

R.I.I.A. BOARD MEETING

April. 19, 2021 7:00

ZOOM Electronic Meeting, Raft Island

7:00 Introductions of those in attendance

Board Members Present: Hurley, Crain, West, Scea, Hirko, Rees, Joyce, Williams

Board Members Absent: Phillips

Members Present: Keri Figueira, #274, Benjamin Zerngast #180, Tina Shoemaker #142, Marlina & Ted Smith #160, Matt Greulich #238, Dave Weiss #232,

Request to Add Agenda Items: none

Member's Request to Address Board: none

Approval of minutes: Approve minutes from March – Joyce moves to approve, Crain seconded - approved

Treasurer's Report –

We're way over budget on roads, need to be mindful of spending for the rest of the year. Snow removal bill that just came in was \$6800. This kind of bill must be approved by the board.

Hurley asks how we should handle things like that.

Scea stated we need to have a budget line item for this and get an estimate ahead of time.

Scea suggests asking the Island Mgr. who other communities use for snow removal and contact them.

Perhaps we should ask the membership if anyone has resources to assist with snow removal.

Added services may need a dues increase.

Need an Island member to figure this out and come to the Board. They could contact HOA Community Solutions and see what they have arranged with other communities. Hurley will contact Jeff Davis to see if he will work on this.

Manager's Report –

Hurley - several accounts are over \$2000. If we have a lien, we can recoup at sale. Island Mgr. recommends we go after delinquent owners and get a judgement. If we have a judgement against them, they can't sell other properties or get a loan. This way we don't have to wait for a sale or foreclosure on the property.

When there is a judgement – does that include the fee? Yes, it includes interest and attorney and court fees.

○ **Collections and Financials**

- Sprague, 73 Raft Island Drive –Already with attorney Eklund \$7,932.14
- Sylvain, 86 Raft Island Drive and 164 Madrona – Two accounts each with balance owing of \$2,457.97. Lien has been filed,
- Berglund, 78 Raft Island Drive – Balance is \$1,945.29.
- Schultz, 54 & 83 Raft Island Drive – remains on monthly ACH payment plan
- Thoresen, 152 Madrona Drive NW - \$1,173.63 In Chap 13 Bankruptcy, no action can be taken

- Reimbursement for Matt Hurley \$3600 for Landslide Mitigation (South Beach)
- Reimbursement for Matt Hurley \$400 for North Beach
- Reimbursement for Matt Hurley \$1600 for Tennis Courts

Mgr. recommends the following debts be sent to the attorney to obtain a judgement:

- Sprague, 73 Raft Island Drive –Past due balance (after judgment payoff) **\$3,217.50 recommend engaging attorney for judgement**
- Sylvain, 86 Raft Island Drive and 164 Madrona – Two accounts each with balance owing of \$2,457.97. Lien has been filed, **recommend engaging attorney for judgement**
- Berglund, 78 Raft Island Drive – Balance is \$2,110.29 **recommend engaging attorney for judgement**

-> Vote to send the three debts above to the attorney to obtain a judgement:

Motion to pursue judgements –Scea moves to pursue judgements against 4 properties - #73, #86, #164, #78 , Crain seconds – unanimously approved.

Scea requests that HOA solutions pay the bills instead of Hurley paying and being reimbursed. HOA Community Solutions requires all companies be licensed and insured and this landscape company isn't licensed and insured.

Renewed association website for another year.

- Directors and Officers Insurance renewal – does the amount need to be increased from One Million to Two Million?

Premium for \$1million coverage is approximately \$1200

Premium for \$2million coverage is approximately \$4000

Island Manager renewed insurance for \$1million coverage

-> West moves to renew for \$1million for this year – Williams seconds. Unanimously approved.

Old Business: none

New Business:

- Chad Haur has been removed from the board for lack of participation – has attended part of one board meeting since being elected
- Hurley reached out to attorney regarding second residences. (ADUs)
- ADUs - 3/25/21 sent out notices to members regarding second residences.
- Attorney Burleigh was asked for an opinion regarding whether we can enforce this and whether we should. [power interruption and loss of meeting discussion]
- Question – can you rent your home or space in your home?
- Hurley – if you don't have access and a separate meter, you couldn't
- Scea – county has permitted the ADUs
- Hurley – attorney says we should enforce the CC&Rs – how should we do that? We have limited resources. If we don't do anything now we'll have more.

