

Document Review Committee Minutes
Conference Room & Library
June 29th at 11:00 a.m. July 6th and 20th at 9:30 a.m.

The Document Review Committee met on June 29, July 6, and July 20.

The attached material was discussed in concept, discussed with SVCA Counsel, and discussed again.

There has yet been no decision as to which items will be recommended to the Board for consideration as ballot measures for the 2017 SVCA AGM.

Discussion of policies was postponed until after ballot measures have been considered.

The next DRC meeting is scheduled for 8/3, at which time what to include in the AGM, as well as recommendations from N&E, will be discussed.

PRIMARY IMPORTANCE

VOTE REQUIREMENTS FOR DUES AND ASSESSMENTS—revise and separate funding sources and approval to reflect intent of Restrictive Covenants as to the purpose of such funds:

As required by each and every Division Restrictive Covenant (Par.19, per the example text posted on the SVCA website), a roads capital reserve fund must be maintained as determined by an independent engineer on a yearly basis:

19. It is the intent and obligation of the Declarant to convey title to the real property comprising the roads to the Sudden Valley Community Club, but said Club shall be restricted in its right to convey same and must hold and maintain same for the benefit of all lot owners. Beneficial Title only shall be in all lot owners. Said Club at all times must maintain an adequate reserve fund ... for such road maintenance. The amount of such reserves shall be fixed by an independent engineer and each year certified by the Club to all Club members.

This has never been adhered to by SVCA.

Operational funding sufficient to maintain and pay for the costs of a security guard and patrol at all times is also required by each and every one of the Division Covenants (Par.16, per the example text posted on the SVCA website):

16. ... In addition to the other obligations of the Community Club and its members as set forth herein, it shall also be their duty to maintain a security guard and patrol at all times and pay the costs thereof. ...

Thus, these two items – one capital and one operations – should not be subject to the current Bylaws provision regarding the establishment of dues and assessments (Art.III.C.Sec.19[c][i]), and are easily determinable. To remedy this, the following change is proposed to III.19(c)(i):

| AS TO BE CHANGED: | AS CHANGED: |
|---|---|
| <p>(A) All annual dues and assessments , other than those necessary to meet the requirements of the SVCA Restrictive Covenants to maintain a roads capital reserve fund as determined by an independent engineer, in addition to the operational costs of a security guard and patrol, and</p> | <p>(A) All annual dues and assessments, other than those necessary to meet the requirements of the SVCA Restrictive Covenants to maintain a roads capital reserve fund as determined by an independent engineer, in addition to the operational costs of a security guard and patrol, and for all special assessments, shall be proposed for member approval by vote</p> |

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| <p><u>, other than those necessary to meet the requirements of the SVCA Restrictive Covenants to maintain a roads capital reserve fund as determined by an independent engineer, in addition to the operational costs of a security guard and patrol,</u></p> | <p>other than those necessary to meet the requirements of the SVCA Restrictive Covenants to maintain a roads capital reserve fund as determined by an independent engineer, in addition to the operational costs of a security guard and patrol, and for all</p> |
| <p>and</p> | <p>proposed for member approval by vote</p> |
| <p><u>for all</u></p> | <p>of the Board, which member approval shall be by a vote of not less than sixty percent (60%) of the members present in person or by mailed ballot at any Annual or Special General Meeting.</p> |
| <p>special assessments, shall be proposed for member approval by vote of the Board, which member approval shall be by a vote of not less than sixty percent (60%) of the members present in person or by mailed ballot at any Annual or Special General Meeting.</p> | <p>special assessments, shall be proposed for member approval by vote of the Board, which member approval shall be by a vote of not less than sixty percent (60%) of the members present in person or by mailed ballot at any Annual or Special General Meeting.</p> |
| <p><u>(B) Annual dues and assessments necessary to meet the requirements of the Restrictive Covenants to maintain a roads capital reserve fund as determined by an independent engineer, in addition to the operational costs of a security guard and patrol, shall be proposed and approved under a method such as specified for homeowner association budgets by Washington state law—2017 RCW 64.38.025(3): unless at any Annual or Special General Meeting the owners of a majority of the votes in the Association reject these amounts, they are ratified, whether or not a quorum is present, and they shall be used for no other purpose. In the event they are rejected or the required notice is not given, the amounts last ratified by the owners shall be continued until such time as the owners ratify a subsequent proposal by the Board.</u></p> | <p>(B) Annual dues and assessments necessary to meet the requirements of the Restrictive Covenants to maintain a roads capital reserve fund as determined by an independent engineer, in addition to the operational costs of a security guard and patrol, shall be proposed and approved under a method such as specified for homeowner association budgets by Washington state law—2017 RCW 64.38.025(3): unless at any Annual or Special General Meeting the owners of a majority of the votes in the Association reject these amounts, they are ratified, whether or not a quorum is present, and they shall be used for no other purpose. In the event they are rejected or the required notice is not given, the amounts last ratified by the owners shall be continued until such time as the owners ratify a subsequent proposal by the Board.</p> |
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| <p><u>SECONDARY IMPORTANCE</u></p> | |
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| <u>SECONDARY IMPORTANCE</u> | |
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| BROADER MEMBER NOTICE— Expanded notice and remove potential conflict between official notice by Views (physical, mailed, “newsletter”) and by website or email: | |
| <u>AS TO BE CHANGED:</u> | <u>AS CHANGED:</u> |
| Art.VI | Art.VI |
| Section 3. Notifications. Unless otherwise provided herein, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given | Section 3. Notifications. Unless otherwise provided herein, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given |
| (a) if to be provided to all members generally, posted at the Association's principal office, | (a) if to be provided to all members generally, posted at the Association's principal office, |
| <u>published in the Association’s newsletter,</u> | <u>published in the Association’s newsletter,</u> and on an appropriate Association web page as may exist; |
| and on an appropriate Association web page as may exist; and | and |
| Art.III.19 | Art.III.19 |
| (c) The subscription fee for the newsletter published by the Association shall be included in the annual dues and assessments, and the newsletter shall be mailed to | (c) The subscription fee for the newsletter published by the Association shall be included in the annual dues and assessments, and the newsletter shall be mailed to |
| the | <u>every</u> Member at the address of record of <u>such Member, and to every “tenant”</u> |
| every | <u>for whom a rental agreement is on file as required by Article VI, Section 7 at the address of the rented lot.</u> |
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| lot so long as the member is in good standing | |
| <u>such Member, and to every “tenant”</u> | |
| <u>for whom a rental agreement is on file as required by Article VI, Section 7 at the address of the rented lot.</u> | |

