

MINUTES
Meeting of the
Blue Ribbon Farms Property Owners' Association
February 10, 2024
2 p.m.
Old Dungeness Schoolhouse

The meeting of the Blue Ribbon Farms (BRF) Property Owners' Association was called to order at 2:11 p.m. by Board Chairman Mark Long. In addition to Mr. Long, also present were Board members vice chair Drew Zacharias, Treasurer Carmen Lynaugh, Andre' Baritelle, Paul Allsing via phone, and Secretary Natasha Merkuloff Nichols. Mr. David Woodcock was absent due to illness in the family.

Welcome:

Mr. Long welcomed those gathered and reviewed the order of business, as set forth in the By-Laws of the Association. He explained it is anticipated the membership will vote on four issues today: approving the minutes of the past membership meeting, approving the budget for 2024, approving the waiver of an audit for 2023 and finally, a voting for a new member of the Board of Directors. Mr. Long reviewed that a total of 48 voting members/lots were physically present, and there were 23 lots represented by proxies. The Association consists of 172 lots with 134 owners. The required quorum is 43 lots. Mr. Long indicated the required quorum was present.

Reading and disposition of minutes:

Ms. Merkuloff indicated the actual minutes of the 2023 Association meeting are over 10 pages. Those minutes have been posted on the Association website for review. She reviewed the major points from the 2023 meeting to wit:

- a) a status report on Mason Wing Walking Academy;
- b) the 2023 budget was approved with a \$100/lot assessment, a special one-time assessment of \$200/lot and a \$100 pilots' assessment;
- c) a standing insurance committee was formed, and a report was presented;
- d) elections for new directors were held;
- e) a report was presented by the Airport Committee;
- f) an update on the County's Kitchen-Dick/Lotzgesell Road project (familiarily called "The Curve Project") was presented;
- g) a discussion occurred about organized bike event participants and the use of Association members' property;

Dunbar Susong asked for more information about the Curve Project. He was told there will be a report about it under committee reports and he could ask questions at that time.

Josh Duerst spoke to the bike event item, pointing out that although after discussions last year the bike event did not continue, there was no vote at the meeting to prevent it occurring in the future; he asked for a vote to that effect. There was discussion that this issue related to the Association's governing documents, and should be addressed by the governing documents committee, which will be formed today. The matter should be brought to the Gov Doc committee at their first meeting.

Ms. Merkuloff moved to dispense with the full reading of the 2023 Association meeting minutes and to approve the minutes as reviewed. Mr. Long seconded the motion and it carried unanimously..

New Property Owners:

Mr. Long introduced the new property owners and welcomed them to the Association. Those present were:

David Van Duine and Janice Brady
Jennifer Gibbings
Dennis and Elizabeth Jennings
Doug and Bonnie Medema, and
Ken Muth

Other newcomers who aren't present today are:

Brennan Jones
Telma Weatherford
Mark Ojala and Rebecca Bender
Brandon and Annete Orbanosky, and
Scott and Jennifer Blackwood

Accomplishments in 2023:

Mr. Long then went on to review the accomplishments the Board has achieved in 2023:

- a) a Violation Resolution Procedure was established and posted on the BRF website;
- b) all vacant lots were mowed to reduce fire danger, and were brought into compliance with the Association's Covenants, Conditions and Restrictions (CCRs);
- c) reviewed two lots for wildlife exemptions in alignment with the County;
- d) sent violation letters to property owners, followed by notification to the County of the violations;
- e) acquired new airport liability insurance, including general liability insurance, both at very reasonable cost;
- f) surveyed Tyler View Road to determine legal "center line;"
- g) coordinated with our attorney to produce a submission to the Appellate Court in the Mason matter; and
- h) the increased workload necessitated nine Board meetings as opposed to the past average of two per year

Goals for 2024:

Mr. Long then discussed the Board's goals for the coming year.

One of the things the Board has learned in light of the legal matters in which the Association is involved is the need to look at the Association's governing documents: the CCRs and the By-Laws. The Association's current attorney, Judy Endejan has pointed out that our current documents are out of date and have several other issues. She pointed out they are not compliance with current law. The Board would like to form a committee to review the governing documents with the assistance of an attorney. Our current legal matter is Ms. Endejan's last case before she retires.

Therefore, Mr. Long said the Association will need to obtain the services of another attorney to assist the Association with any legal issues which may arise.

Another thing the Board is looking at are the private roads in the Association, reviewing the easements, and bringing any issues to the attention of the owners along those roads.

Next up, said Mr. Long is that Dan Masys has been nice enough to voluntarily work on our website for several years. Dan used to live here but has been in Arizona for five or six years; he would like to step down. Mr. Long stated that in the past year, it became clear we need to update our website, and we will need to find someone professional to do it.

Mr. Long continued: the Association has had a long-time bookkeeper, who is not able to continue to do our work, so we've had to find a new bookkeeper.

We'd like to evaluate volunteerism here and try to find folks to become involved and work on some of the projects coming up.

The Board is watching the very real possibility that there will be future development at the end of Tyler View and the Association will need to monitor the number of properties there, as well as access to that area.

