

Sky Meadows Ranch & Country Club, Board of Trustees Meeting
Saturday June 21, 2008
Un-approved Minutes

The meeting of the Board of Trustees of Sky Meadows Ranch was held in the lodge. A quorum was present and the meeting was called to order at 9:00am.

1. Board Members Present: Bob Swenson, Colin Ferrin, Steve Locati, Trent Ely, Bob Poole, Peggy Locati, Dale DeGour

2. Board Members Absent: Kris Johnson

3. Presidents Remarks:

Performance Evaluation Process Confirmation

a) Motion Peggy Locati/Colin Ferrin to approve Performance Evaluation Process Confirmation. Unanimous

4. Minutes:

1) Minutes Approval

a) Motion Poole/Peggy to approve the minutes with a correction that reference to the DNR firewise grant stated as a matching grant and it should have been stated as a 50% matching grant. Unanimous.

2) Unauthorized / Erroneous Minutes: There were erroneous minutes sent out by a group of individuals representing themselves by the acronym SMAC. This action, according to counsel, included illegally taping of our meeting without consent and illegal assumption of corporate powers. We will discuss legal remedies and actions which we may take in response to this in our executive session.

a) Linda Wood recited an RCW which states that A GOVERNING BODY has the authority to tape meetings.

b) Members questioned the authority of the board to hold executive sessions.

c) Another member recited an RCW reciting that executive sessions may be held and recited the matters which may be specified.

5. Old Business

1) Property Sale Offer: *Motion Steve/Peggy to reject the property sale offer received by the board for five lots. Unanimous*

2) Policy Update - Filling Vacancies; *:Motion Steve/Trent to approve the Policy update as*

*amended with a note that we seek legal counsel regarding certain aspects of this. Approved.
Three opposed.*

3) Insurance Update: Safeco, our current carrier has renewed our property and auto coverage, but will not renew our General Liability and our Umbrella Coverage's due to the amount of recreational activity that occurs at Sky Meadows. CNA has renewed our Board and Officer's Liability coverage with the same policy limits of 1 million dollars. They will not increase our coverage limits, we suspect because of the Pederson Lawsuit. We will hopefully have new coverage in place shortly.

6. Roads

1) Casassa Road Paving and Funding Proposal

- a) There was a proposal at our last meeting to trade an easement for a donation of funds to help pave Casassa Road. Bob Poole reported that one of the adjoining members to the meadow easement area took exception to it so he is considering the issue as not being acceptable at this time.
- b) Bob Poole discussed the Casassa road improvement project. He is proposing a 22 foot wide paved road be made with a 20 foot strip along side to exist for ORV and snowmobile use and winter snow removal. This will keep snowmobiles and quads out of the road area and out of the meadow.
- c) Member thanked Poole for his efforts toward safety and requested that the logic behind board actions be published on the web site.

7. Caretaker's Report:

- 1) Harold informed that members must spray for knap weed and thistle. If the County inspects and deems they must spray a members land, they will bill the member.
- 2) Harold reported that he has contacted an electrician to install the pool emergency stop switch. The electrician has not followed up yet and requested referrals to another electrician.

8. Adjourn to Executive Meeting:

*1) Motion to adjourn to executive session for handling personnel and legal matters Steve/Trent.
Unanimous*

9. Call to order motion to adjourn executive meeting and resume regular meeting:

*1) Motion Poole/Trent to adjourn executive meeting and resume regular meeting at 12:19 PM.
Unanimous*

- a) A member expressed his strong displeasure with the timing and length of time that the executive session took.

10. Treasurers Report:

1) Check approvals: *Motion Steve/Collin to approve checks 8808 through 8833. Unanimous*

2) Financial Report: Policy Update Assessments & Fees:

a) Motion Poole/Trent to accept the update to policy FIN 03 to include verbiage that action to be taken to foreclose liens after 3 years of liens being placed. Unanimous

Groomer Donation Savings	1,624.98
General Checking	4,235.37
Club Dues Savings	59,586.68
Water Capital Savings	58,197.05
Water Operation Savings	23,124.52
General Savings	19,185.15
Water Capital CD	73,527.96
Total	239,481.71

11. Parking & Equipment:

1) Poole reported he replaced the clutch and performed a lot of maintenance on the Ford Ranger. He is also recommending that we spend approximately \$500.00 to paint the vehicle. Since he has done so much work on the vehicle and it doesn't have that many miles on the engine he thinks it will last the Association for several more years. It has been neglected and allowed to get beat up. The painting decision was put off pending the budgeting plan.

