

Sky Meadows Ranch Country Club Association

Board of Trustees Meeting

Oct. 21, 2006

Un Approved Minutes

Meeting opened at 9:02AM in the Sky Meadows Lodge .

1.Present: Joyce Munson, Irene Burke, Dale DeGour, Kris Johnson.

2.Absent: Bob Swenson, Steve Locati, Dave Anderson, John Tedeschi, Bill Ring.

3.President Remarks: Irene Burke is Acting President. There is no quorum so no motions can be made. The President position can not be voted on until a quorum is present. There was an expectation from Board members' emails that the meeting would have a quorum today but that didn't happen.

The attorney for the Conrad Pederson vs. Sky Meadows lawsuit has been changed due to the professional liability insurance company's requirement. The new attorney is from the firm of Lee Smart in Seattle. The insurance company only uses that firm for defense of cases in this state.

4.Members Input #1

A) A member wanted to know the amount spent on the Conrad Pederson lawsuit. Joyce hasn't received the latest total from the attorneys in Ellensburg but should have the final answer next meeting because they are off the case as of this week.

B) A member wanted to know why the Board is having this lawsuit over snowplowing. The Board didn't initiate this suit. Pederson is suing Sky Meadows. He wants to plow his road.

C) A member wanted to know why the water bills don't show the meter readings. The readings are not put on the bills to minimize the billable hours the bookkeeper needs to prepare of the bills. There was a plan made to add the meter readings to the bills using volunteers after the bookkeeper finishes the bills.

5. Caretaker Report

A) There is a rumor that Harold was paid for hauling ecology blocks to a member's property. Harold did not receive any money. The work was done in exchange for the ecology blocks to make the gravel and sand bins beside the tack shed. He worked for 1 ½ days on the project. The full day was his day off. He donated that time for Sky Meadows.

B) The pool heater has been installed and it runs. It is a new heater with a warranty. The cost was less than \$1900 with installation. That is about half the local company estimate. Thanks to Rick Atha.

- C) Members need to get parking stickers from the caretaker. If the sticker is old without a number it needs to be replaced.
- D) Two new propane heaters for the bunkhouse are on order. They cost \$600 each and are more user friendly. People using the bunkhouse have broken the other ones.
- E) Thanks to those who split firewood for the Lodge on 10/8. The wood shed is full for the winter. There were 16 for lunch. Rick & Irene Burke cooked.
- F) Harold needs input from the Road Chairman as to what he wants to do for any road maintenance or projects.
- G) Thanks to people who have donated gravel to roads and to those who use their tractors to do work around Sky Meadows.
- H) A member requested gravel be put in the middle parking lot because it gets extremely muddy. Harold said the direction he had been given in the past by the Road Chairman was to put no gravel in the parking lots.
- I) The time for marking the parking area for winter trailer parking is here. Last year Dave Chambers and Harold worked out a system that was more acceptable previous methods. Harold would like that help again.
- J) The Sky Meadows snowmobile needs replacing. This is the one Harold uses during the winter. It needs to be a two up machine, approx. 4-500 cc and air cooled.
- K) Thanks to Betty Nance & Esther Ballard for updating names on the map at the Lodge.
- L) The new well is almost ready to go online. Harold expects it to go on next month. Testing the water is the hold up. Bacteria tests haven't passed twice which is not unusual for new construction. He has other required tests to do on Monday.
- M) Thanks to Vern Wood, Ralph Munson, Rick & Irene Burke for doing the water run on Harold's days off. Kris and Bob Johnson have been missed.
- N) The tank in the meadow will have some protective bales of hay and orange net placed around it and the wells. Ryan Kolodejcheck has volunteered to use his equipment to help move the tank in the spring. We will still have to hire two boom trucks to lift it onto the trailer and lift it off at the site.

6. Correspondences

Marilyn Furman wrote asking for an extension on her water upgrade. She had submitted the required documents to the County but had not received her septic permit by October 1. No decisions can be made without a quorum but the Board has been saying in past meetings that no extensions would be given.

B) There was a long letter contesting billing on a lot that changed owners. A letter explaining the billing has been sent.

7. Treasurer's report

Sky Meadows checks to pay bills need to be sent now. Approval for the checks 8278-8280/8287-8315 will be put off until the next meeting.

B) The title of the Van Kirk property, Div IIV lot 25, is being transferred to Sky Meadows. The property was foreclosed and the one year waiting period has passed.

C) Community utility costs for the last fiscal year were reported with the year end profit & loss statement. Cost for propane = \$10,700, pool electric = \$1,187, and general electric = \$7,600, for a total of \$19,487 from Oct 05 through Sept.06.