He said the Board will be working with the County to monitor the Curve Project

Mr. Long reminded those present that BRF had our first newsletter in 19 years, and the Board would like to have a newsletter come out two, three, four times yearly.

The Board and many people have commented that it would be good to have our annual picnic. We get to meet many people at a function like that and will need help to get it organized. If anyone is interested in helping, please contact a Board member. NOTE: Board members may be contacted via email on the BRF website:

<http://www.blueribbonfarmsassociation.com> and going to the "Contact Us" tab. There are links to the Chair, the Secretary, and the Treasurer.

Mr. Long told those attending that these are some of the things the Board is looking at in 2024 and hopes to accomplish successfully. The Board is looking for help and volunteers to assist in many of these areas.

Rachel May asked about the Tyler View future development. Mr. Long explained that the owner, Nabil Kattan and his representatives have made a number of efforts to sell some of the lots. There are technically 16 buildable lots according to the county. The Board will monitor the development of these lots.

Mr. Susong told the membership that as far as accomplishments are concerned, he felt the gathering owed the Board some thanks for what has been accomplished. There was general applause for the Board.

Current Status of Mason Wing Walking Case:

Mr. Long told those gathered that the Association was successful in obtaining a judgment against Mr. Mason and the wing walking business; however Mr. Mason has appealed that decision to the Washington Court of Appeals. Filings were submitted by both sides. The Appellate Court met on December 7th and has determined that there will be no oral arguments in this matter. The Court has not yet issued a ruling, and our attorney explained that it is not unusual for the Appellate Court to take several months to issue a ruling.

Ms. May asked what are the next steps? Mr. Long responded that we need to hear what the ruling is. If the Court accepts our argument and we prevail, we will be owed some more money for our expenses for this appeal. We will have to collect that money owed, and then we will be done. He said it could go the other way, in Mr. Mason's favor, or the judgment could split down the middle. Ms. May asked if we had recourse after the decision. Mr. Long said the next step would be to go to the Washington Supreme Court. Mr. Zacharias said our attorney is fairly certain it will never go to the Supreme Court. Mr. Long indicated he did not think either party would be willing or able to take the matter to the Supreme Court. Our attorney is confident that the ruling will be in our favor. The likely next steps will involve recovery of the funds owed to us. It is possible there would be a counter suit, but our attorney doubts that. The Board will keep the Association informed of the decision when it is handed down by the court.

Vicki Kirchner asked for a recap of the legal matter. Mr. Long explained that for many years Mr. Mason charged people about \$1,000 to train them to climb on the wings of his biplane. He would take them up, have them climb to the upper wing and fly with them on either of the wings, and perform

some acrobatics. The Association's CCRs clearly say no commercial activities are allowed to use the airstrip. Mr. Mason claimed this was not a commercial activity, saying he gave them the flights for free, the fee was for the training. Mr. Mason had been doing this for about eight years, and when he started it was very small and infrequent. However, in the last year he flew, he was up 550 flights. The then Board had numerous discussions with him, explaining he could not continue to fly out of here, and he sent the Board a letter basically saying, "Yes, I can." In the end, we filed a suit in Clallam County Superior Court. The Association got a judgment against him, telling him to stop flying and ordering him to pay approximately \$41,000 for our legal fees. To date, we have collected about \$21,000. He has now appealed. There was a vote last year to include funds for the suit in the budget; the vote was approved. There is also a liability issue: if we allow this activity to continue even though it's contrary to our CCRs, and then there is an accident, it might come back on us.

Mr. Susong pointed out this has been going on for five or six years. He said he asked about five years ago what was going on with this and I was told it was taken care of. So here we are, \$30,000 to \$40,000 later.

Airport Committee Report

Mr. Andre Baritelle is the Board's liaison to the Airport Committee. He mentioned that the committee needs a non-pilot, so he is a non-pilot at each meeting. The Committee is open to all, whether pilot or not. Mr. Baritelle told those gathered about the Committee's increased emphasis on safety and maintenance. There was an accident on an Oklahoma airstrip where a pilot was landing and did not see a person mowing until it was too late to abort the landing. The person on the mower was hit and killed. The Airport Committee wanted a way to caution pilots that workers are on the runway. He has constructed a "X" with lights to call a pilot's attention to a worker on the runway. The person mowing can retrieve the "X" and place it on the east end of the runway. He reminded all the pilots that they should always circle the runway to determine the safety of landing, especially related to people and wildlife.

Janice Brady asked whether the sign was on a wheelbarrow? Mr. Baritelle said it was on a utility trailer and it measured about 48" x 32".

Mr. Susong asked about the purpose of the "X". He pointed out that there have been pilots doing a straight approach without circling. He asked about some low flying buzzing recently. Mr. Baritelle said that plane has been identified and has been talked to; he also stated that this plane is not flying any more.

