

Candlewood Ridge – Carriage Wood Homeowners’ Association

Minutes of the Meeting

April 20, 2010

The following is a summary of the meeting minutes and is not yet approved by the board.

Board Members Present: Curt Whitaker, John Newcome, Sondra Woolett, Valerie Frazier, Jerry Woolett, George McGill, John Utz

Others Present: 22 Homeowners, Elmira Utz – Recording Secretary, Stan Moen Fire District 40

This monthly meeting was called to order at 7:00 pm. at the King County Sheriff’s Office – Fairwood Storefront.

Fire Department Report: Stan Moen reports he's been living and working in the Fairwood area for over 30 years now. He is happy to report that our area has been reasonably quiet for the past month-with few reports of fire, trauma, etc. He reminds everyone to change their smoke detector batteries when they change over their clocks (and to do so now if they missed it during our last daylight savings time change).

Police Report: Not present

Approval of Last Month’s Minutes: A motion was made to approve the March board meeting minutes as written. It was seconded and passed. Signing of the minutes took place by the board.

Homeowner Concerns:

HO thanked the HOA for enforcing the HOA rules. She stated she was wrapped up in the recent lawsuit unwillingly as she was falsely identified by the plaintiffs in the case as running a home based business. She shared that she believes the HOA board members have a thankless job and that she appreciates the board for enforcing the rules even as they are not popular. She believes if it were not for the HOA the neighborhood would have gone significantly downhill over the past 30 years. She states she is appreciative of the HOA in protecting her interests in the neighborhood over the years. She stated she didn't like becoming a victim in the legal proceedings.

Question from HO regarding the recent special meeting and proxy request sent out by a group of Home Owners in the neighborhood. The letter refers to multiple conflicts with the HOA board but to her knowledge the only conflict is the issue regarding parties who wish to continue running home daycare businesses in the neighborhood. HO wants to know what other “conflicts” are being referred to? HOA president answered that he is unaware of any other conflict or problem with the HOA board or the governing documents-but that the HO is free to ask the

author of the letter what is meant.

HO surfaced a verbal complaint about the patrols in the CR parks. A group of young adults were in the park until early in the morning and despite calls to the King County Police earlier in the night it took hours before anyone came to take care of the problem. When the officer did come, the HO reports he only asked them to leave in a friendly way, and did nothing to address the trespass onto our HOA property after hours nor addressed the significant disturbance these individuals caused the surrounding neighborhood. HOA president says he will speak with Officer Shirley about the incident and the need to cite people who are trespassing on our property after hours.

HO expressed belief that the HOA board members have been “dictators” rather than “community supporters”.

Suggestion made by HO to join the WSCCAI-an organization created to support community governance organizations such as condo and HOA type associations. HOA president and several board members answered that the HOA board has considered this option but have found they cater more specifically to Condo associations rather than HOA's, as there are simply more Condo associations than there are HOA's. However, the current legal chair, the common area maintenance chair and the Treasurer have all attended classes with this association in the past.

HO who was the leader in authoring and sending out the recent HO request for a special meeting and proxy request asked the HOA board if his form is in order and will be recognized as legally relevant by the board. The HOA president asked the HO if he is correct in understanding that the HO wants the answer to this question now, after the form has already been sent to homeowners in the association? The HO indicated that was true. The HOA president answered that it has been referred to the HOA attorney who is reviewing the form to see if it is in order and if it can be legally recognized by the HOA, should enough of them be returned by homeowners, in order to call the special meeting. The HO asked if the HOA president thought the form at least was generally clear in its intent. The HOA president answered that it seems generally clear but that it should be noted the HOA board has received two inquiries from homeowners who are confused about who sent the letter out, as the format used mimics very closely the font and style of the HOA's official proxy requests, so some homeowners are confused as to the intent of the letter and the source. HO stated that mimicking the HOA's official proxy form was done in the belief that doing so would ensure sure the form was legally in order.

Committee Reports:

Treasurer's Report:

1. April 2010 Financial Statement Summary Facts:

* We have started the year in near normal fashion. 71% of our projected budget income has been received.

* Based on our income to date, it is recommended we transfer \$12000 of the \$19000 budgeted from our general operating funds to our capital reserve fund.

