment is proposed instead of “restatement”.
 - iii. Maintenance and Protective Covenants (MP&Cs) are more complex to amend, since no clause was included to provide for amendment. There are several corrections needed, elimination of initial formation language, and conformation to current regulations. By law, these cannot be amended to deviate significantly from the original intent. This document should have been called Conditions, Covenants, and Restrictions (CC&Rs), since that is the regulation that governs it. An additional objective was added to the proposal to add a clause to the M&PCs to permit future amendments. The original Covenants omitted this clause. These activities are targeted for 2020-2021. Approval of amendments requires input and a vote of the membership, although the required % is unclear.
 - iv. Bylaws can be amended at any time. The plan is to maintain the original intent and bring the language up to date, eliminating reference to the original formation. We would also like to allow electronic communications and voting. Amendments to the bylaws would be developed with community input and voted on by the community. This activity is targeted for 2021. Approval is by simple majority of a quorum (25%).
 - v. Assistance of our HOA’s attorney will be requested to ensure the amendment procedures, wording, and approval percentages are correct and for recording the amended documents.
R. Lee and S. Treese will meet with attorney to confirm legal requirements and identify any other requirements for amendments.
 - b. Office 365 Transition
 - i. This item was deferred.
5. New Business – Moved up in agenda to accommodate schedules
- a. Agenda New Business, Item D – ACC Communications and Organizational Issues
 - i. P. Lee and H. Herzberger are mentoring new ACC members into their positions.
 - ii. There are 6 ACC members currently.
 - iii. Clarification of expectations from the ACC: on issues that require funding or decisions, the ACC is expected to proposed action plans to the BOD for approval.
 - iv. Communications issues within the ACC were discussed. **Ensure all members of the ACC are informed and can participate in decisions.** Not all ACC members may be included in the lines of communications presently.
 - b. Agenda New Business, item B - Identification of HOA Member for BOD Secretary Position
 - i. We need to identify a new person to act as Secretary for the BOD to replace M. Moran. She has agreed to stay on a few months; but will not be able to continue as Secretary.
 - ii. **The BOD members will solicit interested PRR members for the Secretary position.**
6. The meeting segment at the Gig Harbor library was adjourned by R. Lee at 1700, since the library was closing. The meeting was reconvened at H. Herzberger’s home at 1730 to continue discussions.
7. New Business (Continued)
- a. Agenda Item C – Potential Additional HOA Budget Items
 - i. Winter Road Cracks: **ACC will identify road cracks requiring repair before the next freeze. Will propose repair plan to BOD for approval.**
 - ii. Snow Removal: R. Lee moved that the **BOD identify a budget line item for snow removal in the next budget.** Seconded by N. Ecker. Approved unanimously. Recognized that this is a change from prior practice during discussion. The safety issues with our roads being essentially inaccessible were a major concern. Incremental cost is \$36/year/homeowner

(\$3000/83 owners). If budget is not used in a given year, it could be rolled over to the next year. Criteria will be set for the conditions under which snow removal will occur (e.g. inches of snow). **A contract would be put in place with a snow removal company before the next winter.**

- b. Agenda Item E – 134th Street and 137th Street Entrance Brick Cleaning: Bricks at these entrances need to be pressure-washed to remove hardness deposits and then resealed. **ACC will coordinate a work party to accomplish this.**
 - c. Agenda Item F – 134th Street Entrance Beautification: **ACC is to propose a plan to improve the appearance of this entrance.**
 - d. Agenda Item G – HOA Mailbox Door Springs (for Large Doors): H. Herzberger purchased springs to replace stretched springs currently on the large parcel doors on the mailboxes to keep water out. **N. Ecker and H. Herzberger will set up a work party to install the springs. R. Lee made a motion to reimburse H. Herzberger for the replacement springs (H. Herzberger to provide invoices to R. Malady).** Seconded by N. Ecker. Unanimously approved.
 - e. Agenda Item H – Other: No items identified.
8. Old/Unfinished Business (Continued)
- a. Item C – Review Disposition of Newsletters: It was agreed in Feb 2019 that Newsletters would be published on our PRR HOA website. It has been noted that many residents are not aware of the Newsletter and do not visit the website with any frequency. The online publication will continue to be the practice. It was suggested that we send out a **reminder on the Facebook page whenever a Newsletter is available in the future.** More people seem to follow the Facebook page.
 - b. Item D4 – Community Irrigation Systems Backflow Assembly Testing Program: The “BAT Lady,” Jennifer Mercado, has been contacting and scheduling testing for people who she tested previously. We did not have a list of who was included. Some residents, like S. Treese, have added a sprinkler system since the last testing, so will need to contact her separately to get on the list.
 - c. Item D3 – Tract G Trees: It is unclear what is proposed and what the plan is on the issue with the Admiralty Ridge resident complaint. The **BOD wants a formal proposal from the ACC, with supporting documentation, on the appropriate response to the complainant.** Since **R. Lee has been acting as the interface with the complainant, he will continue in that capacity.**
 - d. Item D1 – There are questions about the ACC membership and communications within the committee (as noted earlier). One member also felt they were not seeing communications or were not participating in the decision-making process. R. Lee recommended that T. Cooney call a meeting of all **ACC members to confirm the membership and provide the membership to the BOD,** through N. Ecker.
9. The BOD meeting was adjourned at 1910 by R. Lee. Action items are summarized in Exhibit C.

