

POINT RICHMOND RIDGE HOMEOWNERS ASSOCIATION

ANNUAL MEETING MINUTES

November 11, 2023

Minutes of the Annual Meeting of the Point Richmond Ridge Homeowners Association, Gig Harbor, Washington, held at Olalla Landing in Olalla, Washington, at 1:00 p.m. on the 11th day of November 2023.

1. CALL TO ORDER

- a. Board Member Steve Treese (lot 45) called the meeting to order at 1:00 pm.
- b. Meeting in person at the Olalla Bay Landing, not being recorded.

2. ROLL CALL - ESTABLISH QUORUM

- a. 27 owners represented, either in person or by proxy.
- b. Quorum was met with 20 in person and 7 by proxy.

3. PROOF OF NOTICE OF MEETING

- a. Preliminary information about the meeting was shared in the 3rd Quarter Newsletter on October 2, 2023.
- b. The official announcement could not be sent out at that time because we needed some time to allow for self-nominations.
- c. Self-nomination period ended Oct 15.
- d. On October 16, 2023, official notice was mailed to all owners at their address of record.
 - i. The announcement was postmarked with sufficient time required, the postmark being the date that satisfies the requirement versus date received, as verified with HOACS and their attorney's confirmation
 - ii. Unfortunately, the post office has implemented a system in which mail is sent to a sorting facility which has introduced a significant delay in delivery, so the announcement was not physically delivered within the expected 14-day period.
- e. Electronic reminder of the scheduled meeting was sent to all owners for whom we had an email address on November 8, 2023.

4. INTRODUCTIONS

- a. Current board members introduced themselves
- b. Introductions of new owners in 2023
 - i. There were no new owners in attendance

5. MEETING CONDUCT RULES & PROCEDURES

- a. We followed Roberts Rules of Order
 - i. Voting: motion, second, discussion, voice vote
- b. Request made to hold questions until after the presentation or until open floor
- c. Open floor – each person allowed up to 3 minutes to speak, with an additional time depending on schedule.

6. 2022 ANNUAL MEETING MINUTES (November 5, 2022)

- a. 2022 Annual Meeting Minutes have been posted on the PRR web site since January 2023.
- b. Motion made by Karen Streeby (lot 44), seconded by Thomas Huffman (lot 41) to dispense with reading of the minutes. Agreed by acclamation.
- c. Motion by Karen Streeby to approve the minutes, seconded by Norbert Ecker (lot 61), motion approved

7. OFFICERS' REPORTS

- a. President - Steve Treeese (lot 45)
 - i. Accomplishments of last year
 - (1) Policy for fence maintenance clarified
 - (2) Repaired sprinklers
 - (3) Safety inspection
 - (4) Asphalt repairs and crack sealing
 - (5) New north entrance sign
 - (6) New "Private Road" signs - no unauthorized heavy vehicles
 - (7) Replaced catch basin filters.
- b. Secretary – Karen Streeby (lot 44)
 - i. Annual summer potluck was a success
 - (1) Thanks to all those who participated/helped
- c. Vice President's report – Marc Janes (lot 26)
 - i. Snow removal plan
 - (1) Snow removal is very expensive; and most companies only want large jobs.
 - (2) Marc has identified a small local business who has been willing to help us the last few years. He is no longer in business but would be willing to help us as a private contractor.
 - (3) Thomas Huffman asked what the criteria is for calling in for plowing.
 - (a) Answer: Depends on the ongoing forecast – whether it's several inches and it's going to stay on the ground.
- d. Treasurer - Bruce Harjehausen (lot 55)
 - i. Dues collection is at 94%
 - ii. Actual expenses are less than budget overall
 - iii. Current Balances (End of September 2023)
 - (1) Operating Account \$ 35,331
 - (2) Reserves
 - (a) Money Market \$ 38,544
 - (b) Certificate of Deposit \$ 0
 - (c) Total Reserves \$38,544
 - (3) Total Funds \$ 73,875
- e. ACC-Liaison – Tom McKee (lot 59)
 - i. Duties defined by Covenants and Bylaws – enforcing provisions
 - (1) Focus on maintaining a sightly appearance / curb appeal
 - (2) What makes the neighborhood look nice? Not a focus on peoples' backyards – what we can't see.

- (3) Strive for fair and transparent process of enforcement
- ii. 2023 summary of violations
 - (1) Weed and landscape maintenance – 9 violations
 - (2) Fence and dwelling maintenance – 4 violations
 - (3) Vehicles/Equipment – 3 violations
 - (4) Barking Dogs/Nuisance – 0 violations
 - (5) Total violations cited – 16
 - (6) Violations resolved - 12
 - (7) Outstanding violations – 4

8. **ELECTION OF DIRECTORS RESULTS**

- a. Directors are elected for 3-year terms
 - i. Bruce Harjehausen and Karen Streeby are in their 3rd year. They will be replaced or re-elected this year.
 - ii. Steve Treese, Marc Janes, and Tom McKee are in their 2nd year.
- b. Candidates for election:
 - i. Nominated for Directors:
 - (1) Bruce Harjehausen - Agreed to run again
 - (2) Thomas Huffman
 - (3) No additional nominations were received
- c. Both Bruce and Tom received sufficient votes via mail-in and by proxies to be elected to the board. Congratulations Tom and Bruce!

