

**RAFTER J RANCH HOMEOWNER'S ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING
MEETING MINUTES—APPROVED
August 30, 2005 at 7:00 p.m.
Rafter J Office**

IN ATTENDANCE:

DIRECTORS: Vernon Martin, Kip MacMillan, Jim Huspek, and Chuck Rhea **Outgoing Director:** Don Martin **Absent:** Joe Greene

STAFF: Cheryl Fischer

GUESTS: Matt Ostdiek, Rendezvous Engineering

CALL TO ORDER: Chuck Rhea, President, called the meeting to order at 7:04 p.m. and gave a brief meeting summary.

MINUTES: (JUNE 21, 2005) Kip moved for approval of the June Board of Directors Meeting Minutes and Jim seconded the motion. All were in favor.

ACCEPTANCE OF THE FINANCIAL REPORTS:

Jim Huspek shared comments and suggestions on the format of the cash flow statement. Jim recommended eliminating the fifth column (showing the previous year's numbers). There were no objections, so he would do so next month. He also noted a section of the fence was completed at or under budget. It is not on the July report because it was paid in August. There were also comments on the amount in the Emergency Fund and the transfer of the Replacement Fund to the Improvement and Service District (ISD). It was noted that Jim and Cheryl would be completing the necessary paperwork. Jim further noted that the owner of the bonds and CD's has to be changed from HOA to ISD. Jim stated he would follow up with Cheryl. It was also noted that the originally Replacement Fund amount that was discussed is constantly going up because of interest and when the transfer actually occurs the amount would be the amount originally discussed plus accumulated interest. Vernon moved to approve the financial reports for July of 2005. Kip seconded the motion. All were in favor.

MAINTENANCE REPORT: Chuck Rhea reported that he had visited with Chuck McCleary that morning and suggested that he didn't need to attend. Chuck Rhea did mention that Chuck M. reported that he had pulled a sewer pump that had excessively long run times as if it were plugged but couldn't find anything wrong with it. It was reinstalled and it worked.

DISCUSSION ITEMS:

Covenant Violations: Chuck R. gave an update on the three homeowners who have covenant violations and had been sent letters by the HOA attorney. It was further noted that two had complied and owe attorney fees but one hasn't complied. Comments followed on the issues of the homeowner who hasn't complied along with issues of another homeowner. It was further noted that the Board owes it to the neighbors and to the rest of the in Rafter J residents to pursue these issues. It was further suggested to get a digital camera, document the picture, sign, and date them. It was also noted that there are two other homeowner's files on which Paul D'Amours, Attorney, is preparing complaints. It was further noted that those two would be in the mail and delivered to those homeowners as soon as Chuck R. checks with Paul. The Board then discussed the homeowner who hasn't complied and the action to take. After discussion, Kip moved to direct Paul (D'Amours, Attorney) to take necessary steps to bring the matter into the court. Vernon seconded the motion. All were in favor. Further discussion followed regarding getting a camera for documenting violations. Kip moved to purchase a digital camera and start photographically documenting by photographs all the violations that Chuck M. notes in his rounds. Vernon seconded the motion. All were in favor.

Konitz/Richter Correspondence: The Board and Matt discussed some correspondence and the information to transmit regarding this matter. Chuck R. would prepare a five-point summary of the situation and would have Paul look at it prior to publishing the summary. It was noted that Paul would probably write the letter and Chuck R. would send it out to the Directors to review before it is mailed.

Hydro-seed: The Board discussed a copy of a letter from Craig Jackson to Mitch Lewis of Evans Construction regarding the formal request for seeding. After discussion it was noted that Mitch was still working on it and further noted that Craig Jackson indicated that Mitch and Evans haven't dismissed this issue.

Road Shoulder Markings: Chuck R. circulated a letter from a homeowner about painting a line between the roadway and pathway where the two abut. It was further noted that there is going to be a line between the pathway and road and will probably happen the next Thursday afternoon or Friday morning. It was also noted that there would be fog lines on both sides of the road.

Discussion of Job Descriptions: Chuck R. noted the information received from Bob Henderson on Chuck M. job description. Jim further commented that a Director needs to review it with him. It was also noted that Cheryl has one. Chuck R. further suggested giving him a month or so to read them both and go over them. Chuck R. stated that he would table this issue until the next meeting.

Delinquent Property Owners: The Board reviewed a list of delinquent property owners and noted the action to take on each of them. There was further discussion on one homeowner's property that is in foreclosure and Chuck R. would talk to Paul D'Amours, Attorney, about this.

Pet Issue: The Board discussed correspondence regarding a pet issue. After discussion it was decided to send a letter to the homeowner and the property manager. It was further noted that Kip will do some research on the dog barking and on a dog running free with the county to just see what the rules are.

Correspondence: The Board reviewed correspondence of emails and letters.

House Painting: Vernon reported that he had drafted a house painting letter. The Board reviewed and shared comments on the letter. Kip also suggested using the camera to record a picture of homes that need painting, date them, and add them to the file. Further comments followed on the action to take if there is no response from the individuals. After Board comments it was noted to get a letter out to three individuals.

