

# BYWATER WAY ROAD MAINTENANCE ASSOCIATION

## Draft 2024 Annual Meeting Minutes

**Date:** The Saturday, April 27, 2024 An Annual Meeting Packet/Notice was mailed to BWRMA Lot Owners on 4/06/24, and included the following Documents:

- ✓ 2024 Annual Meeting Announcement
- ✓ 2024 Annual Meeting Agenda
- ✓ Draft 2023 Annual Meeting Minutes
- ✓ Proposed 2024-2025 Fiscal Year Budget and list of planned work
- ✓ 2024 Annual Maintenance Fees Summary
- ✓ 2024 Road Inspection Report
- ✓ 2024 Long Range Planning Proposal
- ✓ 2024 Total Picture Spreadsheet Options 5e,7e, and 8d
- ✓ 2024 Proxy Vote Form

Additionally, on April 20, 2024, an Annual Meeting reminder was emailed to BWRMA lot owners with the following:

- ✓ 2024 Proxy Vote Form
- ✓ Amendment Consent Form with extended filing date—May 1-15, 2024

**Board Members Present:** Jim McGillis, President; Bridget Richardson, Treasurer; Carol Glidewell, Co-Treasure; Ilona Bell, Secretary; Members at Large: Don Layton and Barbara Zinkil. **Absent:** Bill Richey, Member at Large

**Quorum:** A quorum of at least 25% of BWRMA members, in good standing in our community, was obtained with 6 Board Members and 25 Lot Owners in attendance and 11 Proxy Votes received. The Proxy Votes received and the meeting sign-in sheet documents are retained.

Jim thanked everyone for attending and stated there was a lot to be covered as indicated on the Agenda.

*Several lot owners interrupted the planned agenda proceedings.*

### **A. CALL TO ORDER: 10:10am**

Jim welcomed new lot owners/neighbors to our community and explained this is a business meeting rather than a community town hall meeting. He announced that items not on the agenda will be addressed at the end.

### **B. SECRETARY REPORT:**

#### **APPROVAL OF THE 2023 ANNUAL MEETING MINUTES:**

**POLLY PETERS MOVED AND JUDY DANBERG SECONDED THE MOTION TO APPROVE THE ANNUAL 2023 BWRMA MEETING MINUTES.**

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Discussion followed noting this was already being implemented.

**SUSAN BISHOP OFFERED A FRIENDLY AMENDMENT TO ADD THE LANGUAGE: “TO BE DISTRIBUTED TO LOT OWNERS PRIOR TO THE ANNUAL MEETING.” THE FRIENDLY AMENDMENT WAS ACCEPTED.**

**THE MOTION TO APPROVE THE 2023 ANNUAL MEETING MINUTES TO BE DISTRIBUTED TO LOT OWNERS PRIOR TO THE ANNUAL MEETING, CARRIED WITH NONE OPPOSED AND 4 ABSTENTIONS.**

Jim McGillis noted this procedure was already being implemented.

The Annual Meeting Minutes and Board Minutes are posted on the website: [bwrma.org](http://bwrma.org)

### C. TREASURER REPORT:

**2023-2024 Annual Audit**—The annual audit, for the BWRMA 2022-2023 Fiscal Year, was conducted by Lot Owners Polly Peters and Laurie Davis in March of 2024. The Annual BWRMA Audits are posted on our website: [bwrma.org](http://bwrma.org)

- **Balances:** Bridget Richardson reported a total balance of \$75,831.98 in the combined checking and reserve (savings) funds, as of April 3, 2024.

Discussion followed.

- **APPROVAL OF THE TREASURER’S REPORT/BUDGET: TABLED TO NEW BUSINESS.**  
*Several lot owners interrupted the planned agenda proceedings.*

### D. OLD BUSINESS:

- **2023-2024 Road Maintenance Activities**

Completed maintenance activities were brush cutting to save money in the Reserve Fund.

- **Planned Road Maintenance Committee/Reserve Study**

Current Committee Members: Fred Bell, Bruce Bernacky, Lynn Johnston, Nancy McGillis, Polly Peters, Mike Peterson, Wayne Richie, Paul Rouser and Jeremy Senner. Other volunteers are always welcomed. The Committee decided the Reserve Study did not quite address our specific needs and used their software to include relevant categories.

Jim briefly discussed the paved roads diagramed into ¼ miles sections maintained by BWRMA. Inspections will continue. Two years ago, it was reported that 22% cracking or allegering of the roads’ surface. Then in January, 2024, the surfaces were inspected again and reported an increase to 34% of the roads surface. The nearly 20 year old roads are deteriorating.