Attachments:

- Exhibit A: April 2019, PRR HOA, BOD Meeting Agenda
- Exhibit B: PRRHOA, Approach to Updating Governing Documents
- Exhibit C: Action Items Summary, BOD Meeting, 14 Apr 2019

S.A. Treese, 4/15/19

Exhibit A

April 2019

**Point Richmond Ridge Homeowners' Association
Board of Directors Meeting**

Date: April 14, 2019

Location: Gig Harbor Library Meeting Room

Scheduled Time: 3:30PM

Call to Order:

Roll Call:

Reading/Review/Amend of Previous BOD Meeting Minutes.

Reading/Review/Amend of BOD Meeting Agenda.

Officers' Reports:

- A. President
- B. Vice President
- C. Secretary
- D. Treasurer
- E. ACC-Liaison

Old/Unfinished Business:

- A. Status: Governing Documents Changes – Steve Treese.
- B. Office 365 transition (SharePoint/Outlook) – Rex Cory.
- C. Review: Disposition of Newsletters.
- D. ACC Items for review/discussion.
 - 1. Current ACC Membership Confirmation.
 - 2. Tract J Trees - Fallen Trees; Completed?
 - 3. Tract G Trees - Potential Hazard/Action Plan; Status?
 - 4. Community Irrigation Systems' Backflow Assembly (DCVA) Testing Program; Clarification.

New Business:

- A. Agenda for June 2019 Open HOA Meeting.
- B. Identification of HOA Member for BOD Secretary Position.
- C. Potential Additional HOA Budget Items.
 - 1. Winter Roads Cracks.
 - 2. Annual Snow Removal.
- D. ACC Communication/ "Coca-Cola"– ACC.
- E. 134th Street & 137th Street Entrance Brick Cleaning. – ACC.
- F. 134th Street Entrance Beautification. – ACC.
- G. HOA Mailbox Door Springs. – ACC.
- H. Other - as Identified by ACC Members.

Meeting Close/ Adjournment:

Exhibit B

Point Richmond Ridge Homeowners' Association Approach to Updating Governing Documents

S.A. Treese, 4/11/19

1. Articles of Incorporation
 - a. Objectives:
 - i. No substantive changes
 - ii. Update the incorporator
 - iii. Update registered office and agent
 - iv. Update the directors and references to original organization
 - v. Update the wording on the officers (more general)
 - vi. Make multiple spelling and grammatical corrections
 - b. Can be amended or restated (RCW 24.06)
 - i. Requires BOD vote on "resolution to Amend"
 - ii. Publish Resolution to members – written, meeting required
 - iii. 2/3 vote required for approval
 - iv. Once approved, can file with Secretary of State
 - c. Timing: This could be accomplished in 2019
2. Maintenance and Protective Covenants
 - a. Objectives:
 - i. Minimal changes to substance, conform to practice
 - ii. Cannot amend the MP&Cs in any way that conflicts with original intent
 - iii. Maintenance provisions are perpetual, so no need for revision
 - iv. Eliminate reference to original formation and people, including ACC members
 - v. Clarify intent to include current as well as future residents
 - vi. Update protective covenants to be consistent with practice (e.g. allow stone facing on homes, allow ACC flexibility in some areas) and current law
 - vii. Correct numerous grammatical and spelling errors
 - b. Change procedures
 - i. MP&Cs (normally called CCRs) can be extended past 2022 by vote of 42 homeowners – no other provisions for amendment are included
 - ii. The BOD can legally change the MP&Cs for changes to applicable law – like allowing political signs, solar panels, or US flag display – if we don't, the law applies anyway
 - iii. Per the regulations I could find, since there is no provision for amendment, the MP&Cs must be amended by unanimous vote on a resolution adopted by the BOD. We need to have a lawyer confirm this. I'm surprised at such an unachievable requirement.
 - iv. The M&PCs should have really been CC&Rs. "M&PCs" are not recognized in HOA regs.
 - c. Timing: This will take time – mostly to try to figure out how to amend them. I would address it in 2019-2021. We need to have the extension completed by 13 Jan 2022 as a minimum.
3. Bylaws
 - a. Objectives:
 - i. No changes to original intent
 - ii. Conform the bylaws to practice
 - iii. Eliminate references to original people and initial formation of HOA
 - iv. Allow electronic voting and communications
 - v. Clarify a few points under Obligations of Owners (Section 7)
 - b. Change procedures:
 - i. Bylaws can be changed by BOD vote and reissued. Last done in 2016.
 - ii. BOD adopts proposed, amended bylaws – publish intent to amend with text of changes
 - iii. Solicit community input on proposed amendments – townhall meeting?
 - iv. Homeowners vote on amendments – simple majority of members represented; quorum is 25%
 - c. Timing: These changes could be accomplished in 2021 (or earlier).