- Crain – if there are two residences, they're only paying for one. It's the Boards, responsibility to enforce the CC&Rs.
- Williams recalls this came up previously and that the board's decision was that it wasn't enforceable and not a good use of the board's time. What are we going to do? Make them tear something down?
- Scea – it came up previously regarding a garage with a living unit above, he sent a letter to the board and got a permit for something less than an ADU. He doesn't rent it out. Pete Philly did some research.
- Cheryl Weiss states that in a neighborhood she's familiar with there has become 25% AB&B.
- Scea – if it's a home and someone rents it out, we can't do anything about that (former attorney opinion),
- Zerngast asks if ADUs have separate power?
- Hurley isn't sure.
- Crain – do we want to step in and prohibit 2 residences per lot?
- The Board should send out a well written letter and cite the CC&RS before it gets out of hand.
- Rees asks what if there is a parent or a nanny who isn't paying rent?
- Hirko – quotes the CC&Rs, solely for private use and "Only one residence shall be constructed on each lot..." We need to identify the properties and notify them. And if nothing is done, turn it over to the attorney.
- Williams asks – what's the remedy? Spend a ton of attorney fees for what?
- Hirko – we need to determine how much we're going to spend on this.
- Zerngast -Even if it's not enforceable, the fact that the Board is willing to try will inhibit a lot of people.
- Rees – yes, we need to identify the properties

- Hurley - we can talk to the attorney and see what the best course of action is.
- West suggests we ID the properties and send a letter first before going to the attorney.
- Crain says Pierce County has ADU definition
- Hirko – we shouldn't confuse Pierce County's definition with our CC&Rs. We notify the membership that the Board is looking into this and encourage people to turn in their neighbors. It's not just the Board who can enforce the CC&Rs, members can enforce the CC&Rs on their own dime.
- Smith suggests we need a clear definition of 'residence.'
- Air B&B is a separate issue.
- Scea – lets start with more than one structure – one house per lot, when you add a second structure, that's a problem.
- Hirko – let's stay within the wording of the CC&R. "Only one residence shall be constructed on each lot." And we need to tell the residents what the board is doing.
- Weiss asks if there are penalties in the CC&RS? No, that requires a change to the CC&Rs.
- Scea suggests we pursue something like this in the by-laws.
- Crain – there is some avenue to do enforcement with policies.
- Who will craft an appropriate letter? Hirko will do a first draft to the entire membership. Hurley states after we find the offenders, we'll send something out directly to them.

Committee Reports

1. Roads – looks like someone cleaned off the bridge. It is in the Green Effects tasking. Hurley will get with Jeff Davis for the

annual meeting and get a contract for snow removal in advance.

2. Security – will have Island Mgr. send email with South Beach parking policy to remind everyone.

3. Parks and Recreation –

- South Beach Slide – current status: on Wed, Puget Sound Development will be there to finalize the proposal. Jeff Davis has been working with them. We'll send the proposal options by email to discuss for the annual meeting.
- Landscaping contract – Hurley talked with Bautistas. Their price is \$700/month, but they are not insured. They do have a business license. Discussion on how important is it that these workers have insurance? Current contractor charges \$13,500/year. Crain thinks \$850 is more realistic and the Bautistas work hard.
- Question – how much insurance does Green Effects carry? West will ask for certificate of insurance from Island Mgr.

4. Investment committee quarterly report – Hirko

- BRF 469500
- USDA reserve 250900
- GF 194500

Reason we have extra money in reserve fund, is because it's a \$6.7M asset, if it needs repairs, the extra money in that fund will probably not be enough.

5. Communication – Annual Meeting due dates:

- Annual Meeting date is May 17th, 2021

Adjourned at 8:20

Respectfully submitted,
RJ West, Secretary