Krys Gordon asked whether it would be easier to identify a specific day to mow. Mr. Long said mowing depends on several factors. Sometimes one must mow twice weekly when the grass is really growing. One can't mow in the rain. Mr. Susong said the runway gets used maybe 100 times a year, saying "It's not Seatac." Mr. Baritelle reminded folks that with liability issues, we're trying to increase safety as best we can. If it doesn't work, we'll try something else. Mr. Zacharias said that as a pilot, it is sometimes hard to spot things like deer, if you don't do a pass. It is possible to miss a person on a mower. He said that the "X" is visible from 800-1000 feet, and during your pass, you get a chance to really look out for stuff. Ms. Kirchner asked whether it would be the person mowing who would get the "X" and turn it on. Yes, said Mr. Baritelle, it's got a battery (solar charged), and it flashes; we'll be working out where to best store it. David Van Duine asked whether after that accident the FAA investigated, or set size requirements for something like this? Mr. Baritelle responded no. Considering the accident, we thought this would be a good thing to try. Mr. Van Duine asked if the FAA has a certain size requirement and if we're not following it, we assume some liability? No, said Mr. Baritelle, this is a private grass strip, not a commercial airport.

Mary Lowry asked who would be responsible for getting the "X" out if someone's flying and there is someone out there putting out fertilizer or the like? Is there a person who brings it out? The

answer is the person who's on the runway would get the "X." Presently the location of the "X" is being worked out. Ms. Lowry asked if the pilots are vigilant regarding animals. Mr. Baritelle responded this is for human interaction and for people who are working on the runway. Janice Hernandez asked if the people working on the runway wear reflective vests and other safety equipment. Some do. Rick Smith mentioned he had a flashing light on his mower. Mr. Baritelle said the Airport Committee is working on refining this and other safety issues as well as communicating with pilots regarding the "X."

Mr. Baritelle clarified some questions about mowing, saying there is no set schedule due to the weather, the time commitments of the pilots and non-pilots who mow. Jim Nichols has been doing some rolling on the runway to help level it out. One of the projects this year is to spread some soil amendments to help the runway. Ms. May asked whether the \$ 10,000 drainage project from some years ago was working. Mr. Baritelle answered yes; Mr. Smith agreed, saying it didn't solve everything but for the most part, it's working well. Mr. Baritelle told those gathered he's left a 10" strip of vegetation between his property and the runway to clearly delineate the runway. An update to the website is needed to update the information relating to pilots and safety.

Mr. Susong asked whether any thought has been given to purchasing a mower with a 12' wide swath? Yes, the Airport Committee has looked at it, but it has a price tag of about \$50,000, and then there is the issue of maintenance. Nicholas Elliott asked if there is an issue with moles? No, they do not appear to be a problem, but if they appear, the issue will need to be addressed quickly. If anyone sees anything that looks like a problem, please notify one of the pilots or a Board member. In response to a question from Doug Medema, the easiest way to contact a board member is via the links on the website as mentioned previously in these minutes. The Airport Committee will be working to update the website and the Federal Aviation Administration (FAA).

Activities on the Runway

Ms. Merkuloff provided a brief overview of Clallam County Disaster Airlift Response Team (DART) of which Board Member and pilot David Woodcock is a member, the vice chair and treasurer. Mr. Woodcock was unable to attend today due to an illness in the family. In response to a cataclysmic event, the 30 volunteer pilots of DART can respond by providing airlift services, dropping supplies, food and water, and performing other duties in the event that ground transportation is not available. DART operates out of a center at Fairchild Airport and operates through a Memorandum of Understanding with Clallam County Emergency Management Department (EMD) and the Port of Port Angeles. Clallam County's DART is annexed to the County EMD and as such, its pilots can fly in restricted air space when activated by EMD. Blue Ribbon Airport is one of three airports in the area which is used by DART. DART has already served during several disasters, including the water line break caused by the landslide along Highway 112, which cut water off to the West End. DART flew water to those communities until the line was repaired. In the event of a larger disaster, say an earthquake, DART would become valuable in getting around the County when bridges, roads and waterways are impacted. It is of great benefit to be one of the airstrips used by DART in the event of an emergency. The website is clallamdart.com.

Rhonda Butler is the current captain of the Community Emergency Response Team (CERT) for our area. The area covers Blue Ribbon all the way out toward Olympic Game Farm. She explained to the gathering that the whole idea of CERT is neighbors helping neighbors in the event of a disaster. For example, during "Snowmageddon" they checked on folks in the neighborhood to see if supplies or assistance were needed. In the event of an earthquake, they would assist in making sure people were safe. She brought a display board explaining some of the CERT functions in this area and had flyers about the organization. They're always looking for new members. She urged folks to look at the CERT website. That website is <https://www.bellelealand.net/about-4>.