Point Richmond Ridge Homeowners' Association

Proposed Process to Amend Organizational Documents

Revising Articles of Incorporation				2019												2020												2021											
Step	Basis	Description	Lead?	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D			
1	RCW 24.06.190	Summarize the required changes to the Articles	Treese																																				
2	RCW 24.06.190	Develop proposed wording for amendments	Treese																																				
3	RCW 24.06.190	Verify Wording with Lawyer	Treese, Lawyer																																				
4	RCW 24.06.190	BOD approval of resolution to amend the Articles	BOD																																				
5	RCW 24.06.190	Inform all homeowners of proposed amendments and of voting at annual meeting	BOD																																				
6	RCW 24.06.190	Vote on amendments at annual meeting	BOD																																				
7	RCW 24.06.195	If approved by 2/3, develop articles of amendment	Treese, Lawyer																																				
8	RCW 24.06.200	File articles of amendment with Secty of State, articles are effective on date of filing	Lawyer																																				

Revising Maintenance and Protective Covenants				2019												2020												2021											
Step	Basis	Description	Lead?	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D			
1		Summarize the required changes to the M&PCs	Treese																																				
2		Develop proposed wording for amendments - community input	Treese, HOA members																																				
3		Verify Wording with Lawyer	Treese, Lawyer																																				
4	M&PCs, PP 6	BOD adopt resolution to extend the M&PCs to 2047 (25 yrs)	BOD																																				
5		Notify all homeowners of proposed extension and meeting for approval	BOD																																				
6		Vote on extension at annual meeting	BOD																																				
7		If approved by 42 owners, develop articles of amendment	Treese, Lawyer																																				
8		File approved extension with Secretary of State	Treese, Lawyer																																				
9		BOD adopt resolution to amend protective covenants (PCs)	BOD																																				
10		Notify all homeowners of proposed changes to PCs and meeting for approval	BOD																																				
11	RCW ???	Determine requirements for approval of amendments to PCs	Treese, Lawyer																																				
12		Vote on amendments to PCs at annual meeting	BOD																																				
13		If approved by ???, develop articles of amendment	Treese, Lawyer																																				
14		File approved amendments with County Recorder	Treese, Lawyer																																				
15		Publish revised M&PCs to community	BOD																																				

Revising Bylaws				2019												2020												2021											
Step	Basis	Description	Lead?	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D			
1	Bylaws 8.1	Summarize the required changes to the Articles	Treese																																				
2	Bylaws 8.1	Develop proposed wording for amendments	Treese																																				
3	Bylaws 8.1	BOD approval of resolution to amend the Bylaws	BOD																																				
5	Bylaws 8.1	Inform all homeowners of proposed amendments and of voting at annual meeting	BOD																																				
6	Bylaws 8.1	Vote on amendments at annual meeting	BOD																																				
7	Bylaws 8.1	If approved by simple majority, develop amended bylaws	Treese																																				
8	Bylaws 8.1	Publish revised Bylaws to community	BOD																																				

Exhibit C – Action Items

Item #	Action Required	Who?	When?	Status
1	Develop agenda and planning for HOA open BOD meeting on June 2, 2019.	S. Treese	6/2/19	
2	If possible, move HOA open BOD meeting to June 8, 2019	R. Lee	6/8/19	
3	Meet with attorney to confirm legal requirements and identify any other requirements for amendments to governing documents.	R. Lee, S. Treese	8/1/19	
4	Verify ACC membership and inform BOD of members.	T. Cooney, N. Ecker	6/8/19	
5	Develop a plan to ensure all members of ACC are informed and can participate in decisions.	T. Cooney, N. Ecker	7/1/19	
6	Solicit and approve replacement for BOD Secretary among residents.	BOD	8/1/19	
7	Identify road cracks requiring repair before the next freeze. Propose repair plan to BOD for approval.	ACC	8/1/19	
8	Include a line item in the 2020 HOA budget for snow removal. Arrange contract before winter.	R. Malady, ACC	11/1/19	
9	Coordinate work party to clean bricks at entrances to PRR.	ACC	8/1/19	
10	Propose beautification enhancements for the 134 th St entrance to PRR.	ACC	8/1/19	
11	Reimburse H. Herzberger for mailbox door replacement springs (Pending receipts/invoices).	R. Malady	7/1/19	
12	Install mailbox replacement door springs.	N. Ecker, H. Herzberger	8/1/19	
13	Reminder on Facebook page whenever a Newsletter is posted on PRR website.	TBD	Ongoing	
14	Tract G Trees - Formal proposal, with supporting documentation, on the appropriate response to the Admiralty Ridge complainant.	ACC	7/1/19	
15	Tract G Trees – Inform Adm. Ridge complainant of plan for trees after adoption of plan.	R. Lee	8/1/19	