8. Water report The Water chairman, Bill Ring was absent.

A) Progress on moving the new tank from the meadow to the permanent site requires engineering work on lot 53. Preliminary plans were made in 1999 for two large storage tanks beside the well on lot 53. Those plans will be shared with the engineer from Washington Rural Water who has agreed to work on the project.

9. Roads & Parking report The Roads & Parking Chairman, John Tedeschi was absent.

A) There were reports of four different property owners extending into the road easement. Letters from the Board need to be written to document objection to these infractions. Two problems are on Horse Heaven Road. One owner has placed blocks out on the easement and one is excavating out into the easement. Another is on Skull Springs Road where the property owner has pushed dirt into the easement for a driveway. The fourth problem is on Two Springs Road where a driveway has extended onto the easement.

10. Building & Grounds

A) There was a deposit this week of \$450 from bunkhouse rentals. The bunkhouse account will be used to pay for the new heaters and the replacement energy efficient windows for the bunkhouse.

11. Fire & Safety

Dale has been pricing equipment to add to the siren warning system so that it can be heard all over Sky Meadows. Siren transmitter \$92.00 receiver \$88.00 plus a timer & siren will be needed. He would like to place the additional siren up by the Taneum tank. He needs to contact the property owner about tapping into existing electricity. We would keep the existing siren near the Lodge for the lower part of Sky Meadows.

12. Activities

A) Eileen Polanski reported that two events coming up.

1) A pancake breakfast Thanksgiving weekend, Sunday, November 26th, 8:30 to 10:30 AM in the Lodge.

2) A Christmas party on Saturday, December 16th, with an all dessert potluck, and an expected visit by Santa. Parents should bring an under \$10 wrapped gift for their children.

3) The Sky Riders are requested to make a donation for the use of the Cabana in the winter to cover the cost of heating it, \$25 was suggested.

4) We need an Activity Chairperson because Eileen is leaving in January.

13. Old Business

A) Revision of Covenants Committee members said they couldn't work on the project until after Thanksgiving. Is there anyone else that would like to work on this committee?

B) Continuing Employment incentive for Harold & Diane needs to move forward. It has been discussed for 18 months without resolution. The change of lot has to be voted on by the Board. It was OK until the lot changed.

1) The plan is to sell a lot over a ten year period as a bonus. SM doesn't have to pay in cash. The price is \$25,000 or \$2,500 per year. The ownership increases 10% each year. The dues, etc. would be paid according to the percentage of ownership. SM would pay the taxes, about \$120.

2) The lot originally chosen was Division 2 lot 52. It was found to have a well circle that included most of the flat area and there was a cloud on the title. The next plan is Division 1C lot 1 at the end of Aspen Springs. The market analysis showed the value at \$25,000. The tax value is a little less than the first lot.

3) It was noted to be a well site at one time. There is a wetland on part of the lot. There were cost & risks that made it a poor well site. The risk of drilling a well and then having to abandon it due to surface water contamination which couldn't be determined without a \$25-50,000 investment in drilling and then distance to connect a well to the existing system would cost add another \$50-100,000 for pipe etc. Previous Boards made those findings.

4) The lot came to be owned by SM in a quit claim deed along with 24 other lots from the developer. All the other lots were sold by the Board without a vote of the membership. The Board has the power in the By Laws and in the Articles of Incorporation to sell a lot.

5) The Board has sold a lot to a caretaker in the past. It was a cash sale. This sale is part of an employment agreement which gives it some risk for the future. If Harold & Diane terminate for any reason they could purchase the remaining percentage of the lot but the value would be determined at that time. If they didn't buy it then it would be sold and they would receive the percentage they had earned. The purpose is an incentive for them to stay employed by SM.

C) Progress on an easement for the Sawmill tank on Anton Cebe's lot is in Steve Locati's hands. He has been talking to an attorney about it. Cebe is planning to sell the lot but he is willing to give the easement SM so there is access until the new tank is in full operations from Div II lot 53.

14. New Business

Volunteers are needed for an audit. The last one was done late for the 2004-5 year. Each year and audit is to be done around the end of the fiscal year.

- B) There was a member concerned about the way taxes are paid for Harold & Diane's compensation, specifically the lodging and utilities. The tax accountant reviewed the employment contract and told us we were calculating the tax appropriately.
- C) A member complained about not being able to walk his dog in the small meadow due to the electric fence. Kris said the fence has not been electrified for years. The area is available for any members who would like to use it for their horses. Walking the dog in that area should not be dangerous for the dog or owner.

15. Member concern #2

A) The fax machine in the office is not working. The phone line has so much static noise that it is not useable. Joyce has called the phone company twice and will follow up on the problem. The fax number that is working is Harold & Diane's line. 509 674 7391 but you have to call them first so they don't answer.

Meeting adjourned at 11:00 AM. Notes taken by Kris Johnson.