Curve Committee

Mr. Baritelle reported on the progress of the re-alignment project for Lotzgesell and Kitchen Dick, which also includes a turn lane into Dungeness Recreation Area (DRA) as well as moving the Voice of America Road in DRA to get it further away from the crumbling bluff. The Kitchen Dick improvements start at Greywolf, turning the 90 degree turn into a more moderate curve, with a speed limit of upwards of 50mph, from the 45mph now. Mr. Baritelle explained: when the County started discussing this in the 1980s, there were hardly any homes out here. Now there are many more homes and much more traffic. A few years ago, the funding got tied in with improvements at DRA, where the bluffs are falling at a fairly fast rate. The County apparently has money for the project, including federal funds, said Mr. Baritelle, and they've put the curve and park project into the County's 2024 budget. However, the County does not have the engineering staff on deck to evaluate and run the project. They're not sure how things will progress; there are various scenarios floating around, he said. Mr. Baritelle said the County has assured us they will be holding public hearings on this matter. There are numerous concerns from HOA members about the project. These include ingress and egress from adjoining properties as we're not clear on the proposed alignment, impacts to the wildlife, the increased speed limit, and confused tourists and big RVs coming in and out of DRA. Mr. Susong asked whether it was true they wanted to increase the speed at the curve to 50mph; yes, that's true. He said he's seen about half dozen cars fly across Lotzgesell and end up in the ditch near his house, with one person dying. He said the possibility of such crashes is enough to justify putting the curve in, similar to the one on Old Olympic just east of Carlsborg Road. He deplored the fact that realtors may have sold property and/or homes to individuals near the curve without informing them of the proposed curve project. Again, Mr. Baritelle stressed that there is no specific plan at this point, but that the county has said when there is a public hearing, we will be notified. He told those in attendance to feel free to contact him if they have questions. Mr. Van Duine pointed out that the design of the curve, as of September 9, 2021 is on the BRF website, under "Archives." As soon as the Board or any individuals hear anything, we'll send out an eblast to all members, said Mr. Baritelle.

Insurance Committee Report

Corby Somerville, a member of the insurance committee reminded those gathered that a permanent standing committee was formed two years ago to be mindful of and monitor our liability risk exposure. In addition to Mr. Somerville, Gary Gordon and Cindy Alsing are also members. Board member Paul Allsing is the Board's liaison to the committee. A good example of the committee monitoring risk and liability is the Mason situation. Ms. Allsing has been an executive in the insurance industry for her working life. Mr. Somerville said with Ms. Allsing's knowledge and insight into the market, she has managed to negotiate a new airport operations liability policy for BRF, raising the limit from \$1million to \$5million with only a \$165 increase in annual cost. This policy is underwritten by Chubb, a well-recognized company. More recently, Ms. Allsing has managed to procure a homeowners' association general liability insurance policy with \$1million in coverage for a reasonable cost as well. This is to cover any accidents that are not related to the airport, for example like a trip and fall at a picnic. We have never had this type of coverage before. BRF also maintains a \$1million Errors and Omissions (E&O) policy to cover the Board and all committee members. The credit for the good policies goes to Ms. Allsing, for navigating the insurance marketplace and singlehandedly obtaining an insurance upgrade and the new insurance for BRF. Mr. Somerville pointed out that in terms of recurring expense year after year, the cost of insurance has been the largest line item of recurring expense.

Mr. Elliott asked why this all can't be one single policy? Mr. Long said we could not find any company that would ensure it all. Mr. Somerville said that such coverage doesn't exist in the marketplace. Mr. Elliott said that \$1million wasn't much and wondered what it would cost to get more insurance. Mr. Somerville pointed out that years ago, the airport had \$1million coverage and he was the one pushing for more insurance. The Insurance Committee shopped around. The original company which held the \$1million coverage wanted about \$3500 to increase it to \$2million. At the time, the Association

was paying about \$2500 for only a \$1million policy. The cost benefit didn't work out. Ms. Allsing kept looking and found this coverage for only a \$165 annual increase. As for the general liability, Mr. Somerville said that's the best we can do for now. Mr. Somerville told the gathering that when you file a claim, an insurance company has two duties: 1) duty to indemnify, that is defend a lawsuit against you and 2) in the event of a claim that's honored up to the policy limits, to pay an adjudicated claim. Mr. Elliott asked why we didn't get \$2million; both Mr. Long and Mr. Somerville responded that we couldn't get it. Mr. Elliott suggested we keep looking out for more. Mr. Somerville pointed out another point he felt was important. Residents here have homeowners' insurance and most if not all have umbrella policies. He has learned that if something bad happens at the airport, say negligence, or someone causes something bad to happen or a wrongful death occurs, neither your homeowners nor your umbrella policies will cover that. Mr. Somerville passed out some information giving his ideas about the GovDoc committee; this information was his personal view and not that of the Board.

Willie Peterson told those gathered that his StateFarm agent provided him with a rider to his policy for a minimal amount of money that provides coverage for things that "bubble up" out of the homeowners' association. NB: This is called Loss Assessment Coverage. Mr. Van Duine and Kami Magera asked what the aggregate was on the Association's general liability policy. Ms. Lynaugh said she believed it to be \$1million with \$2million aggregate.

Election of Director

Mr. Zacharias gave those in attendance a "pre-nomination sales pitch." He asked folks to think about the positive aspects of serving on the Board, and to think about the accomplishments mentioned for the previous year. Next year, in 2025, all director positions except the person elected today will be open for nominations. The By-Laws mandate two-year rotations in terms. These have gradually been abandoned, apparently through either lack of interest, lack of time or some other reasons. He said that we, as an Association, need new perspectives, fresh ideas, and some skills that can be used for the benefit of the Association: some legal background, some finance background, website background, real estate, management. Other skills can be useful, too. The best example today of an opportunity to get involved, other than running for the Board, is to join the new committee which will be formed to review and update the CC&S and the By-Laws, our governing documents (GovDoc). It will take a lot of work, with legal assistance, but this is where the individual can get involved in issues that directly affect you. We're looking for reasonable people who can come up with reasonable answers. He said he's not talking about drastic changes, but the outcome will affect some people. And waiting until the document is complete, and bringing questions at a meeting like this is not the best way to participate. Get involved, if not on this committee, there are other opportunities: the annual picnic, a newsletter, various standing committees, work days. When you join the Board or a committee, no one expects you to take on major items if you're not comfortable with it. All the meetings are open to all members. If you can't attend a meeting, contact a member of the Board. Everyone has a valuable background, he said.