* As of 1 April 2010 we have 135 homeowners who are delinquent in paying their dues. 110 of these are just 1 quarter delinquent. This is much higher than last year but is similar

to other years in the past.

* Two of these delinquent homeowners have been turned over to our attorney for action.

* The court has granted us a default judgment on one delinquent homeowner which allows us to garnish wages and bank account. Not once during the delinquency and judgment process has the homeowners tried to contact us. Therefore it is recommended we authorize our attorney to proceed with an attempt to garnish wages and bank accounts to satisfy the debt.

* The HOA now has a debit card which allows us to pay for utility services like our phone service which requires a debit or credit card. In the past this service was paid by a personal credit card and then reimbursed.

2. Twelve welcome packets were delivered to new residents since our last meeting. This is indicative that homes are selling in our HOA. We are aware of a few more that are in the process of closing.
3. Motion to move 12,000 from the general fund to the capital reserve fund. Passed
4. Motion to refer delinquent homeowner to attorney for pursuit of garnishment of wages and bank accounts in order to recover delinquent fees and dues that have been owing for over 4 years. Passed

HO commented at this juncture stating HOA should make sure to knock on the doors of these delinquent homeowners before pursuing legal action-and there has never been any response from the HO in question. It was explained that years of attempts at contact via legal means, including hand delivered notices, have been attempted and are always attempted before taking legal action.

Second HO commented that the board should “have mercy” if the homeowners do not have a job to pay their dues.

Third homeowner commented that 4 years seems plenty of time to be in contact and that our dues are very reasonable.

5. Motion to accept report as presented. Passed.

ACC Report:

1. Eleven ACC requests were submitted since the last meeting. Three were for landscaping projects, one for a roof, two for fences, four for paint and one was for a deck.

2. One unapproved roof was replaced by an approved roof. Failure to follow our rules and regulations was very costly to this homeowner.

3. Reminder - Our CC&Rs and Rules and Regulations clearly state that exterior projects such as roofs, painting, fencing, decks, driveways, major landscaping and patios require the submission and approval of an ACC request before commencing the project. The ACC has up to 30 days to respond to an ACC request but tries to respond much sooner than that. It is recommended that if a response to an ACC request has not been received within two weeks, the homeowner should contact the ACC Chairman via email at architecture@crewhoa.org or by leaving a voice message at 425-738-8611. For emergency type repairs notify the ACC Chairman as indicated above and mention that it is an emergency type situation. Please do not contact the ACC chairman via a home phone number.

4. Please remember we do not accept ACC request forms via email. Please mail them to CR/CW HOA, PO Box 58397, Renton, WA 98058.

Common Areas Maintenance Report:

1: Reminder to all Homeowners – It is our responsibility (Not King County’s) to keep the

Street drains clear. Please clear the debris and leaves from the drains by your house and at the ends of your street.

2: We continue to have branches fall onto the paths at CR Park. Please contact CAM chairperson at commonareas@crwhoa.org or call 425-738-8611 and leave a message if you notice any trees or branches at either park or any of the Common areas or entrances.

3: Center island at CR Entrance, where car ran up and damaged tree and hit light Pole – Person who hit the tree and pole has contacted us and we are working up a quote to give her insurance co. Quote from Canber received and sent. Quote came to \$621.96.

4: Complaints from HO whose house backs up the CW Park – kids have been ripping boards off her fence to use in the woods as bridge over small creek. They have also ripped several branches off of bushes of the house next to hers. She has asked for help from the HOA. Discussion of HOA board on topic-CAM chair will ask for a quote from HO and consider request by HO to plant deterrent plantings.

5: Canber completed work at CW Retention Pond. Weeded and Bark. This area will be done each time we re-bark.

6: Please keep a watch for suspicious Activity and call 911 – we have a case
Number to report any after hour or unruly activity in the Parks #09-179682.

Reminder: Our parks are private parks which exist for the use and enjoyment of HOA residents, their families and guests. They are not public parks. Our park Usage rules apply to everyone. Following are some of the rules that have been established to maximize safety, and minimize liability and maintenance cost:

A. Park Hours: 9:00 am to dusk.

B. No Smoking, alcohol, drugs, loud music, golfing, motorized vehicles or Fireworks are allowed.

C. Animals must be leashed and owners are responsible for cleaning up after their animals.

Complaints Negotiations Report:

1. There are currently 14 open active complaints
 1. 5 are in the fines stage
 2. 7 have received their 1st non-compliance letter
 3. 2 have received their 2nd certified non-compliance letters
 4. 4 new complaints that need to be investigated & verified have been received.
 5. Three of our active complaints have been turned over to our attorney.
2. Three non-compliance issues were closed since the last meeting.