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| <p><i>lot so long as the member is in good standing</i></p> <p>such Member, and to every “tenant” for whom a rental agreement is on file as required by Article VI, Section 7 at the address of the rented lot.</p> | <p>of the rented lot subscriptions per tenant may be billed at an additional cost as shall be determined from time to time by the Board.</p> |
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| <p><i>Additional s</i></p> | |
| <p>S</p> | |
| <p>subscriptions per</p> | |
| <p><i>lot</i></p> | |
| <p>tenant</p> | |
| <p><i>are available</i></p> | |
| <p>may be billed</p> | |
| <p>at an additional cost as shall be determined from time to time by the Board.</p> | |

CLARIFY REPLACEMENT OF DIRECTORS—The following two sections are inconsistent and/or out of order:

| <u>AS TO BE CHANGED:</u> | <u>AS CHANGED:</u> |
|---|---|
| <p>Section 3. Nomination of Directors. Nomination and election of members to the Board shall be governed by the following:</p> <p>(a) The Nominations and Elections Committee shall solicit nominations of eligible candidates for the Board starting at least ninety (90) days prior to the Annual General Meeting. If a vacancy occurs at any</p> <p><i>other</i></p> <p>time</p> <p><i>, the Nominations and Elections Committee shall solicit candidates at least (30) days prior to appointment by the Board</i></p> | <p>Section 3. Nomination of Directors. Nomination and election of members to the Board shall be governed by the following:</p> <p>(a) The Nominations and Elections Committee shall solicit nominations of eligible candidates for the Board starting at least ninety (90) days prior to the Annual General Meeting. If a vacancy occurs at any time other than the normal end of a term of office, Section 6 below shall apply. Any...</p> |

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| time | of office, Section 6 below shall apply. Any... |
| , the Nominations and Elections Committee shall solicit candidates at least (30) days prior to appointment by the Board | |
| other than the normal end of a term of office, Section 6 below shall apply | |
| . Any... | |
| Section 6. Vacancies. If a director ceases to be a member of the Board, for any reason excluding temporary suspension as set forth in Section 5 above, the Board shall immediately notify the Nominations and Elections Committee to | Section 6. Vacancies. If a director ceases to be a member of the Board, for any reason excluding temporary suspension as set forth in Section 5 above, the Board shall immediately notify the Nominations and Elections Committee to solicit candidates and submit one (1) more nominee than the number of vacancies to be filled. The remaining directors shall, by majority vote, elect the required successor(s) from the nominees who shall serve until the conclusion of the following Annual General Meeting. The Board shall endeavor to fill any vacancy within sixty (60) days. |
| solicit candidates and | |
| submit | |
| not less than | |
| one (1) | |
| more | |
| nominee | |
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than the number of vacancies to be filled. The remaining directors shall, by majority vote, elect the required successor(s) from the nominees who shall serve until the conclusion of the following Annual General Meeting. The Board shall endeavor to fill any vacancy within sixty (60) days.

“MEMBERSHIP” – Unclear, circular, and inconsistent with member voting requirements at Sec.I.3(f) and II.7(c),(d), as well as terms used in I.2(b); AMENDATORY NOTE: all relevant uses of the term “member” shall be capitalized as appropriate throughout the Bylaws:

AS TO BE CHANGED:

Section 2. Membership. The membership of the Association shall be described as follows:

(a) A “Member of the Association” (~~“Member”~~) is defined as any

one (1) or more

person

~~(s)~~

, corporation, partnership, trust or any other legal entity owning all or a part of an interest in one (1) or more lots

~~*in Sudden Valley to which membership is appurtenant*~~

within the boundary of the Association

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purchaser under a real estate contract as defined in RCW 61.30.010(7)

shall be deemed

~~the~~

AS CHANGED:

Section 2. Membership. The membership of the Association shall be described as follows:

(a) A “Member of the Association” (“**Member**”) is defined as any **one (1) or more** person, corporation, partnership, trust or any other legal entity owning all or a part of an interest in one (1) or more lots **within the boundary of the Association**. A purchaser under a real estate contract as defined in RCW 61.30.010(7) shall be deemed **an** owner for membership purposes. A ...