Mr. Zacharias then reviewed the Election procedures as expressed in the By-Laws, basically, one vote per lot. Ballots were distributed when you checked in. Two Association members have expressed their desire to run for the single seat. He introduced Jenn Gibbings first.

Ms. Gibbings told those assembled she moved to the Pacific Northwest in 1997. She came to Sequim for the first time in 2004 and fell in love with it. When she had the opportunity to buy here last year, she jumped at the chance. Ms. Gibbings said she wanted to take this opportunity to serve on the Board because this is the most beautiful place, and "you all are a true gift." She said, "This is a very special, amazing community" She is currently working and has been in high tech for over 20 years. She brings program management, project management as well as problem solving skills to the table. She can also bring input from the other side of the community, from Lotzgesell. It would be a true honor to represent you all, she said.

Mr. Zacharias then introduced Corby Somerville. Mr. Somerville said that a fair number of those present already know him. He has a degree in business from San Diego State and had a 15-year career as a manager in ship repair, which gives him a quasi-legal background. He's been married to his wife Jeanne for 47 years and he served on the Board of BRF in 1997-98, serving as Chair for two years. Coincidentally, Mr. Somerville said, Jeanne, a CPA, served as treasurer of BRF for a couple of years, in 2003-04. He smiled as he told the members the association was happy to get their finances done for free. He told the gathering that he and his wife Jeanne are a team. He continued: he's been involved with BRF for a good long time and understands the subtleties as well as the undercurrents of this community. He said he wouldn't have any difficulty getting up to speed. Since the Mason controversy, he's been attending the Board meetings as a non-voting member for a couple of years. He told those present he can take credit for bringing the liability issue to everyone's attention when he wrote a letter in November of 2021, asking to see proof of insurance that would cover the extraordinarily risky business operation: wing walking. It's a big issue, where it costs about \$1,000 per ride. Mr. Somerville said it came to light that the wing walking business was not covered by insurance at all, and he is very happy the Board had the courage to authorize an attorney to take legal action to stop the activity. Mr. Somerville pointed out the governing documents committee is an important one, and he wants to participate. He pointed out he has a lot of background, having studied the problems with the covenants, and he would like to serve on the Board as the Board's liaison to this committee. He believes a lot of the work can be done in house to save the Association a lot of money. He felt the committee could do the first draft and then let the attorney see it, instead of getting the attorney to write the whole document and charge us \$10,000. He said that Ms. Gibbings gave a very personable speech, and he'd like to see her run for County commissioner. Mr. Somerville said she has a lot of political charm, and she'll have the opportunity to run for the board next year. He felt that this year we can take on this new task of revising the governing documents and he wants to help with that.

Mr. Zacharias then asked for nominations from the floor; there were none. Those present were then asked to fill out their ballots. He noted that those members with proxies would see the total number of votes they were carrying reflected on their ballots. So, if a member had one lot, they would have a ballot with the number one on it. If the member one lot and two proxies, at one lot each, that member would have a ballot marked with the number three. The membership voted, ballots were collected, and a break was called while the ballots were counted.

The meeting was reconvened, and Mr. Long announced the membership had elected Jenn Gibbings as the new director. Mr. Long thanked Mr. Somerville for his willingness to help the Association. Mr. Long then took a moment to thank Mr. Woodcock, who is leaving the Board, for his long service on the Board and his contributions to our community. Mr. Long mentioned that those interested in serving on any of the committees of the Association, please contact one of the board members. The GovDoc committee is up on the white board at the back, so please put your names down if you're interested and we will contact you. Ms. Pat Schoen pointed to the signups on the whiteboard for the Ladies of Greywolf. She said that is just a name for the group of women who meet monthly; you do not need to live on Greywolf to join the group. It's open to all who live in BRF. The next evening gathering is February 15th at the Nichols' home.

2024 Budget

Ms. Lynaugh provided an overview of the 2023 budget actual income and expenditures. She explained the actual 2023 income was \$51,472, which included the \$100 increased annual assessment, the \$200 one-time special assessment and a \$100 pilots' assessment. Additionally, \$21,081 was collected from the legal judgment. Expenditures were budgeted at \$44,190; actual expenditures were \$21,241. The actual insurance expenditures in 2023 were \$533 over budget while the actual legal expenditures were under budget by \$11,177. Ms. Lynaugh mentioned that the legal loan to the

Association was not repaid last year because the legal matter had not been concluded. Overall, the Association was under budget by \$22,949.

