

Westridge Place Homeowners Association Inc.
Board of Directors Meeting Minutes
April 25, 2006

The meeting of the Board of Directors of Westridge Place Homeowners Association was called to order at 7:05 p.m. at the home of James Cochran.

ATTENDANCE:

Present: President: James Cochran, Vice President Miron Washington Secretary Treasurer, Catherine Reneau, Directors – Anita Anjoubault: ACC Representative: Ruth Clowes,

Absent Directors: Rick Bowler, Lance Boyce, Mark Benson

ESTABLISHMENT OF QUORUM:

James Cochran called the meeting to order and established that a quorum was present.

Review and approval of March Board Meeting Minutes:

After review,

Miron Washington motioned to accept the minutes as written and Anita Anjoubault seconded the motion. There was no discussion. The motion carried unanimously and a copy will be on file at Northwest Management.

Review results of the 2006 Annual Homeowner Meeting:

The homeowners elected Jim Cochran and Miron Washington to the Board of Directors for 2-year term. Mr. Cochran stated that the Bylaws require a new election for the offices of President and Vice President. Jim asked for discussion. There was no discussion.

Jim Cochran announced his candidacy for President.

Miron Washington motioned to elect Jim Cochran as President for a one-year term as described in the Bylaws. Anita Anjoubault seconded the motion. There being no discussion, the motion carried unanimously.

Miron Washington announced his candidacy for Vice President.

Catherine Reneau motioned to elect Miron Washington as Vice President for a one-year term as described in the Bylaws. Anita Anjoubault seconded the motion. There being no discussion, the motion carried unanimously.

The homeowners also approved the 2007 Budget and they agreed to waive the 2005 Audit Requirement.

Homeowner comments at the Annual Meeting:

Homeowner questions at the Annual meeting about the Gated Community CC&Rs they were given being different from the recorded CC&Rs were reviewed. The Board committed at the Annual Meeting to look into this.

Miron Washington discussed the homeowners concern voiced at the Annual Meeting regarding home rentals. The Board discussed the pro's and con's of an amendment to the CC&Rs to prohibit rentals within the community. Jim suggested forming a committee to investigate the possibility of an amendment and conduct a survey of homeowners. Catherine voiced concern about the enforceability of the amendment and suggested adjusting the fine schedule to help control violations. Catherine thought it would be a much better option to strengthen our fine policy. Jim asked for a motion regarding further action on a rental amendment. With no motion forthcoming from the Board, the discussion was tabled. The Property Manager will strengthen the follow-up timing on violations in accordance with our fine policy and fine schedule. The Board clarified to include a statement in all final notices that violations would be accumulative for a period of one year and the ACC committee would verify whether a violation is a new violation or a continuation of an old violation. Example: if first and second letters are sent one year and the violation is repeated the next year, then a final notice would then be sent.

ACTION ITEM

ACC Update:

ACC Chairperson, Ruth Clowes reported on ACC activity. Several homeowners did not send in complete requests and the committee had those requests on hold. The Committee had approved a tree removal for the Pierce's, stonework for Chapin and house paint for Bob Hill, the Simpkins and Mathers and a landscape request for Grimm. The Board discussed whether to allow stain or clear seal on fences. Consistency of the look of fences was the main concern, especially on the Blvd. The Board did not have a problem with clear stain but stressed that approval was necessary.

Ruth Clowes informed the Board that William Shelton has agreed to an appointment to the ACC Committee.

Anita Anjoubault motioned to appoint William Shelton to the ACC Committee. Miron Washington seconded. There being no discussion, the motion carried unanimously.

Ruth discussed the appeal for the green cab. He is asking to be able to park the cab for several hours during the day. After review of the CC&R's and discussion by the Board, Marian was instructed to contact the owner of the cab and inform him that he had permission to park his cab in his driveway during the day. **ACTION ITEM**

Ruth stated that Marian would write letters to the homeowners who removed trees reminding them that in the fall the trees would need to be replaced. **ACTION ITEM.**

Catherine asked the Board to consider a request from Summerplace Homes to allow Summerplace to install fencing under the Alternate Approval process in the ACC Guidelines. She proposed the Board agree so long as Summerplace adheres to our fence requirements and informs the ACC Committee in advance of the homes Summerplace will be installing fencing. The Board agreed this would be acceptable and Catherine will inform Summerplace.