2) Poole explained the reason for the purchase of the groomer. He has procured the machine with his own money, which was Denny Moriarty's blue groomer at one time as approved at the previous meeting.

a) Members expressed concern that Bob Poole was to receive interest from the balance owed that he has spent to procure this machine.

b) Motion Steve/Trent to accept the purchase and sale agreement in its current form to review of our attorneys regarding the legality of the interest being charged. Bob Poole asked that the motion be amended to approve with the interest clause being stricken. So moved .Unanimous with Bob Poole abstaining.

c) The board expressed an invitation to donate to the groomer fund to reimburse the Poole's as soon as possible for their expenditure.

d) It was clarified that the groomer will be owned by Sky Meadows.

e) It was also clarified that the funds, whatever is necessary in addition to donations will come from the Equipment and Roads funds.

3) Poole reported that the dust treatment was performed on short notice due to the anticipated increase of costs.

12. Buildings and Grounds:

1) Corral Policy Confirmation: *Motion Colin/Poole to ratify corral policy which was passed at the last meeting. Unanimous*

13. Fire and Safety:

1) Burning Control Policy Confirmation: Dale read the policy that was approved at the last meeting.

a) *Motion Dale/Steve to confirm the Burning Control Policy as approved at the last meeting.* Discussion followed.

b) A member present questioned the authority to place liens to enforce fines. She retracted her statement and stated she was incorrect in the thought.

c) Harold asked if the policy prohibits gas barbeques.

d) Dale stated he will strike the statement regarding barbeques, but that the policy does apply to charcoal barbecue.

e) *Dale/Poole amended his motion to change the Policy regarding Barbeques and that charcoal grills will be banned at fire level 2 or above.*

2) Firewise Plans: Dale reported that the work party last weekend went well. A lot was accomplished in the efforts to clean up and limb trees in the woods next to the lower parking lot.

3) Dale reported on the \$14,845 grant from DNR and the \$10,000 grant by the Kittitas Co. Conservation District. There may be additional Conservation District funds available.

4) The contractor who chips debris will be on site June 30 to pick up debris. The contractor's large grinder will be brought on site next month to chip everything in the lower lot and haul it off.

5) Dale asked that the Firewise information be published again since many members may not have read our newsletter last month because of the confusion from the unauthorized minutes being sent out by the people involved in the group representing themselves as "SMAC".

6) Dale reported that financials and meeting information will be posted in the reader board at the lodge.

14. Water:

1) Electronic Meter Reading Installation: Trent announced that member Pierson Smith has volunteered to take the lead working with our vendors on the firefly installation and training. The board expressed their thanks to Pierson.

a) Trent reported that we will be trained to install the meters and will need volunteers to assist. Anyone who can help should contact Trent.

2) Sawmill Tank Installation Plan: Trent thanked Colin for picking up the tank from Washougal. Harold and any volunteers who offer to assist will take the lead on the installation project. Trent and Harold pointed out some issues that need to be addressed to accomplish this project.

a) A member suggested we obtain a bid for the tank installation project. The board concurred that it may consider that.

b) Harold questioned whether a professional plumber should be retained to help with the installation. Harold stated he would refuse to be involved in plumbing the new tank. A member stated opinion that we should have a contractor install the new tank.

3) Well Drilling Status on 1C1: Two estimates have been received for drilling on Lot 1C1. Rick Poulan's estimate is for \$27,000.00 for a 200 foot well. Arcadia's bid was \$9,000.00 more, but included more detail of peripheral items associated. Trent will seek clarification from each driller to make sure what each estimate covers.

a) A member suggested we review previous well drilling invoices regarding all the itemization that occurred. Trent reported that previous boards and the caretaker have not passed on any detailed information from previous well drilling activity, but that he is investigating and will make sure that each estimate is including all peripheral items and charges.

b) A question was asked by a member why we don't have invoices from previous events. The board assured him that the invoice will be compared to the estimate. The member suggested that we require the bid to be itemized completely.