Ms. Lynaugh told those gathered that the proposed 2024 budget is based on keeping the annual dues assessment at \$100 per lot, for a total income of \$17,200; this is the only income shown. There is no special assessment nor is there a pilots' assessment budgeted for 2024. She pointed out that pilots' assessment, specifically charged only to pilots, is not allowed per our current CCRs. The Association's insurance expenses are up a bit, due to the new general liability policy, to \$5,100. The legal expenses are budgeted at \$30,300. This is due to having to hire a new attorney, and legal work related to the items outlined today in the work plan which was presented by Mr. Long. That work may involve the new GovDoc committee, potential right of way issues, and the Curve project. Additionally, it's been two years since the Cascadia rate increase battle, so it is possible Cascadia will increase rates again. The budget provides for the re-payment of the legal loans if possible. Maintenance items for the common area are \$3,210, which include \$1,500 for topsoil/mulch and rental of a spreader. The administrative costs have increased due to the need for a new bookkeeper. Last year our bookkeeper was unable to complete all the work for 2023, so the 2024 budget accounts for the new bookkeeper doing two years' work. This cost will return to a single year's cost in 2025. We require a new web consultant, as Dan Masys who has been doing our website management for many years has said he'd like to "retire." Mr. Masys used to live in BRF, but moved away several years ago, yet has continued to work on the website at no cost to the membership. Other expenses in the budget are approximately in line with the 2023 actual amounts spent, said Ms. Lynaugh. These include costs for an Association picnic and this annual meeting. This 2024 budget does not include any additional judgment amounts we may receive, as the legal process is still in the hands of the Appellate Court. If the Association has to repay any of the judgment amounts so far collected, those funds are available in the fund balance. Ms. Lynaugh moved to adopt the 2024 budget as presented. The motion was seconded by Ms. Schoen and carried.

Ms. May asked whether the Association would continue using Zoom for meetings? Mr. Long said no, last year it didn't work really well. We were using a little microphone and people didn't hear anything. Wendy Chalk mentioned it's a \$200 cost for this single meeting. There may be a possibility of bringing it back, said Ms. Lynaugh, if we could figure things out better.

Mr. Elliott asked whether the common area is coterminous with the runway? Yes, it is. Mr. Elliott stated he felt it was really only for the use of the pilots. Ms. Lynaugh reminded those present the CCRs require all members of the Association to pay for the maintenance of the common areas. Mr. Elliott stated his feeling that the Association should put zero dollars into the maintenance of the runway item. Gunnar Clem, the Association's past Treasurer pointed out that the common area is bigger than the runway. It includes part of the Kitchen Dick /Lotzgesell/Maynard intersection in addition to Lot 39 (which is double the size of the runway) as well. People use the area to walk, walk dogs and so on. When people bought their homes, everyone knew this was part of the HOA and they were joining an HOA with an airstrip as its common area. As the common area, it is part of the cost. Mr. Elliott felt the way to approach this is to change the CCRs.

Sherl Cuny mentioned it costs a member \$18 annually to have the greenbelt. Mr. Elliott countered that he would rather put that \$18 toward more insurance. He realized he was in the minority, but he felt his view should be presented.

Mr. Suson asked about the line item in the 2022 budget of \$12,550, which does not appear in 2024. Ms. Lynaugh explained that was the money loaned to the Board by some members for legal costs related to the wing walking issue. It has not yet been repaid as the Board is waiting for a final decision on the lawsuit from the Appellate Court. It is budgeted in 2024 as an expense.

Jeanne Martin asked whether all the attorney's fees were paid in full by December 31, 2023? Mr. Long said yes, they have been totally paid.

Krys Gordon said the assessment is so minimal compared to other associations. She said she didn't own a plane, but she enjoys seeing the planes and the activity. She told those gathered she thought this is a wonderful group of people and she is proud to be living here. She's happy to pay whatever fees are due.

Gary Gordon asked if the Association had put a lien on the Mason property. Mr. Long explained that our attorney told us that immediately after the judgement, a lien is put on the property by the Court.

It was moved by Ms. Cuny, seconded by Ms. Chalk and carried to approve the 2024 budget as presented.

Waiver of Annual Audit

Ms. Lynaugh explained that pursuant to state law and our governing documents, there is an annual audit requirement if assessments exceed \$50,000. In 2023, our annual assessment of \$100/lot totaled \$16,872. The one-time special assessment of \$200 totaled \$33,400. The pilots' assessment brought in \$1200. This brings the total income from assessments to \$51,472. Mr. Long pointed out there could be an argument that the \$200 special assessment does not qualify as it's a one-time assessment. However, the Board felt it was prudent to come to the membership and ask for a waiver of audit. An audit would cost about \$6,000, a cost that the Board felt the membership would not want to incur if it could be avoided. Ms. Lynaugh moved to waive the annual audit for the year 2023. The motion was seconded by Brian Schmidt and was carried.

New Business

Mr. Long mentioned the Neighborhood Watch program. Scott Butler volunteered to look into this. Mr. Butler said Sheriff Brian King had given a presentation to his Rotary club and discussed the Neighborhood Watch program. Sheriff King said communities who have this program in place see less crime. Once Mr. Butler has researched it, he will report back to the Board and is willing to coordinate the program here. There was applause for his suggestion and willingness to help.