Web-site: Vernon shared comments on the contents and the layout of the Rafter J web-site that he had prepared. Vernon also noted that his current plan is to contract the design rather than attempt to design it himself and that the designers would need to know what to include and how many sub-pages to incorporate. Vernon further noted he hasn't quite figured out the structure of how to combine certain things. Comments and suggestions followed on the contents and layout. Chuck R. asked if a request for a proposal "looking for a web-developer and maintainer" would be needed. Vernon stated that he is hoping to be able to maintain it once it is developed. Vernon responded that was possible and that he hadn't thought about doing so. More comments and questions followed concerning setting up the web-site and the estimated costs.

Homeowner's Debit and Credit Action Policy: Vernon presented a rough draft of the debit and credit action policy in which actions to be taken are described based on the amount of debt or credit and the length of time a debt has existed. After discussion, the Board decided to table any decision on the policy to allow further review and consideration.

Covenant Amendments: Vernon mentioned amending the covenants to reflect the transfer of the infrastructure from the Homeowners Association to the Improvement and Service District. In addition, some other covenants amendments have been identified that ought to be implemented to remove some outdated language concerning classes of ownership, for example. It was decided to leave it on the agenda tickler list to consider the appropriate action at a later date. It was suggested to have a couple of interested people and a Board member involved in developing the amendment wording. It was further noted that this is something that probably needs to be addressed but it is not a super high priority.

Debit Cards: Jim noted that this issue had been discussed at the last meeting and he has not received all the information that he wanted from the bank. He thought it would be a good idea for the staff but also for any Board member who thinks they would be spending money on behalf of the Association. He also noted a debit card would be tied directly to the checking account. After comments Chuck R. entertained a motion for the Homeowners Association to issue three cards to Chuck, Cheryl, and the Treasurer. Kip so moved and Vernon seconded the motion. All were in favor. Discussion followed on the previous motion and Jim noted the motion should be specific regarding the names of those that would receive the cards and suggested that the motion be amended to have the cards issued to McCleary, Fischer, and Vern Martin. After comments, Vernon moved that the previous motion be amended to provide debit cards to Cheryl Fischer, Chuck McCleary, and Vern Martin. Jim seconded the motion. All were in favor.

Privacy Policy (Review again in August, 2005): Vernon mentioned the Board originally saw this draft policy in February and at that time it was decided to use the policy informally to determine its effectiveness and adequacy and to revisit it in six months. Vernon mentioned adding a paragraph to specify and clarify how to handle requests to contact a resident. Comments and discussion followed on the privacy policy along with suggested revision. Vernon noted he would make the change. The Board plans to consider adoption of the amended policy at next month's meeting.

Charges for information requested by Real Estate Agents: There was discussion about charging Real Estate Agents a fee for requested information from the Rafter J Office. Fees are currently charged for title companies but not Real Estate Agents. Discussion and comments followed regarding this issue. It was noted that once the web-site is online the Real Estate Agents could refer to the web-site for the information. As such, no fees were adopted.

River Rock Lodge Parking Lot Lighting: Kip reported that he has talked to Jason Wells a few times regarding the lighting issues and possible solutions. Kip also mentioned that he appreciates the fact the Lodge has attempted to do something about the lights but hasn't yet resolved the problem. It was also noted that Jason Wells had requested some information regarding the River Rock Lodge. The Board discussed the request and it was noted that Kip would look into the information requested and Chuck R. would check with Paul D'Amours, Attorney, regarding releasing information in the Rafter J files.

Election Results: Vernon reported the following 2005 Director Election Results:

Joe Greene (2-Year Term)	80 votes for, 0 opposed
Kip MacMillan (3-Year Term)	80 votes for, 0 opposed

Vernon further noted there were no write-in candidates and two ballots received late were not counted.

Reform the Board: Jim requested that he remain the Treasurer. He noted he has one year left in his term as Director but has some things to complete as Treasurer. Vernon stated he would like to remain as the Secretary and noted he also has one year left in his term. Jim further noted that he would not be running again and Vernon stated he had not decided about running again. Chuck R. also commented that he has two years left in his term and he would like to be Director at Large in the last year. After comments, Vernon moved that Chuck (Rhea) continue as the President, Jim (Huspek) as Treasurer, Vernon (Martin) as Secretary, and move Kip MacMillan into Vice President, with Joe Greene as Director at Large. Jim seconded the motion. (It was noted that Chuck R. and Kip accepted their nominations.) All were in favor.

Laptop: Vernon shared comments on the issue of what to do about getting a backup computer for the pump control house as well as looking at another computer for the office. A suggestion to purchase a laptop computer to meet several needs was discussed. A laptop could be used in the office if office help were needed and could be taken to meetings both in and out of the office. Loading the pumphouse software on it would allow it to be taken to the pumphouse whenever it was needed in the event the normal pumphouse computer failed. As a result, one computer would serve several roles. In contrast, a desktop "spare/backup" pumphouse computer would cost somewhat less but would not be as versatile as a laptop. The only requirements are that the computer have a hard disk large enough to hold the pumphouse software as well as the desired office software and that it be able to interface with the serial connection to the telemetry/control circuitry. He also noted it would be integrated into the office network (LAN) when used in the office. It was noted that the budget already includes sufficient funds to purchase a laptop. After discussion, the Board agreed to purchase a laptop and Vernon stated he would follow up.