3. Two of the active complaints deal with home daycare businesses. The issue of home daycare businesses has been thoroughly discussed with the Association's attorney and:

1. Only an amendment to the CC&Rs will legally permit operation of home daycare businesses or other home based businesses. Validity of our CC&Rs provisions concerning home businesses was confirmed by the Washington State Superior Court in 2009.

2. Changing our Bylaws, R&Rs or policies to accommodate home businesses without the corresponding CC&R amendment would place the Association and all individual Board members who voted for such changes at considerable risk of a justifiable lawsuit.

3. It has often been asserted that home businesses must be an annoyance or nuisance before they can be considered a non-compliance issue. This is an incorrect assertion. There is an independent provision in our CC&Rs preceded by "nor" which states that nothing may be done on any individual lot which may be or may become an annoyance or nuisance to the neighborhood. It is not a necessary provision to make a home business a violation of our CC&Rs.

HO who lead recent mailing for special meeting and proxy request thanked HOA board for sharing the attorney's information, and asserted the HOA has not shared directly the attorney's notices before.

There was a far ranging discussion of the governance policies. The discussion reviewed previous complaints with the enforcement policy and included the HO's personal interpretation of documents which are a cause of "concern and fear" according to the HO. The HO asserted the language in the documents as they stand could leave HO's open to being in non compliance for having things, such as groceries, delivered to them, should they be interpreted narrowly. This was refuted as not a reasonable interpretation by several HOA board members and indeed has never come up as a source of concern or violation-as receiving the mail or other deliveries is not a violation.

The HOA president cautioned the HO about interpreting documents as a layperson simply because the documents require the advice of a licensed attorney in order to correctly interpret them under the law. It was shared that the HOA board does not interpret the documents in question without the counsel of the HOA attorney.

HOA president asked that the conversation cease so the Complaints Chairperson could complete his report.

4. Spring is here and many of the new complaints we are receiving deal with dead and mossy lawns, and weeds in flower beds. Please begin working on these issues.

Reminder:

All complaints must be submitted in writing and signed by the author. We do not typically react to anonymous complaints submitted by letter, email or phone. We also want to remind everyone that neither the Board of Directors nor the complaint committee patrols the neighborhood looking for violations. We are all volunteers and we don't have the resources to

hire someone to do it for us. We only react to the written signed complaints of homeowners. Therefore just because a violation has not been detected or reported for a long period of time, does not mean it is no longer a violation.

Motion to accept report as written. Passed.

Capital Improvement Committee:

1: Now that weather is better chairperson plans on getting quotes to replace the remaining entrance signs at CW.

2: Let us know of any other suggestions for Capital Improvements.

Legal and Insurance Report:

There isn't any new news on the Lowery Lawsuit fee settlement to report. The issue is largely in the hands of the Insurance Company which defended the HOA as it is primarily an effort on their part to recoup their fees.

The document recently sent to all homeowners in the association by some homeowners seeking to change the number of HO's needed to meet quorum ala the bylaws, as well as remove specific board members, is being sent for review by the HOA attorney in order for the HOA to be assured of how to respond appropriately under the law as such an effort has never been made before in the HOA's existence.

Rental Home / Change of Address Committee

Changes of Address and Rentals

- Reminder – When HOA correspondence needs to be delivered to an address other than the HOA street address, your HOA needs to be notified in writing of the correct address to send the correspondence. This applies to absentee homeowners who are renting or leasing their homes, homes that are vacant, and homeowners who choose to receive their correspondence at a PO Box or alternate address. In addition homeowners who are renting or leasing are required to comply the provisions of the Leasing/Rental of Homes/Tenants Rules and Regulations.

Old Business:

The CAM chairperson examined the bridge in CR park and determined that, while sound overall, it does need some boards replaced and he will secure a quote.