Sally Kincaid told those gathered about the Ladies of Greywolf group, which is not limited to those who live on Greywolf. The group meets monthly for a potluck. The group had a hiatus during Covid but is getting up and running again. If you host a gathering, you just provide plates and silverware and perhaps water and/or coffee; everyone else brings whatever they'd like. About 12-20 people usually attend, depending on peoples' schedules. It's a fun way to meet your neighbors. She continued: the BRF book club meets every other month. The next meeting is April 4th at Janet Cahoon's house. The book is Island of Sea Women by Lisa See. If you're interested, please reach out to Ms. Kincaid or to one of the Board members. There is a sign-up on the white board at the back of the room.

There was general discussion about a neighborhood picnic and showcase. There was consensus that this is a good idea. Ms. Schoen suggested August or September are the best months. The big issue is where to have it. If anyone is interested in hosting, and perhaps has a not too crowded hangar, please contact a Board member.

Kate Orzikh asked whether it would be possible to send out emails to members notifying them of board meetings, committee meetings and so forth? Mr. Long said that right now, the email guru would like to step down, and our website is very dated. However, that is something that can occur in the near future. There will be an eblast for the initial meeting of the GovDoc committee.

Mr. Long mentioned the unofficial Dark Sky policy of the community. He said folks here enjoy seeing the night stars, so please no bright lights at night, maybe only when someone comes over.

There was another brief discussion about the bike race issue. Mr. Duerst, whose property is roughly inside the curve at Kitchen Dick and Lotzgesell explained that during the event there are lots of port-a-potties. He said much trash ended up on his property and it turned into a "mud pit" because of

inclement weather. Additionally, the participants were not careful and some things on his land were destroyed. There were several other issues raised by people at the meeting, including trash, liability risk, sanitation. It was moved by Mr. Long, seconded by Mr. Baritelle, and carried to refer this matter to the GovDoc committee as it works to review the CCRs.

Mr. Susong had three issues to raise: first, he relayed a bit of history. He said he and his wife Alice have been here since about 1989, although they bought the property in 1982. When they arrived, he said Maynard, Tyler View and Lands End were gravel. There were clouds of dust when tourists drove by, he said. He told the group that he and his wife and their neighbor, Ron Davis hired someone to do dust control, grading, and chip seal, which cost about \$12,000 for 700 feet. He said the same process happened in the early 2000s and the road is starting to deteriorate again. Everyone on this side of the runway uses Maynard. Perhaps it's time to consider paving; that would require an assessment. He said the CCRs require charging by lot, and that might be a burden who have multiple lots. He thought perhaps it's something that could be modified in the CCRs. Mr. Susong felt the Board is responsible, quoting a section of the CCRs that the Board "shall provide for improvement and maintenance of private roads in the subdivision.:

He moved that the Board go ahead with the repaving of Maynard. He said if the business of charging by lots is insurmountable, perhaps it can be put off until after the CCR revision, but stressed it's time to deal with the chuckholes, road edges and such. It should have been considered when Tyler View Road was repaved.

Mr. Long stated that the Board will discuss this issue, but based on the CCRs, the private roads are taken care of by the people who live on that road. Mr. Susong pointed out that all the residents of Lands End, Tyler View, and Maynard use Maynard to access Lotzgesell and Kitchen Dick. Mr. Long agreed that everyone who uses Maynard would be assessed should that road be paved. However, he said the Board could help, but none of this is in the budget. Ms. Lynaugh pointed out the CCRs say it would be paid for by all the lots that use the road to get to the county rights of way. The Board can certainly help get it done, but the entire HOA does not pay for it.

Jim Cohn said he was responsible for repaving Tyler View a number of years ago, saying it was a lot of work to get agreement on fair share of cost, and trying to get the Kattan properties to pay their share. Mr. Gordon reminded those present that he had coordinated the paving of Tyler View. Then he and Mr. Cohn discussed which of them had coordinated the most recent paving and how much effort it had taken.

Mr. Gordon seconded Mr. Susong's motion that the Board go ahead with the repaving of Maynard.

Mr. Susong withdrew his motion.

Mr. Gordon withdrew his second.

Mr. Susong's second issue was about signs, specifically the speed limit and private road signs. He has kept up with signage on Maynard for many years he said. There was a 20mph sign posted on Maynard, but in December of last year, that sign was replaced with one that reads: "Aircraft Taxiway, 10 mph." Mr. Susong took issue with where the taxiway begins and why 10 mph. He suggested better verbiage would be "Warning Aircraft may be on the roadway. Vehicles must yield to aircraft." He suggested if the Association is going to have a sign there, it should convey what we want people to do. Mr. Long said he liked it, and the Board will put it to the Airport Committee. Mr. Baritelle, the Board's liaison to the Airport Committee told those assembled that it had to be labeled as a taxiway to cover the Association under airport liability; the 10mph can be changed, but it was intended for people unfamiliar with the area/airport. He saw no reason why the signs couldn't be changed.