*Several lot owners interrupted the planned agenda proceedings.*

### E. NEW BUSINESS:

- **Long Term Planned Road Maintenance**

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- **The Long Range Planning Committee** studied over 30 scenarios to address the Reserve Study issues with calculations based on the estimated number of Maintenance Fees received—80 lots, the bids obtained over the past 2 years and an annual 3% inflation escalation. The Committee presented 3 scenarios to the Board. The Board accepted 2 scenarios, 5e and 7e and tabled scenario 8d due the lack of sufficient time and resources to implement the plan within this fiscal year.
- Lot owners were mailed 3 Scenario Options: **5e, 7e and 8d.**  
[Resident Wayne Ritchie provided a brief summary of the process to determine sufficient funds to maintain our private roads for the long run.

**NOTE:** The BWRMA Fiscal Year Budget is proposed for approval annually by lot owners at the BWRMA Annual Meeting.

Discussion followed.

*Several lot owners interrupted the planned agenda proceedings.*

- **Scenario Options Summary:**

**5e:** Maintenance Fees are \$900 [escalating at 3% a year] plus a one-time \$450 special assessment per lot owner in 2026.

**7e:** Maintenance Fees are \$1,000 [escalating at 3% a year] plus a \$200 special assessment per lot owner in 2026. This includes re-opening Hidden Springs Road in 2032.

**8d:** This is a “Loan Scenario Option” to obtain money upfront to complete work sooner. Approximately 30 lot owners would provide \$3,000 in addition to their annual maintenance fee in the first year. This loan is repaid by reducing their annual maintenance fee by \$300 per year, over the next 10 years. At a recent Board meeting, this option was tabled due to the lack of sufficient time and resources to implement the plan within this fiscal year.

It was noted that this option may be considered in the future.

Discussion followed

*Several lot owners interrupted the planned agenda proceedings.*

**SUSAN BISHOP MOVED AND WAYNE RITCHIE SECONDED A MOTION THAT THE BWRMA BOARD AGREED TO WORK WITH LOT OWNERS FOR THE RESOLUTION OF THEIR COVENANT ISSUES. THE MOTION CARRIED UNANIMOUSLY.**

**MAHALA HENRY MOVED AND MARIA MCGRANE SECONDED A MOTION TO ADD THE RESPONSE OPTION, “NONE OF THE ABOVE,” TO MAINTAIN OUR ROADS. THE MOTION DID NOT CARRY WITH 10 YES VOTES, 11 NO VOTES, 11 PROXY NO VOTES AND 3 ABSTENTIONS.**

Discussion followed.

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- Since the cost is prohibitively expensive, Jefferson County has repeatedly indicated they will not take over our private roads.
- The proposed \$900 annual maintenance fee equates to \$75 per month or \$2.50 per day to maintain our private roads.

- **Approval of 1 preferred option**

Several lot owners interrupted the planned agenda proceedings.

Discussion followed.

**JIM MCGILLIS MOVED AND DON LAYTON SECONDED THE MOTION TO TAKE A VOTE TO SELECT ONE OPTION: EITHER SCENARIO 5E OR SCENARIO 7E. THE MOTION CARRIED, WITH OPTION 5E ADOPTED:**

**OPTION 5E: 10 YES VOTES, 11 YES PROXIE VOTES, 2 NO VOTES, 2 PROXIE NO VOTES AND 8 ABSTENTIONS.**

**OPTION 7E: 4 YES VOTES (NOT ENOUGH YES VOTES TO CONTINUE)**

- **Approval of 2024-2025 Proposed Budget**

Discussion followed.

- **Scenario 5e adopted**
- **\$900 Fiscal Year 2024-2025 Maintenance Fee per lot owner—\$600 for the Reserve/Saving Account and \$300 in Operational Fund.**

**FRED BELL MOVED POLLY PETERS SECONDED A MOTION TO ADOPT THE 2024-2025 FISCAL YEAR ANNUAL BUDGET. THE MOTION CARRIED WITH 10 YES VOTES, 11 YES PROXY VOTES, 1 NO VOTE, 2 NO PROXY VOTES AND 5 ABSTENTIONS.**

Jim McGillis announced that our Treasurer, Bridget Richardson, will work with lot owners to arrange a payment plan for Maintenance Fees, should anyone be interested.

The BWRMA Adopted Budgets are posted on our website: [bwrma.org](http://bwrma.org)

NOTE: Several lot owners exited the pro-longed BWRMA Annual Meeting.

The Treasurer received a \$50 2024-2025 Maintenance Fees partial payment at the Annual Meeting.

- **Approval of BWRMA New Standing Committees**

- **Long Range Planning Committee** is to become a Finance Standing Committee (name to be determined.) to make recommendations to the Board.

**JIM MCGILLIS MOVED AND POLLY PETERS SECONDED A MOTION TO CREATE A STANDING COMMITTEE TO MAKE RECOMMENDATIONS TO THE BOARD REGARDING ISSUES RELATING TO FINANCE AND MANAGEMENT OF THE RESERVE FUND. FUNDING NEEDED AND FUTURE FUNDING.**

Discussion followed:

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Board Member Bridget Richardson will be on this committee. This Committee has no financial authority and only makes recommendations to the Board. This Committee will develop its mission statement. This Committee should help to involve more lot owners.

