

Pine Forest HOA Board Meeting Notes, 9/2/18

Board members in attendance: Anne Fox, Andy Maloy, Bill Ellis, Jim Wurzer and Heather Dean (by telephone).

Others in attendance: Steve Meyers, PF Liaison (by telephone), and Harry Burkholder.

Anne Fox noted the replacement of Jim Harrison by Andy Malloy as Board member.

Heather Dean stated the following new landowners:

- Joan & John Cady (Lot 63) to Dennis Bell & Judy Nevins
- Dave Chantler (Lot 101) to Joel & Sandra Aslanian
- Dan Cybula & Michelle Kuss (Lot 119) to Gordon Griffith & Christian Reynolds
- Josh & Valerie Kato (Lot 145) to David Byron (Byron) & Pam Massey
- As of Thursday: David & Julie Klimek (Lot 11R) to Brian Dillon

Action: The minutes for the Board Meeting of 3/25/18 were unanimously approved by the Board.

General Discussion:

Anne asked Steve to look into the “whereabouts” of the mail box that disappeared from the entrance to the spur to Blue Jay. Heather talked about the placement of a Purple Air monitor at her house. It is up and providing air quality readings. Bill Ellis asked for an e-mail address other than his personal one that would be placed on the PF website.

Committee Activities

Anne asked the Board members to approve the members of the Board Committees. The Board approved such unanimously. The only deletion is Lynn Lichtenberg will not participate on the Governance Committee.

Steve Meyers Activity Report

Steve and the Board discussed the role he will play in PF. This started with the Water System. Steve said he has contacted Doug Hale about touring the pump houses to familiarize Steve with things he may need to do. That will likely happen in September. Steve will invite Brad, as well. Since Steve is not certified in water management, Doug will be entirely responsible for the water certification duties. Steve will attend to changing the batteries on the transmitters and dealing with service interruptions.

Andy Oosterhof will inspect and sign-off on new construction connections to the Water system. Steve mentioned that the new owners of lot 145 on Red Pine have improved the pre-existing road on the property to be their driveway. He also mentioned there were two small water leaks that Andy O recently repaired; one by contractor parking and another by lot 185. There is another possible leak by lots 1 and 188 that may also be a spring. It is being monitored. The

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garbage area has remained relatively clean. WasteWise's only two requests were that we remind owners that the dumpsters are only for household garbage and that we try to keep the route to the dumpsters a little wider in the winter. Steve said he will mention this to Andy.

Steve talked about the need for better access to the lower pump house. The way to it crosses Sun Mountain property. In the spring a vehicle cannot be driven to it due to wetness. The biggest concern is large vehicles that may have to access the site to make unscheduled repairs. There are two ways to deal with this issue, which has been a concern for a number of years. One is a quick fix by putting in some gravel. The second is rerouting the road. The reroute would be good because the road would then be entirely on PF property. Andy had mentioned that a reroute could cost 15k. Steve will get an estimate from Andy for the "quick fix" work.

Another area of concern is Red Pine road. It has drainage issues in the spring and is in rough shape. Now that we have a new owner who has started the building process, the need for repairs is even more pronounced.

Committee Report comments (see attachment for reports from each):

Architecture: Anne asked if there were any questions on the latest committee report. Anne noted that Steve will be very helpful at informing the committee of any construction activities in PF because of his frequent surveying of PF roads and lots. There are two active projects, new construction on Lot 1 and access road and utility work on Lot 48.

Communication: Anne is happy that Deb Darling and Colin Carrihill are on this committee. Colin brings a wealth of knowledge on web-site work that will be very helpful.

Governance: Andy Maloy reported they have a meeting set for 10/6/18. He has reviewed some of the revision work needed for the Bylaws and the Covenants. His first priority is to review and revise the By-Laws and Covenants for consistency with applicable State law and regulation. The Committee will also recommend revisions that clarify voting procedures and update those procedures so that they align with the digital age. Other revisions may be considered after these two priorities are accomplished. Additional revision to the Bylaws and Covenants may be proposed after the initial revisions are complete.

Water: Bill Ellis said this group has not formally met. Bill intends to get Doug Hale as well as the rest of the group to learn about the system, catalogue the work done on it as well as a maintenance schedule. The group will also prioritize any upgrades to the system including the cost of such.

Roads: Jim Wurzer and Steve are working on the protocol for work on the roads. This would include when snow plowing and sanding as well as general maintenance will occur. This will explain, especially to new residents, what and when work will be done. This group will also prioritize and research the cost of non-maintenance work e. g. pull outs for cars and emergency vehicles, fixes to permanent drainage issues. Immediate work will concentrate on providing a "quick fix" for access to the lower pump house.