Accounting Program: Vernon shared comments and issues regarding the currently used BusinessWorks accounting program and noted three choices that may be available: Obtaining technical help for BusinessWorks, upgrading BusinessWorks to a newer version, or replacing BusinessWorks with another accounting program such as QuickBooks. The considerations are the costs for each option, the ease of migrating data from the existing program to the new program, and the "learning curve" needed to achieve efficient use of the new program. Vernon also noted finding a demo version of QuickBooks that will run for some period of time. Kip asked Vernon for his recommendation and Vernon mentioned the pros and cons of the choices. Vernon further noted that there would be some expense for each of the choices but thought our budget was formulated sufficiently to handle an accounting program purchase.

Draft Policy on Employee Paid Time Off: Vernon shared comments on his draft of the Employee Paid Holiday, Illness, and Vacation Policy and further stated there is no action requested during this meeting. Discussion and comments followed and Kip noted that he has access to a service that provides personnel policies that are legally researched with all the citations attached to them. Kip further noted that he can make a copy of that and it is all up to date. He noted that he does this monthly and found it to be very valuable.

Fines: Vernon suggested adopting a rule that imposes fines. The written rule would facilitate consistent application of the fines. Comments followed regarding having documentation, contacting Paul D'Amours, Attorney, before actually instituting it, having a fine structure, along with administering and collecting the fines. A comment was made of the idea of imposing the fines by a rule change on the basis that the Board is charged by the covenants with enforcing the covenants. It was noted that this process might be a way to establish a fine system without going through a covenant amendment process. There were also comments in what exists in the absence of a fine structure right now. It was also noted that it needs to be thought through carefully. Kip also noted that the Directors of this Board have a responsibility to enforce the covenants and to maintain the quality of life in Rafter J. Another comment was an observation that the Association had been without a fine structure since its inception and questioned the need for one at this time. Chuck R. further noted that he would want to make sure that he sees a future state that is better than presently exists.

Other Items: Don Martin shared comments along with copies of information on Lot 331 and 332 with the Board and urged them to read them. Don also thought that the office ought to make copies available to Paul D'Amours, Attorney, and also to the Design Committee. Another item mentioned was reviewing the property taxes for any infrastructure items that might be better off transferred from the Homeowners to the ISD to avoid the property taxes associated with the property. There were comments on producing a new map for Rafter J with the possibility that Matt might have something on hand that can be reduced to an 8x10. After discussion, it was agreed to do so. A request for a "Children at Play" sign and stop signs on the pathway were also discussed.

Improvement and Service District (ISD) Issues: The following ISD-related information was reported to the Homeowners Board.

ENGINEERING REPORT: Matt Ostdiek gave an update on the following issues.

New Well/Water Project: Matt reported that he didn't have much to report and hasn't followed up any more on the well other than to discuss some options. A summary was provided on the pump screen and the pump and the following options were noted. The first option would be to use the well to its fullest extent as is (Matt noted he is leaning that way but would break out some cost options). Another option is to drill another well beside the current well and tie into the same line. A third option is to request more state money for another well. A fourth option is to figure out a repair method for the current well. Matt noted the current goal is to develop several options for discussion. Matt also reported back to Vernon on his question regarding the power supply to the water tank telemetry and noted there is a backup power supply at the tank and the tank's sensor viability during a power outage should be investigated. He further noted the telemetry technician is supposed to be on-site tomorrow to replace all the radios and would shut the power off and make sure it is working right. Matt further noted that he has some pay applications that he has been working on, will keep the Board informed on well options, and thought that the telemetry system should be pretty close to having all the bugs worked out of it.

Other Issues: Chuck R. asked Matt if he had any thoughts as to why Chuck M. has to pull the sewer pumps if nothing is wrong with them. Discussion followed between the Board and Matt. Matt also noted that he was taking the water and sewer status posters to put up a new one because of some identified errors.

Infrastructure Project: Chuck R. asked Matt if he had actual photographic evidence of all the sewer failures. Matt noted that all the suspected problems had been TV'd. He also stated that he was getting ready to send those letters out to let people know or put them on notice if work on their lines would be needed. He hoped to get something to the ISD before sending them. Matt further stated that the TVing was done on the sewer lines only and the water service line status is an unknown until the pressure testing is performed. It was noted it is known which ones have galvanized pipes and he thinks there should be an effort to get letters to those people. There were comments on eight dwellings that have not yet had the crawl space inspection done and the Board went into an executive session to discuss how to deal with them.

ADJOURNMENT: Jim moved to adjourn. Vernon seconded the motion. All were in favor. Meeting adjourned at 11:18 p.m.