9. **OLD BUSINESS**

- a. No additional open items

10. **NEW BUSINESS**

- a. Budget
 - i. Our largest expense is the roads. It is our responsibility, not the county.
 - (1) In the reserves budget, we are trying to avoid an overlay or a remove-and-replace.
 - (2) Bruce had the former Executive Director of the Washington Asphalt Paving Association come walk our roads and provide informal recommendations. He felt that our roads were in good shape but recommended a crack sealing program and a seal coat every 5-6 years.
 - (3) We did extensive patching and crack sealing this year. This was done by A.C. Moate. They will come out again in the spring and do a review to see what is left to do. They charged \$0.57 per foot for the crack sealing, which is a good price.
 - (4) A.C. Moate also recommends that we do a seal coat next year to protect the patches that we just did. \$50,974 is the estimate to do that seal coat.
 - (5) Three different asphalt contractors agreed with the former APA Executive Director in recommending that we get on a 5-year program of patching and seal coating.
 - ii. Other expenses in the reserves were discussed.

- (1) Playground surface material
 - (a) There is a required depth for safety reasons. We are not meeting that requirement at this time.
 - (b) \$2,700 is budgeted to do that next year
- (2) Picnic tables - Budgeted to be replaced in 2027. May not need to be replaced, but they will be 20 years old by that point.
- (3) Mailboxes - There is a line item to replace the mailboxes at some point, but if they don't need to be replaced then we don't need to do it.
- (4) Tract D - Estimating \$8,100 to cover with bark in a few years.
- (5) Bob Malady (lot 5) voiced concern around the reserves budget
 - (a) He stated that we have been repairing and sealing the asphalt on a 7-year program and feels that doing this on a 5-year program simply runs up future fees. Randall Lee (lot 38) echoes his question – why move from the 7-year basis?
 - (i) Bruce – pointed out that we are looking to budget for the asphalt work on a more frequent basis, but if we don't need to do it when the time comes, we don't do it. It protects us from a surprise later that we didn't anticipate.
 - (ii) Professional opinion is to plan for and budget for every 5 years, but if you can get away with it, do it every 6 or 7 years.
- (6) Addressing Bob's letter with concerns;
 - (a) Inflation – Using the basis of 5% inflation rate of asphalt is justified as that correlates with past experience.
 - (b) Everything else has been calculated at an inflation rate of 3%.
- (7) Randall Lee (lot 38) posed some questions
 - (a) Playground equipment line item
 - (i) Randall questioned why we anticipate replacing it at 30 years.
 - (ii) Randall was positive that the equipment has a lifetime guarantee and they will come out and replace it at any time for free including wood rot.
 - (iii) Randall stated that the manufacture warranty is stamped into the wood and offered to take Bruce and Steve to see it.
- (8) Sharon Malady (lot 5) stated that the play equipment is so infrequently used and wonders why we are bothering replacing it.
 - (a) Multiple owners commented and gave examples of the equipment being used regularly.
 - (b) Tom McKee (lot 17) stated further that it increases the appeal of our neighborhood.
- (9) Randall Lee (lot 38) questioned the maintenance cycle for general signage and wondered what that is for.
 - (a) Answer: stop signs, street signs, etc., including their posts. They don't get maintained by Pierce County.
- (10) Randall Lee (lot 38) – Playground border – Wondered if that is the gravel that goes around the whole tract or whether that is the black PVC border in the area with the play structure.

- (a) This refers to the gravel on the outside border of the tract.
- iii. Bruce anticipates that at the current dues rate, we can't cover our Reserves expenses and would be in the red starting 2027.
 - (1) The Board proposed a dues increase of \$100 per year, to a total of \$600 per year. This is in contrast to the original proposal of a \$200 / year increase to \$700/year.
 - (2) The Board revisited the budget taking some comments provided before the Annual Meeting by Bob Malady into consideration and agreed we could reduce the proposed due increase to \$100/year vs. \$200/year.
- iv. 2024 Operating Budget
 - (1) Some items that are factored in as increases
 - (a) Insurance increased
 - (b) Office supplies / postage went up
 - (c) We need to do a full reserve study
 - (2) Bruce made a motion to approve 2024 operating budget as presented. Seconded by Marc Janes (lot 26).
 - (a) Yes - 14 in person by a show of hands.
 - (b) No – N/A as there is not a large enough % to oppose.
- v. Bruce made a motion to approve the Reserves Summary and Budget as presented. Seconded by Norbert Ecker.
 - (1) Votes in favor – 11 by a show of hands
 - (2) Randall has by proxy 3 yes (for reserves) and 3 no (for reserves)
 - (3) Bob has by proxy 1 no on the reserves
 - (4) There was over 50% in favor of approving the reserves budget study as presented, motion carried.

11. OPEN FLOOR DISCUSSION

- a. Randall Lee (lot 38)
 - i. Randall shared that an owner, whom he is representing by proxy, is questioning the HOA meeting not being available online (via Zoom), and in a place with limited parking.
 - (1) The Board exhausted efforts to find a spot for free. The library was not available.
 - (2) The Board will look into having a hybrid meeting in the future via Zoom.
 - ii. By Proxy – How much are we paying the company for a reserve study and can we get a copy of the report?
 - (1) Yes, the copy will be posted on our web site, and if a homeowner wants a hardcopy, a member of the board will make them a copy.
 - (2) The cost is about \$1,500 and the study will be done sometime in the spring.
- b. Dennis Hanson (lot 20)
 - i. Wonders if the HOA could put out some traps to catch the raccoons.
 - ii. We don't have a system for that; and we'd have to pay somebody to take care of that. It would come out of contingency.
 - iii. There was no planned follow-up on this.

12. ADJOURNMENT

- a. Steve motioned to adjourn; Kathleen Hickey seconded
- b. Meeting was adjourned 2:41 pm