4) Bob and Trent reported that the leak on Gunther Loop was discovered to be an individual. There is no main line leak on Gunther Loop.

a) Harold reported that he doesn't believe that the members' leak was fixed as yet. Trent said he will follow up to make sure the leak was or is fixed.

5) Potential Sale of Lot 17: The board discussed a proposal to offer for sale lot 17 to build a larger reserve fund for water system projects. Harold reported that the pump house on that lot may actually already be in the road easement. Trent explained that lot 17 is the most likely lot to sell as it is not a potential well site.

a) Bob Poole explained that selling a lot to help accomplish the procurement of the Firefly system was a worthy venture since this system is so important to our community.

b) There was discussion regarding offering the lot to members first. Dale offered to Firewise the lot to make it appealing to prospective buyers and to assure that it is done.

c) A member expressed concern that the board have a budgetary plan for money that supports the desire to sell a parcel of land. Swenson reported that the board has worked hard at financial planning and that it has been shared at many previous meetings.

d) Poole again expressed that we need to fund the firefly system.

e) Motion Poole/Locati to market the property for sale for \$64,000.00 based on the analysis we received, first to our members for 30 days and after that time it would be

listed for sale.

f) A member expressed that we should seek a legal opinion regarding the sale of a lot. The board reported that we did have counsel advice before it sold lot 1C1 to Harold and Diane Vanweerdhuizen.

g) A member asked if the lots were the same status of ownership as the meadows. Steve explained the meadows are common areas per our covenants and the lots are not.

h) Swenson went over the financial planning that has lead to the desire to sell this lot to rebuild reserve after the implementation cost of Firefly.

i) Dale also explained the efforts being made to receive grant funds to help upgrade our water system.

j) Swenson asked that the board entertain selling the lot with a part time water hookup.

l) Members expressed concern that there is not an appraisal that was paid for and the board is relying on the comparable closed sale data provided by a real estate agent.

m) Vote on motion: Passed/ One opposed.

15. Architectural report

1) Colin reported that there are two requests pending for septic and for construction of a house.

2) A question was asked regarding a member who has encroached onto a road right of way. Colin stated he will address the issue when they apply for a septic approval.

3) Member objected to clear cut on Div 6 lot 43.

4) Member brought up speculative development issues such as the clear cut.

5) It was brought up about a Policy book at the lodge. Swenson informed everyone that the policies are on our website.

16. Member Input

The following Member's Input involved much discussion, we captured the dialogue to the best of our ability.

1) A member expressed his thanks to the board for all they do and the improvements that have been made including communication. The member also denounced the activities of SMAC.

2) A member asked that a new flag be put up.

3) A member asked about the Fire Vehicle discussed in prior minutes and newsletter. Swenson explained that the Fire Dept. is willing to put a truck here if we have a couple volunteers. We are still short 1 volunteer. The member was too busy to be that volunteer.

3) A member asked if the Fire District property reversion issue in the lower parking lot is connected to the fire truck. Swenson explained that they are 2 separate issues at this point and that we are still interested in completing the task of getting the land back that Sky Meadows deeded to the Fire District years ago.

4) A member representing SMAC made a presentation and supplied a packet to each board

member about conducting a Reserve Study. She asked for the 9th position on the board to be a reserve study position and asked to be that 9th person. She stated turnover on the board is a problem. It was brought up that the board has done considerably more planning the past 2 years than many prior years and that the planning information is shared during meetings.

5) A member re-stated that he would like to have a formal appraisal study done before selling a lot.

6) A member brought up that the reason for SMAC minutes is because the real minutes do not reflect the actual minutes.

7) A member stated that SMAC brought about people attending the meeting and believes that to be good.

17. Adjournment June meeting

1) Motion Poole/DeGour to adjourn the June meeting at 3:35PM. Unanimous .

Respectfully Submitted,

Steve Locati, Secretary

Bob Swenson, President