

Minutes of the Meeting of the  
Board of Directors of the  
Blue Ribbon Farms Homeowners' Association  
April 4, 2023

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The meeting of the Board of Directors of the Blue Ribbon Farms (BRF) Homeowners' Association (HOA) was called to order at 3pm by Chair Mark Long. In addition to Chairman Long, also present were board members Paul Allsing, Andre Baritelle, Carmen Lynaugh, Natasha Merkuloff Nichols, Dave Woodcock, and Drew Zacharias. Guests included Cindy Allsing, member of the Insurance Committee, and Mr. and Mrs. D. Susong.

Minutes:

It was moved by Ms. Lynaugh, seconded by Mr. Baritelle and carried to approve the minutes of the February 22, 2023 meeting.

Treasurer's Report:

Ms. Lynaugh presented a review of this month's HOA dues and special assessment receipts. Ms. Lynaugh noted that one owner's payment was \$28 short, likely due to the international exchange rate. It was moved by Mr. Long, seconded by Mr. Allsing and carried to add the \$28 to next year's statement.

It was noted that on May 1<sup>st</sup> a reminder letter and email will be sent to those who have not paid their dues/assessment. Any unpaid balance by June 1<sup>st</sup> will incur a \$50 fee.

Ms. Lynaugh reviewed the budget. At this time, the account balance stands at \$78,655. There was some discussion about the fact that the HOA Bylaws do not specify when an audit needs to occur, nor do they specify what period is a fiscal year for the HOA. Ms. Lynaugh will contact CPA Sherry Bennett to determine costs of the audit, and whether there is Washington State law which specifies fiscal years. While Ms. Allsing spoke later in the meeting, during Public Comment, her input is reported here in the interests of context: Ms. Allsing had some information for Ms. Lynaugh which may help to determine the timing of the audit. Mr. Susong asked how much Mr. Kattan pays in dues? Mr. Kattan owns 16 parcels and paid \$4800.

It was moved by Ms. Lynaugh, seconded by Mr. Baritelle and carried to accept today's budget report.

Public Comment:

Mr. Susong gave a brief history of the maintenance of Maynard Road, pointing out that he has maintained the road for many years. He said that in years past, at his request, former Boards had paid for the blacktop material he has used to maintain the road. He felt that those funds should not come out of the General Fund. There was a good amount of discussion regarding road maintenance, specifically Article 4, Section 1 of the CCRs. Mr. Susong stated he felt the Board is responsible for making the decision regarding when the roads/taxiways of the HOA require maintenance. He felt that monies should be set aside so that the private roads could be properly maintained. Mr. Long pointed out that the property owners adjoining the roads actually pay for the work. Ms. Lynaugh pointed out, and the Board members agreed, that the Board's responsibility is not clear.

Discussion continued regarding county criteria for private roads, to which Mr. Baritelle said that 1995 was the year when requirements changed. Mr. Baritelle cited Clallam County Code, Title 29,

Chapter 30, Section 700, Common Facilities Ownership and Maintenance Requirements. This code indicates that maintenance and operation of common facilities shall be determined prior to final approval of a subdivision. Our CCR's can be viewed as a sort of hybrid, as they say the HOA shall provide for the improvement and maintenance of the private roads, while the cost of the actual improving and maintaining of the roads rests with the bordering property owners and all lots which have access to a public road over private roads. Mr. Zacharias pointed out that there may be a different set of standards if the roads are used as taxiways. Mr. Susong stated he felt that Mr. Kattan did not pay his share of the paving on Tyler View.

Mr. Susong then discussed the new signage on the HOA roads, questioning the need for lowering the speed limit from 20mph to 10mph. He felt the 20mph sign should be replaced. Mr. Zacharias mentioned the lower speed limits had to do with concern over liability in that the roads are also taxiways. After much additional discussion, the Board felt as they will be discussing taxiways in the future, the issue of 10mph vs 20mph will be reviewed at that point. Mr. and Mrs. Susong were thanked for their attendance and for bringing these issues to the Board's attention.

#### Standing Committees:

Insurance – Ms. Allsing is present as a member of the Insurance committee. She noted that the actual cost to the HOA of increasing our liability coverage from \$1million to \$5million with Chubb looks like it is actually only \$35. She will have an updated quote from Chubb by week's end. Chubb is an extremely reputable insurance company and is a leader in private airport policies. Our current policy cost \$2465. A refund from Old Republic would be prorated, minus a 10% surcharge. We would get back about \$900. She suggests we start the new Chubb policy on April 17<sup>th</sup>. Once Chubb receives our payment they will bind and at that point we will be able to cancel Old Republic.