New Business:

HO brought up CR entrance plantings-CAM chairperson will look into new plantings.

CR side PSE working on has caused sidewalks and streets to be left in possibly unsafe condition. Use caution walking on the sidewalks. The problem corrected was an electric power switch. CAM chairperson has calls in follow up to see what future plans are by PSE and or King County to fix the streets and sidewalks.

CC&R committee presented report on effort to examine possible change to CC&R to allow for home daycare businesses in the area-as per the request of interested HO's. Here is the report read to those present:

“Existing Covenant

Article VI

General Provisions

Section 1. Restrictions

4. No trade, craft, business, profession, commercial or manufacturing enterprise or business or commercial activity of any kind shall be conducted or carried upon any residential lot or within any building located in this subdivision on a residential lot, nor shall any goods, equipment, vehicles (including buses and trailers of any description), materials or supplies used in connection with any trade, service or business, wherever the same may be conducted, be kept, stored, dismantled or repaired outside any building on any residential lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Committee Recommendation of Issues to be Addressed

The Committee recommends the following issues be specifically addressed in any modification to the existing covenants: These are recommendations only, and should not be considered final language for any proposed amendment to the CCR's

1. No-Impact Business Activities. A provision should be made to provide a limited license for any home business that does not impact the surrounding neighborhood in any way. For these purposes, a no-impact business means a business that:

- + Is consistent with the residential character of the dwelling
- + Is subordinate to the residential use of the dwelling and does not detract from the residential appearance of the dwelling.
- + Uses no equipment or processes that create noise, vibration, glare, fumes, odors or electronic or electrical interference that is detectable by any surrounding neighbors.
- + Does not create a level of traffic or parking demand beyond that which is normal to the residential area.
- + Does not display commercial signage or advertising of any type whatsoever that is

visible.

2. In home Daycare and Child Care. A provision should be made to provide a limited license for a home-based daycare, child care or in home preschool that provides such services, with or without compensation. Such a business must be able to provide documentation that it meets all of the following requirements:

+ Is properly licensed under the laws of the State of Washington and continues to maintain such licenses in good standing.

+ Provides In home daycare, childcare or preschool services for five (5) or fewer children under the age of 10.

+ Maintains adequate liability insurance in the minimum amount of \$ _____ which provides for indemnification of the HOA for potential liability for use the common areas of the neighborhoods.

+ Provides a written release of liability to the HOA signed by all parents of children who are residents of either Carriagewood or Candlewood Ridge.

+ A disclosure form shall be developed by the board with the assistance of interested residents to enable each child care or daycare to efficiently provide information relating to the following:

1. estimated number of children attending,
2. approximate ages of children
3. hours of operation
4. Name, address and contact information of owners and operators of the daycare.
5. State License number and information
6. Estimated impact to surrounding area, eg. outdoor playgrounds, transportation of children, etc.

3. Notification Requirements. All No-Impact and Daycare business permitted under this section must notify the HOA board in writing in the form and manner prescribed in the bylaws.

4. Commercial Use of Parks and Common Areas. Any commercial use of any kind whatsoever, of the Parks and Common areas is specifically prohibited.”

Committee chairperson Valerie Frazier thanked her fellow committee members. She stated that the recommendations on how a home daycare business might be exempted within the CC&R's is just an outline of the basic concerns the committee felt needed to be addressed after researching the issue. The report is not the product of the HOA board's opinions-but those of the independent committee.

The document was given to HO's who previously expressed an interest in some assistance in the spirit of collaboration as well as all present at the meeting interested in a copy.

The HOA president notified everyone that the HOA board cannot take a stance on the question simply because they represent all homeowners, including those who may not wish to adopt any kind of CC&R changes.

A HO expressed interest in using the HOA attorney to review the recommendations. HOA president explained that would have to be paid for by parties interested in the change and that the current HOA attorney may not take the work as it may be considered a conflict of interest-but that the HO is welcome to check.

The HOA president explained that if homeowners interested in changing the CC&R's wish to obtain an attorney to review the recommendation and begin the process of securing HO votes to make the change it is within their power to do so.

Some HO's expressed that they feel the HOA attorney should do it for free or at the HOA board's request because they are homeowners. It was again explained that the HOA attorney represents the interests of all homeowners-not just those who wish to change the CC&R's.