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Finance: Heather said that, outside of preparing next year's proposed budget, which has not yet begun, the committee's primary immediate task is oversight of spending. She will endeavor to share deposits & expenditures with the committee members on a monthly basis & will also provide them a budget status prior to each board meeting.

Firewise: Heather said they had put together a phone tree related to the summer of 2018 fire activities. The making of a more permanent one will be one of the next activities. Heather also mentioned that PF has been given a grant of 3k to provide chipping of forest material this fall. The group will coordinate this activity.

Budget report: Heather said we had a 50k surplus carrying over from the 2017 & first half 2018 budgets. (Note PF switched their fiscal year from calendar year to July 1 to July 1 starting in 2018. This necessitated a first half year budget to bridge the six month gap.) Most of that surplus came from PF skipping the budgeted spring grading this year due to the ongoing logging operation. The surplus has allowed us to begin to reestablish a reserve fund (10k already so dedicated as well as to budget expenditures greater than expected revenues for the year. With the carryover surplus, the 2018/2019 budget would have a projected surplus of just under \$19k. Some of that will go to expenses for common area thinning, if necessary (see below).

In terms of actual vs. budgeted expenses, nearly 12k will be saved in the conversion from a paid manager to a volunteer community liaison. On the other hand, bookkeeping costs were much higher than projected in the first two months of the budget, but hopefully will be reduced with the change in providers that has now occurred. There is a question as to whether to establish a separate bank account for the reserve fund, rather than keeping it in the money market account. There is currently 169k cash on hand and it does not appear there is a need to increase dues for next year. A final decision will depend on identification of pressing big-ticket needs for maintenance or repairs to infrastructure.

Timber Thinning\Fuel Breaks Project: Saul and crew (Brothers Fire) thinned more than 53 acres this year on 46 lots. The acreage breakdown was about 70% private land & 30% common area. The crew will return this fall to burn slash piles generated by the project. We curtailed thinning in common areas before completing the fuel breaks along lower South Blackjack and Yellowleaf, including in the southeast greenbelt. This was done because Darrell (Tunk Creek) our loader and skidder operator, had to leave for fire season work before it could be done. Heather would like to have that thinning done next year. Challenges associated with the onset of winter have led everyone managing or conducting the project to prefer spring over autumn. Five landowners have also already indicated they want to have their lots thinned next year. So far, the net cost for this year's fuel break's thinning is \$190k. Still to factor into the bottom line are approximately \$29k that the Oroville mill still owes us, along with the cost of the burning. **Heather expects a final cost of approximately \$2400 per acre for the fuel breaks which is much lower than the prior year.** It looks like the cost per lot will be close to the \$2100 paid by participants, but the cost for common area thinning will likely exceed the \$350 per lot provided by the 2017 special assessment (\$250 per lot) & this year's dues (\$100 per lot).

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The current budget does not include funds for common area thinning next spring, but we will look at options for continuing with that work if owners so desire. Cost per acre for the thinning that went beyond the fuel breaks on private lots still needs to be calculated. Saul has not yet invoiced us for that work. We will update owners again once we have all the final costs and income.

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With the last three years of work, we are down to only 24 lots that have 70% or greater forest cover, 3 of which have indicated wanting to participate in the Thinning Project next year. The Firewise committee will discuss measures that can be taken to encourage non-participating owners to join in the Thinning project.

Burkholder development: Jim mentioned that there is a SEPA comment period which ends on 9/14/18 regarding the initial approval by the County of the building of 24 houses on his property directly adjacent to the PF southern boundary. Jim said the PF Board should comment on this development due it's impact on PF's water availability and roads. Jim stated the possibility of this activity infringing on the water availability to PF. Burkholder has access by easement via PF roads to the uppermost 80 acres of his property. Such access would add more traffic and the consequent wear to PF's road system.

Action: The Board decided unanimously to send a letter to the County expressing PF's concerns on the environmental effects on PF's water and road systems. The Board also decided to inform the landowners of the Burkholder activity and the SEPA document's existence and comment period.

The next Board meeting was set for Saturday, December 1, at 3:30PM. The location is to be determined.

Owner's comments: Harry Burkholder made the following comments. He explained the issues with the Red Pine Road condition. He also asked if Andy Oosterhof's health and its effect on his work for PF had improved. The Board in response said Andy's health was not noticeably different than it ever had been. Harry said that PF should meter water because the Yakima Indians had taken over the local fish hatchery and would want more water for fish in stream flows. He also mentioned gully clearing activity with the Forest Service near his property.

The Board then went into Executive Session.

Submitted by,

Jim Wurzer, PF Secretary

Attnmts - Committee Reports: ARC; Administrative; Communications; Water, Firewise, Trails and Roads