Landscape Committee

Catherine reported that 2 trees had to be removed in the retention swale at SE 196th St. Catherine also obtained bids to trim the remaining five (5) trees in the swale and the lowest bid was from Woodchucks for \$950 plus tax. Catherine recommended accepting the bid from Woodchucks.

Anita Anjoubault motioned to accept Woodchucks bid. Miron Washington seconded the motion. There being no discussion, the motion carried unanimously.

Catherine reported on a proposed bark dust application with a budget of \$500. She stated that the entrances, pear trees and top of the swale would be able to receive a thin layer of bark dust. Flyers have been delivered asking for volunteers on the 6th to spread the bark dust and that would cut down costs. If we do not get enough volunteers, the event will be canceled. Catherine also reported that she and Marian would be meeting with the landscaper later in the week regarding landscaping concerns and she hopes to obtain a schedule for fertilizer application etc. She will discuss the poor pruning and grounds maintenance with the landscaper.

Catherine reported the Landscaper completed the work on the area between SE 195th and SE 196th per bid and she has approved payment of the bid for \$500 +tax. Catherine voiced concern that excess water in that area was caused by a homeowner draining his pool. Marian mailed a letter of inquiry to the homeowner with a response requested and the homeowner has not responded. Marian will send a follow-up letter to the homeowner. **ACTION ITEM**

Catherine asked the Board to consider allocating \$500 from the Audit budget (that was waived by the homeowners) to the Landscape budget to defray unexpected tree removal and trimming costs. She predicted total extra cost would be around \$1,500. No action was taken on this request.

Financial/ Budget/ Invoices Update

Catherine presented the financial statements for the first quarter ending March 31, 2006 and a budget/actual comparison. Our cash position is good, however the cash will be spent down over the remainder of the year for ongoing normal expenses and insurance. She reported that receivables were down to \$2,100 and all receivables are current with the exception of one homeowner. The gated community has now accumulated \$8,600 in the reserve account, which represents the surcharge collected from gated community members.

Catherine reported that Westridge proper was on track with the 2006 Budget. The gated community was tracking behind because of slow sales. At the end of March there were 21 homes in the gated community paying dues and 248 non gated for a total of 269 for March. Two people in the gated community were refusing to pay the surcharge until they are provided with a gate. Late fees have been stopped until this issue is resolved.

Catherine presented an invoice from One Pacific Corporation for \$256.70; the invoice was for time and supplies for a certified letter mailed by One Pacific to Gated

Community homeowners and builders. Jim Cochran noted the Board was unaware of the mailing, issues and content of the letter, and immediately began receiving complaints from owners in the Gated Community (GC). One item noted in the letter obtained from a GC resident, the fine policy was misquoted in the mailing. Proper procedure would have been to notify the Board to discuss need and how to distribute so that extemporaneous expenses don't surprise the Board and negatively impact the budget.

Miron Washington motioned this was not an expense of the Association and not to pay the bill. Anita Anjoubault seconded the motion. There being no discussion, the motion carried unanimously.

Jim Cochran will inform One Pacific and return the invoice. **ACTION ITEM**

Catherine discussed a CPUD collection notice on an outstanding utility bill for the "Westridge Sprinklers". This bill is for the electric meter located at the uncompleted gate at the Gated Community entrance on 9th Street. As noted in previous meetings, the Board agreed this bill is not the responsibility of the Association. Marian has sent the bill back to One Pacific informing them this bill is not Westridge Place HOA responsibility. Further, CPUD has been contacted and informed that Westridge Place HOA has no responsibility for this meter.

Other Business/ Next meeting:

Jim discussed the upcoming insurance renewal. In addition to our current insurance company, CAU Underwriters, Jim will also contact Farmers and State Farm for bids. The high cost of our insurance is of concern to the Board. **ACTION ITEM**

Jim stated the Bylaws amendment for Board nominations needed to be recorded. Catherine will have the amendment recorded and will include the amendment in the next newsletter as notification to members. Jim Cochran reported he had forwarded a copy of the Amendment to Rick Bowler and Mark Stoker, attorney for Mr. Bowler and One Pacific. **ACTION ITEM**

Jim announced the next Board meeting would be June 6, 2006.

Attending Homeowner comments:

Ruth reported that she received information that a Realtor was buying up properties for rentals.