Both the chairperson of the CC&R committee and the HOA president expressed their dismay that the focus of the group originally asking for this committee has now changed from examining home daycares in the area and are now pursuing changing to our governance system instead. HO leader of group seeking bylaws change stated they are different issues.

The president acknowledged that if the request for the CC&R change comes back from the HOA homeowners he may personally support it-provided it is legally defensible and valid-he stressed the importance of doing things correctly so they don't cause more problems in the future or don't "stick".

The Legal chairperson expressed that it may be harmful to the HOA to adopt such a change given that it will put the HOA board into the "business of daycare regulation" which may be more problematic than the current rules-and thus would personally sadden him. HO countered that perhaps the HOA already does regulate such businesses with the current policy disallowing them-which the legal chairperson conceded may be true and would be considered.

Some HO's made personal statements thanking the committee for their efforts.

5. Easter Event was a huge success with between 70-90 children attending. Local High School students worked with Valerie Frazier to put on the event-Thanks to all who helped make this year's event a success. Two of the HOA's folding sign boards have disappeared since the event. Please contact the HOA if you have the signs.

6. Annual Community Garage Sale dates will be May 21st-22nd. Ms. Woolett, the ACC chairperson will post the dates on online services such as Craig's List.

7. HOA board is looking into bringing in "One Green Planet" to do free pick up of recyclable electronics-virtually anything that you can plug in they will take free of charge. For more

information about the organization please visit www.1greenplanet.org

8. HO is hoping to bring a dumpster from waste management this summer to assist homeowners in cleaning out garages and yards.

9. HO handed out a document with real estate values for the neighborhood as well as agent's comments regarding attractive aspects of the area-including comments on the HOA and home daycare issues.

10. Coyotes have been seen in both CR and CW. Please exercise caution with pets and small children in the parks, especially at night. Call King County animal control to report any problems.

Welcoming Committee – If you are new to the neighborhood and would like an HOA information packet, call the HOA phone number at 425-738-8611 and leave a voice message or send an email request to info@crcwhoa.org.

Special Topics: Visit our Website and contact the HOA via Email at:

Web – www.crcwhoa.org

Email – info@crcwhoa.org

A motion was made to adjourn the meeting at 8:45 pm.

Next Board Meetings:

- May 18th
- June 15th
- July 20th

Meetings are usually held at **7:00 pm.** at the Sheriff's Office, Albertson's Shopping Center. All Homeowners are welcome to attend.

Candlewood Ridge / Carriage Wood Announcements & Reminders

***ACC Requests** - The HOA CC&Rs and Rules and Regulations documents clearly state that exterior projects such as roofs, painting, fencing, decks and patios require the submission and approval of an ACC request before commencing the project. The ACC has up to 30 days to respond to an ACC request but tries to respond much sooner. It is recommended that if a response to an ACC request has not been received within two weeks, the homeowner contact the ACC Chairperson via email at architecture@crcwhoa.org or by leaving a voice message at 425-227-4227. ACC request forms can be found in the Fairwood Flyer or on the HOA website at www.crcwhoa.org. *Please do not contact the ACC Chairperson via a home phone number.*

***Carriage Wood and Candlewood Ridge Parks** – A policy has been established to maximum safety, minimize liability and maintenance costs, while allowing homeowners of the association

to enjoy our parks. Rules to accomplish this include:

- Park hours: 9:00 am until dusk
- No smoking, alcohol, drugs, loud music, golf, motorized vehicles or fireworks are allowed
- Animals must be leashed and owners are responsible for cleaning up after their animals

Please report suspicious activity in the parks by calling 911. Reference case number 09-179682 when calling.

***HOA Website** - Visit the CR/CW HOA website at www.crcwhoa.org to read messages on our Bulletin Board, monthly meeting Minutes, Rules and Regulations documents and much more!

***Trash and Recycle Receptacles** – A friendly reminder to homeowners that Garbage Cans, Recycle and Yard Waste Receptacles are to be properly stored behind a fence or inside the garage where they are not visible from the street.

***Webmaster:** Our last webmaster has moved from our neighborhood, therefore we are in need of someone take over this function. The person should be familiar with maintaining Google websites and email accounts. Please contact us if you are interested in this volunteer position.