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| <p>Section 2. Membership. The membership of the Association shall be described as follows:</p> | <p>Section 2. Membership. The membership of the Association shall be described as follows:</p> |
| <p>(a) A “Member of the Association” (“Member”) is defined as any</p> | <p>(a) A “Member of the Association” (“Member”) is defined as any one (1) or more person,</p> |
| <p><u>one (1) or more</u></p> | <p>corporation, partnership, trust or any other legal entity owning all or a part of an interest in one (1) or more lots within the boundary of the Association.</p> |
| <p>person</p> | <p>A purchaser under a real estate contract as defined in RCW 61.30.010(7) shall be deemed an owner for membership purposes. A ...</p> |
| <p>(s)</p> | <p>A ...</p> |
| <p>, corporation, partnership, trust or any other legal entity owning all or a part of an interest in one (1) or more lots</p> | <p>A ...</p> |
| <p>in Sudden Valley to which membership is appurtenant</p> | <p>A ...</p> |
| <p></p> | <p>A ...</p> |
| <p><u>within the boundary of the Association</u></p> | <p>A ...</p> |
| <p>. A</p> | <p>A ...</p> |
| <p><u>purchaser under a real estate contract as defined in RCW 61.30.010(7)</u></p> | <p>A ...</p> |
| <p>shall be deemed</p> | <p>A ...</p> |
| <p>the</p> | <p>A ...</p> |
| <p><u>an</u></p> | <p>A ...</p> |
| <p>owner for membership purposes. A ...</p> | <p>A ...</p> |
| <p></p> | <p>A ...</p> |
| <p>Sec.II.7(c),(d):</p> | <p>Sec.II.7(c),(d):</p> |

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(c) If a lot is owned by two (2) or more persons, the several owners shall designate one (1) person to cast the vote for each lot so owned. If a lot owner owns more than one (1) lot, such owner may cast one (1) vote for each lot owned. A corporation, partnership, trust or other legal entity which owns an interest in any lot must designate one (1) person to cast the vote for each lot owned. Each person who has the right to cast the one (1) vote for each lot owned shall be

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Entitled to Vote (“Voting Member”)

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Said Voting Member is hereby designated as the proper party to receive notices of meetings and other notices as provided hereunder. The Association shall designate the Voting Member for each lot which has failed to designate a Voting Member on its behalf.

(d) Any

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Voting M

ember

in the election of Board members

may cast a vote in person or by mail, provided ...

(c) If a lot is owned by two (2) or more persons, the several owners shall designate one (1) person to cast the vote for each lot so owned. If a lot owner owns more than one (1) lot, such owner may cast one (1) vote for each lot owned. A corporation, partnership, trust or other legal entity which owns an interest in any lot must designate one (1) person to cast the vote for each lot owned. Each person who has the right to cast the one (1) vote for each lot owned shall be **considered as the Member Entitled to Vote (“Voting Member”)**. Said Voting Member is hereby designated as the proper party to receive notices of meetings and other notices as provided hereunder. The Association shall designate the Voting Member for each lot which has failed to designate a Voting Member on its behalf.

(d) Any **Voting Member** may cast a vote in person or by mail, provided ...

ACC REPLACEMENTS CLARIFIED—Previous amendment was unclear and internally inconsistent:

AS TO BE CHANGED:

AS CHANGED:

Section 2. Architectural Control Committee.

~~(v) If an AGC member or members, for any reason, steps down prior to the end of their defined term the AGC Chair shall request the N&E Committee to submit not less than one (1) nominee more than the number of vacancies to be filled. The remaining AGC members shall by majority vote, select the required successors from the nominees selected. The AGC Chair will submit any nominees to the Board for approval; who may then serve until the conclusion of the next AGM. Should there be an inadequate number of new applicants at the AGM, the appointed successor(s) may remain an AGC member(s) through the original term of the member(s) replaced.~~

(v) If a member of the Committee fails to serve a full term for any reason, or must step down due to the six (6) year service limit, the Board shall fill that Committee member’s seat by appointment, and such appointee shall serve through the normal end of that seat’s term, and until a successor is elected (if any). In the event a Committee member retains their seat at the end of their three (3) year term by virtue of no successor having been elected at the prior Annual General Meeting, that Committee member’s seat shall be filled by election at the following Annual General Meeting, and the term of the member elected (if any) to fill that seat shall only be for the remainder of the seat’s normal three (3) year term length.

RULES/REGULATIONS—

Parking fee.

Speeding enforcement.

Need to exclude all electronic media from data submitted in response to requests: email as well as all telephone numbers.

Official document access rules: 2-people, locking after.

Ballots never alone with any one person; ballot results never communicated prior to official announcement.