Association / Declarent Gated Community Issues:

The Board has received correspondence from several homeowners in the Gated Community asking about the completion schedule and enforcement issues in their area and refusals to pay the surcharge dues. Many were disturbed by the recent letter from One Pacific and by the general condition of the gated community. Following up on the Board's promise to the homeowners at the Annual Meeting, the President solicited a legal opinion from the Board's attorney.

Miron Washington motioned to enter into Executive Session to discuss a legal opinion received from the Board's attorney regarding the validity of the Gated Community CC&Rs. Anita Anjoubault seconded the motion.

The motion carried unanimously.

Executive (Closed) Session:

The Board entered Executive (Closed) Session at 8:00 pm.

Return from Executive Session:

The Board returned from Executive (Closed) Session at 8:30 pm. Miron Washington made the following motions:

Motion 1

I move to accept the legal opinion dated April 21, 2006 and recommended action thereon received from the Board's attorney that the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF WESTRIDGE PLACE GATED COMMUNITY recording number 3895103 recorded 10-15-2004 "is and/or may be voidable". Anita Anjoubault seconded the motion.

The motion carried unanimously.

Motion 2

I move to immediately mail a letter by certified mail to the Declarant, One Pacific Corporation, informing Declarant of the legal opinion and request the Declarant provide documentation within 30 days of the letter to the Board of Directors of WHOA which may support Declarant's position on the validity of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF WESTRIDGE PLACE GATED COMMUNITY recording number 3895103 recorded 10-15-2004, and the documentation regarding the vote of homeowners that owned Gated Community lots on and between March 21, 2004 and October 15, 2004 regarding the acceptance of those CC&R's. Anita Anjoubault seconded the motion.

The motion carried unanimously.

Motion 3

I move to mail immediately a letter by certified mail notifying all owners of record in Westridge Place Phases 3A, 4A and 6A a copy of the legal opinion and a statement that the Board will not enforce the provisions of said Declaration until this issue is resolved to the satisfaction of the current Board of Directors. Anita Anjoubault seconded the motion.

The motion carried unanimously.

Motion 4

I move that we authorize Jim Cochran to have Phil Foster record a dispute regarding the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF WESTRIDGE PLACE GATED COMMUNITY recording number 3895103 recorded 10-15-2004 with the County Recorder, if a response has not been received from the Declarant within 30 days of receiving our request for information. Anita seconded the motion.

The motion carried unanimously.

Motion 5

Jim Cochran presented an invoice from Phil Foster, attorney for legal services rendered.

Miron Washington motioned to pay Phil Foster's invoice for legal services. Anita Anjoubault seconded the motion. There was no discussion and the motion carried unanimously.

The Board instructed Marian to mail all correspondence to the owners in the gated community by certified mail.

Adjournment

Catherine Reneau motioned to adjourn the meeting and Anita Anjoubault seconded the motion. Motion carried. The meeting adjourned at 8:45 pm.

CLOSED SESSION NOTES:

The Board reviewed the opinion letter from Phil Foster and discussed the contents and conclusion and our duty to the homeowners. The Board obtained this opinion as a result of email correspondence from the gated community and verbal requests received from members of the gated community at the April 12, 2006 homeowners meeting. The Board has a duty to its members. The Board has been concerned since December 2004 when the Declarant was first asked to provide documentation supporting the assertion that an amendment to the CC&Rs could be filed without a vote of the membership as required in our CC&Rs. Since then, the Board has been wary of enforcing the provisions of the gated community amendment.

Jim Cochran asked the Board's attorney to review our CC&Rs and render an opinion about the validity of the gated community amendment. Of concern is the number of homes in the Gated Community that may not be subject to these CC&Rs.

The Board decided to notify the homeowners in the gated community of the legal opinion and provide a copy to the homeowners. In addition, a letter will be sent to One Pacific Corporation with a copy of the legal opinion and requesting a copy of Declarant's documentation (legal opinion, record of vote, etc.) supporting the recording of the gated community amendment. The Board felt that a thirty-day timeframe for the Declarant to respond was very reasonable.

Final discussion was what action to take if the Declarant does not respond. After much consideration, the Board decided that, in light of the legal opinion, there was no choice but to record a notice that the gated community CC&Rs may be invalid and would not be enforced.