Mr. Susong's third item was a few words in support of honeybees. He said he and his wife are hobby beekeepers and have hives. In the last two years, toward the end of the season, their bees have just disappeared. His hives are experiencing a chronic syndrome affecting beekeepers everywhere, and

he said that 84% of honeybee colonies were lost. The reason is an insecticide called neonic (Neonicotinoid). This is deadly to honeybees, 10,000 times more deadly than DDT. He asked those present to avoid using neonic if they use insecticides on their property.

It was moved by Mr. Long, seconded by Mr. Baritelle and carried to adjourn the meeting at 4:33 pm.

NOTES:

GovDoc Committee: Those who had signed up on the whiteboard are Gary Gordon, Wendy Chalk, Dunbar Susong, Jennie Peterson, Rachel May and Janis Hernandez. Anyone else who wishes to participate, please notify a Board member.

CERT: Those interested in more information about this group are Janice Brady, Vicki Kirchner, Drew Zacharias

Attached to these minutes are:

Copy of the 2023 Approved vs. Actual Budget

Copy of the Approved 2024 Budget

Copy of document prepared by Mr. Somerville regarding his suggestions regarding the GovDoc committee.

2023 Approved vs Actual Budget

	2019	2020	2021	2022	2023	2023
	Actual	Actual	Actual	Actual	Approved	Actual
Income						
Assessments - \$100/lot	8,550	8,500	8,600	8,450	17,200	16,872
Special Assessment-One time \$200/lot					34,400	33,400
Pilot Assess \$100/Pilot & Voluntary	2,300	1,200	1,200	1,500	1,000	1,200
Legal Judgement					0	21,081
Legal Action Loan				12,550		0
Other-Interest/late fees/Reimbursables	1,189	54	1,439	200	0	294
Total	12,039	9,754	11,239	22,700	52,600	72,847
Expenses						
1 Insurance	2,739	3,067	3,334	3,332	3,500	4,033
2 Maintain-Common Area	1,084	1,606	58	1,695	1,500	1,630
Runway Drainage	9,807					
3 Legal	1,676	0	5,320	41,561	25,000	13,823
Repay Loan					12,550	0
4 Taxes and Filing Fees	12	77	118	42	40	43
5 Annual Meeting&Picnic	627	51	0	134	400	464
Admin Costs: PO Box, Bookkeeper, Web Site, Postage, Printing, Zoom	612	686	622	1,658	1,200	954
6 Reimbursable Expenses					0	294
Total	16,557	5,487	9,452	48,422	44,190	21,241
Income Less Expenses	-4,518	4,267	1,787	-25,722	8,410	51,606
Current Account Balance						
Balance Remaining						
1. Bank Balance as of 12/31/2023: \$65,345						
2. Total delinquent amount as of 21/31/2023: \$1,890 (5 lots)						
3. This budget is based on using an annual assessment of \$100 per lot.						
4. This budget is based on receiving no Judgement payment this year. But included the repaying of the Legal Action Loan regardless of receiving the Judgement payment.						

2024 APPROVED BUDGET

	2020	2021	2022	2023	2024
	Actual	Actual	Actual	Actual	Approved
Income					
Assessments - \$100/lot	8,500	8,600	8,450	16,872	17,200
Special Assessment-One time \$200/lot				33,400	0
Pilot Assess \$100/Pilot & Voluntary	1,200	1,200	1,500	1,200	0
Legal Judgement				21,081	0
Legal Action Loan			12,550	0	0
Other-Interest/late fees/Reimbursables	54	1,439	200	294	0
Total	9,754	11,239	22,700	72,847	17,200
Expenses					
1 Insurance	3,067	3,334	3,332	4,033	5,100
2 Maintain-Common Area	1,606	58	1,695	1,630	3,210
Runway Drainage					
3 Legal	0	5,320	41,561	13,823	30,300
Repay Loan				0	12,550
4 Taxes and Filing Fees	77	118	42	43	525
5 Annual Meeting&Picnic	51	0	134	464	800
Admin Costs: PO Box, Bookkeeper, Web Site, Postage, Printing, Zoom	686	622	1,658	954	5,800
6 Reimbursable Expenses				294	0
Total	5,487	9,452	48,422	21,241	58,285
Income Less Expenses	4,267	1,787	-25,722	51,606	-41,085
Current Account Balance					65,345
Balance Remaining					24,260
1. Bank Balance as of 12/31/2023: \$65,345					
2. Total delinquent amount as of 21/31/2023: \$1,890 (5 lots)					
3. This budget is based on using an annual assessment of \$100 per lot.					
4. This budget is based on receiving no Judgement payment this year. But included the re-paying of the Legal Action Loan regardless of receiving the Judgement payment.					

The Blue Ribbon committee for Review and Update of the ByLaws and CC&R Covenants

Updating the BRF CC&R Covenants and association ByLaws and bringing them into conformity with state law is something that we've needed to do for some time.

To do so, we should have four important objectives:

1. Strive to preserve the present character of Blue Ribbon as a private residential airport as much as possible;
2. Impose as few requirements and constraints on our individual homeowner members as possible while preserving the privileges and obligations of the original CC&Rs;
3. Conform to the Washington State law governing homeowners associations -
- RCW 64.38;
4. Write the updated By-Laws and CC&Rs to be as brief, concise, and as understandable as possible.