**SUSAN BISHOP PROPOSED A FRIENDLY AMENDMENT THAT BOARD ADOPTED RECOMMENDATIONS BE PRESENTED TO LOT OWNERS, AS PART OF THE BUDGET, PRIOR TO APPROVAL AT THE ANNUAL MEETING. JIM MCGILLIS ACCEPTED THE FRIENDLY AMENDMENT. THE MOTION CARRIED WITH 9 YES VOTES, 11 YES PROXY VOTES, 4 NO VOTES, 2 NO PROXY VOTES AND 4 ABSTENTIONS.**

Jim McGillis noted this procedure was already being implemented.

- Create a **Road Maintenance Committee** to report to the Board road inspections, road conditions, estimated repair costs (bids), priority of repairs, and coordinate volunteers to assist with unexpected road conditions--fallen branches and trees or bids for large fallen trees, snow removal, etc. Don Layton volunteered as the attending Board Member of this Committee that has no financial authority and only makes recommendations to the Board. This Committee will help to involve more lot owners.

**JIM MCGILLIS MOVED AND WAYNE JOHNSTON SECONDED A MOTION TO CREATE A ROAD MAINTENANCE STANDING COMMITTEE. REGARDING THE CONDITIONS OF THE ROADS, ESTIMATED COSTS OF REPAIRS, PRIORITY OF REPAIRS.**

Discussion followed.

**MARIA MCGRAIN OFFERED A FRIENDLY AMENDMENT TO HAVE THIS STANDING COMMITTEE'S RECOMMENDATIONS PRESENTED TO LOT OWNERS BEFORE THE ANNUAL MEETING.**

Discussion followed noting that the Board's "adopted" recommendations are presented to lot owners via the Proposed Annual Fiscal Year Budget,

**THE FRIENDLY AMENDMENT WAS NOT ACCEPTED. THE ORIGINAL MOTION CARRIED WITH 12 YES VOTES, 11 YES PROXY VOTES AND 2 NO PROXY VOTES.**

- **BWRMA Covenants**

- Jim McGillis announced that Washington State Legislation #SB5796 is a bill requiring that all Common Interest Communities be governed by one legislation, ie. RCW 64.90 that has now passed. After 1 January 2028, the Bywater Way Road Maintenance Association will have the authority to modify those two covenants with a 67% positive vote of all properties subjected to those covenants. Several lot owners may be positively impacted. In order to address lot owner concerns sooner than 2028, an Amendment Consent Form (ballot) was mailed to lot owners with an extended due date of May 1-15, 2024. The results will be presented to lot owners by the Condominium Law Group.

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**JIM MCGILLIS MOVED AND FRED BELL SECONDED A MOTION TO FORM A BWRMA COVENANTS COMMITTEE TO FOCUS ON RELATED COVENANT ISSUES. THE MOTION CARRIED WITH 12 YES VOTES, 11 YES PROXY VOTES, 3 NO VOTES AND 2 NO PROXY VOTES.**

Jim McGillis will be the attending Board Member of this Committee and invited a wide cross section of lot owners will volunteer to serve.

- Jim McGillis reported that Condominium Law Group stated that BWRMA had no authority to relieve or adjust Maintenance Fee payments from the straddle lots at last year's Annual Meeting.

**JIM MCGILLIS MOVED AND DON LAYTON SECONDED A MOTION TO ELIMINATE FURTHER IMPLEMENTATION OF THE UNAUTHORIZED LANGUAGE THAT TEMPORARILY SUSPENDED MAINTENANCE FEE PAYMENTS FOR 8 STRADDLE LOTS. THE MOTION CARRIED WITH 9 YES VOTES, 11 YES PROXY VOTES, 6 NO VOTES AND 2 NO PROXY VOTES WITH NO ABSTENTIONS.**

### F. COMMUNICATIONS:

- **2024-2025 BWRMA Board:**

Six BWRMA Board members will continue for Fiscal Year 2024-2025 Jim McGillis, President [final year]; Bridget Richardson, Treasurer; Ilona Bell, Secretary; Don Layton, Bill Richey and Barbara Zinkil, Members at Large.

The position of Co-Treasurer is open. There were no nominations from the floor.

- The next Annual Meeting is scheduled for the last Saturday in April, 2025—the 26<sup>th</sup>.

### G. ADJOURNMENT

**JUDY DANBERG MOVED AND NANCY MCGILLIS SECONDED A MOTION TO ADJOURN THE ANNUAL MEETING.** The 2024 BWRMA Annual Meeting adjourned at 1:31pm

NOTE: Several lot owners exited throughout the pro-longed BWRMA Annual Meeting.

Respectively submitted,  
*Ilona Bell, BWRMA Secretary*

Attachment:  
Adopted 2024-2025 Fiscal Year Budget

[BWRMA Website Annual Meeting](#) documents posted at: [bwrma.org](http://bwrma.org)