

February 18, 2015 Special Meeting Minutes

Homeowners Signed In

Board members present: Denae Bastian, Michelle Haneberg, and Shelley Logan

Homeowners present at the meeting: Nancy Guthrie, Ric Newgard, Ken Gilmore, Steve Davis, Tricia Cooke, Chris Birchman, Bob Roush, Jason Melton, Phil Bastian. An additional 136 members were represented by proxy. We needed 106 homes represented to reach quorum, so a quorum was established and the meeting was able to proceed.

The February Special Meeting was called to order by Denae Bastian at 7:10 pm.

Denae Bastian expressed appreciation to all homeowners who participated in tonight's voting, whether by proxy statement or in person. On behalf of the entire board, she also thanked the numerous homeowners who volunteered to collect votes via proxy statement. We had 31 members of our HOA go door to door to help pass the amendment changes and they were each mentioned by name. It was amazing to see so much homeowner involvement.

Time was provided for questions regarding the proposed new amendment, and for members present to mark their ballots.

Ric Newgard and Ken Gilmore counted the proxy statements regarding the changes to our governing documents regarding first class mail and email notification. Shelley Logan counted the ballots (11) and added these to their totals.

During the counting of the ballots and proxy statements, Denae Bastian explained that an "**Email Authorization Form**" will be created for homeowners to sign. If you wish to continue to receive required notices by US mail, you do not need to do anything. If you want email notification of required documents, you will need to sign the authorization form. This form will be emailed to all homeowners for whom we have a current email address. This can be signed, scanned, and then emailed back to the board. For those homeowners who we do not have an email address for, the board will mail the form to them. Notices not required by law, such as meeting minutes and newsletters and meeting reminders, etc., will still be sent via email to all for whom we have email addresses.

Denae Bastian shared that the board's next goal is to bring down the number of votes necessary to make changes to our governing documents. It currently stands at 75%, or 233 approval votes which is a very high number and beyond the norm when compared to other associations. The board would like to hear from homeowners about their thoughts pertaining to what they feel would be a reasonable percentage of votes for changes to be made to our governing documents. During the meeting we heard suggestions from members of a simple majority, a super majority, and 60% as possibilities. The board is open to hearing what others

have to say about the percentage they think would be best. Legal counsel will also research the subject to see what the law requires. Once a number is determined, a proxy statement will be created and we will begin again to seek proxy statements from homeowners to support the change.

Another goal of the board is to work on making other much needed changes to our governing documents. Both Jim Jones and Phil Bastian, attorneys for SCHOA, have suggested starting fresh with new documents for the association. The pros and cons of amending the old ones versus starting with a fresh, new set and modifying it were discussed. Most homeowners present preferred to start with a fresh base that is modern and add to it the things we think would better guide the operations and procedures of our particular association.

Shelley Logan shared that the board would like to invite homeowners to join a team to help create new governing documents for "The Falls". As a board, our vision is to have this year be a "Year of Re-Vision" for our neighborhood! Homeowners will be able to give input and share their vision on what should be in these new documents as we work to align them with each other, with state law, and the needs and wishes of the homeowners today.

Following the discussion (which occurred while the votes were being counted), Shelley Logan announced the tally of the votes:

Final Totals:

- 244 - For
- 2 - Against
- 0 - Abstain
- 2 - forgot to mark any preference

Shelley Logan announced that the proposed amendments to our governing documents were approved by more than 75% of our homeowners, so the amendments passed. The next step is for these amendments to be filed with the court in Snohomish County.

The special meeting was adjourned by Dena Bastian at 8:00 pm.

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Dena Bastian called the February Board Meeting to order at 8:01 pm.

Shelley Logan made a motion to approve the January 21, 2015 Annual Meeting Minutes and Board Meeting Minutes. Michelle Haneberg seconded the motion and the vote was unanimous.

Financial Report given by Shelley Logan

of Homeowners Dues Collected YTD: 229
Operating Budget Balance: \$55,138.68
Reserve Allocation Total: \$37,031.43

Expenses Paid January 2015:

Archey's Landscape Monthly Maintenance: \$3,285.0
Sprinkler Specialists: \$175.20
Silver Lake Water: \$163.70
Supplies: (Postage, Printing, etc.) \$333.30:
PUD: \$185.70
Aynax: \$9.95
Website: \$14.99
Snohomish School District: \$349.50
Secretary of State: \$10.00
Reserve Allocation for Jan.: \$350.00

Michelle Haneberg made a motion to to accept payment plans and to waive late fees for those discussed in executive session. Shelley Logan seconded the motion and it passed unanimously.

Michelle Haneberg made a motion to have an Executive Session prior to the next board meeting to discuss private matters relating to individual homeowners. Shelley Logan seconded the motion and it passed unanimously.

Waterfall Update: Denae Bastian reported that the waterfall will be turned back on this week now that the weather is warmer and the long holiday weekend with kids out of school is over. Tricia Cooke updated homeowners on the camera installed at the waterfall two years ago. It is a game camera that is located in a tree near the top of the waterfall. There was discussion among the board and homeowners present regarding the effectiveness of a camera there. Most expressed concern that a single camera of that type would not be very effective for capturing pictures of vandalism at the waterfall and would probably not be useful to police. The signs that are posted at the top of the waterfall are hardly seen, so not very effective either. It was suggested that a new sign be posted on the lower level to alert the public that the area is under surveillance. All homeowners are encouraged to report any suspicious activity anywhere in "The Falls".

Safety Education: Denae Bastian announced that Chris Birchman will resume his monthly safety education for homeowners at the March board meeting.

Fence Update: Shelley Logan shared that the common fences on the west side of Sno-Cascade Drive would be completed soon and then work would begin across the street on the east side.

Denae Bastian asked members present for their feedback on whether they would rather we spend money on plants and bark along the common fences on the west side of Sno.Cascade Drive, or hold off and put the money towards more fencing. Most homeowners present voiced a desire to spend the money on the fences. We will seek input from homeowners not in attendance as well. Money is budgeted for both.

Shelley Logan announced that she and her husband John will be moving soon. Her last meeting as SCHOA Secretary/Treasurer will be March 18, 2015. Shelley has enjoyed volunteering to serve the neighborhood and being a member of this board.

Michelle Haneberg invited anyone interested in serving on the board to contact her or Denae Bastian via phone or email as soon as possible.

Denae Bastian announced that the next board meeting will be held on Wednesday, March 18th at the Totem Falls Elementary Library at 7 pm. All homeowners are invited to attend. She then adjourned the meeting at 8:40 pm.

These minutes will be approved at the March Board Meeting.