It was moved by Mr. Long, seconded by Ms. Lynaugh to change to Chubb now. Under discussion, Mr. Baritelle asked whether the new policy would cover the roads as "taxiways?" He questioned whether Chubb or the adjacent property owners' insurance would cover the roadways/taxiways. Ms. Allsing clarified that the Old Republic insurance coverage covered airfield and taxiways to the field. The policy's definition of premises and operations talked about aviation related operations and other premises if they are significant to operations of the airport. In her opinion they would be covered. She will verify this with the agent. Ms. Lynaugh withdrew her second; Mr. Long amended his motion to the following: to change to Chubb now, provided the clarification from the agent indicates the same coverage for roads/taxiways as explained by Ms. Allsing. Ms. Lynaugh seconded the amended motion; it was carried.

Pilots' Committee – Mr. Baritelle said there is nothing to report.

Curve Committee – Mr. Baritelle had a drawing of the proposed curve project on Kitchen-Dick and Lotzgesell. Graphic Design on Bell Avenue would be able to make copies if anyone wanted a copy. He confirmed the original engineer, who drew up the design in 1984, has retired. The 1984 design may be re-designed once a new engineer is assigned. The intersection of Kitchen-Dick and Maynard is of concern. The plans do not appear to have been finalized as there is no PE stamp on them. It is Mr. Baritelle's understanding that the County's six-year transportation improvement plan indicates this curve project will be done. Ms. Lynaugh told the Board that if the design is to be handed to a new engineer, that engineer will not stamp and sign the design without looking at and reviewing the design; to do so would jeopardize her/his PE license. Clallam County staff told Ms. Lynaugh there would be the chance to talk about how Maynard and the private driveways enter the new curve. Mr. Zacharias indicated there is no environmental impact report (EIR) nor has there been a public review. The board expressed concerns about safe private driveway access and egress, and whether any eminent domain proceedings have been commenced or indeed, accomplished. It was agreed that the next step would be to find out who will be in charge of this project at the County and then meet with them to review the details and to understand the public process from here. Mr. Zacharias indicated his interest in

participating in this conversation. It was moved by Ms. Lynaugh, seconded by Mr. Baritelle and carried that the curve committee continue to monitor the situation and continue to have communication with the county regarding the appointment of the engineer to oversee this project. Mr. Susong suggested that any research should include the number of accidents and fatalities on this corner.

Nominating –Mr. Zacharias reported that informal conversations with some association members showed that most are waiting for the litigation to resolve before indicating an interest in running for the Board.

#### Old Business:

A violation letter to Mr. Richardson was discussed at length. There is a trailer parked on the property which appears to be occupied full time. Ms. Lynaugh informed the board that the building permit for the Richardson home has expired. Ms. Lynaugh presented the Board with her draft procedures for violation resolution. The Board felt the draft was a good start to the general review of the CCR's. There were comments that an alternative to litigation should be included, perhaps fines and/or interest. Mr. Long told the Board he'd talked to Mr. Richardson and the letter would be a follow-up to that conversation. There was discussion regarding the County's code and policies regarding recreational vehicles and unfinished homes and/or expired building permits. Mr. Long, Ms. Lynaugh and Mr. Baritelle will work on finalizing the letter once additional information regarding County codes is obtained. There was consensus that the violation letter should be mailed. However, it was generally agreed that the Board needs to move forward on the review of the HOA's CCR's.

Another property which appears to be in violation of the county codes and/or the HOA's CCR's is the Ken Horowitz property, which is occupied by Mr. Lee Oman. There are barrels full of unidentified liquids, old cars, trailers, various containers stored in full sight. Mr. Woodcock agreed to make a phone call to Mr. Horowitz regarding the apparent violations before the Board proceeds with a written request. It was mentioned that there are a few other properties which may be in violation of either county codes or HOA provisions.

It was moved by Ms. Lynaugh, seconded by Mr. Long and carried to hold a study session during a regular meeting to review the CCR's within the next month.

Ms. Lynaugh pointed out that on June 4, 2022 it was determined by our attorney that our current short term rental policy, adopted in October of 2021, is exceeding our current CC&Rs. Our attorney determined it should be removed from our website. Ms. Nichols will ask the webmaster to do so.

#### New Business:

The signage issue raised by Mr. Susong will be referred to the signage sub-committee for review.

Mr. Baritelle raised the question of whether the HOA's roads would be required to be brought up to County standards based on the development of the Kattan property. It appears that Mr. Kattan is surveying the property and is planning to sell parcels. The proposed future development of this property should be something the Board monitors; there is no definite information at the present time.

A letter from Association member Ginny Phillips was read. Ms. Phillips is protesting the special assessment, saying Buckhorn Road residents receive very little benefit from BRFPOA. She expressed hope that once the lawsuit is settled members will receive some form of refund.

#### Closed Session:

The Board adjourned into closed session at 4:13pm to discuss Litigation: Blue Ribbon Farms Association vs. Michael Mason, et al.

#### Open Session:

The Board reconvened in open session at 4:54pm with no action.

Adjournment:

The Board adjourned at 4:59pm to a Study Session to review the HOA's CCRs on April 15, 2023 at 10 am to be held at 202 Land's End Lane, Sequim.