

MBR Board Meeting February 2023

Monday, February 20, 2023 12:17 PM

Friday, January 20, 2023



Link to meeting at end of note.

FOLLOWING OUR RULES, THE PERIOD FOR MEMBER COMMENTS IS FOR MEMBERS TO PROVIDE COMMENTS TO THE BOARD. THIS IS NOT Q&A OR TIME FOR BOARD RESPONSES TO MEMBER QUESTIONS.

ALL QUESTIONS AND OFFICIAL CORRESPONDENCE FROM MEMBERS MUST BE SUBMITTED BY EMAIL OR SNAIL MAIL.

To facilitate moving the meeting along, all presenters (Members, Staff, Board Members) will be limited to floor time for each of their sections:

- Members two mins presentation per item.
- Staff and board members: five minutes.
- Everyone: please be succinct and efficient with our time.
- **Everyone: keep your mic muted unless you have the floor.**

1. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved that MBR February 2023 meeting would commence @ 19:01
 2. Present:
 - a. Board: dshill, Steve, Rheannon, Brad, Rob, Arnost, Dawn, Jen
 - b. Members: Dave Clements
 - c. Staff: Laura
 3. "In-Person" Member Comments (2 min. time).
 4. Consent Agenda Items
 - a. Financials: [2023 Monthly Financials](#)
 - b. November minutes, [here](#).
 - c. January minutes, [here](#).
 - d. Legal
 1. Proposed language changes (attached word doc or in email from Steve on Feb-13-2023).
- 
2. February
Legal Rep...
 3. Legal problem statement:
- 
4. Legal
Problem
 5. List of MBR lots owned by corporations (Note: list may not be complete).
 - i. 11067- Baker Besties LLC
 - ii. 12039- Chalet du Blanc LLC
 - iii. 22009- 22009PR LLC
 - iv. 12006- 542 LLC
 - v. 14046- Mt Baker Rim Cabin LLC

- vi. 19015- Eightysix LLC
- vii. 14053- Snowlee LLC
- viii. 15007- Sharkstad LLC
- ix. 17022- 17022 Glacier Rim LLC

e. Violations - n/a

f. G&M - n/a

g. No items moved off Consent Agenda for discussion.

*** END OF CONSENT AGENDA ***

5. New and Continuing Business

a. Secretary - N/A

b. Violations

1. 18005 appealing fine.

- i. Brad will send out the letter to board and member; says this is not a second appeal; Steve us okay with it.
- ii. Ben motions to drop initial fine of \$300.... \$600 subsequent fine.
- iii. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved that 18005 initial \$300 fine would be dropped and subsequent \$600 fine would be applied.

2. 14039 Chimney Lane -

- i. Hasn't paid transfer fee; doesn't want to pay it as they received lot as payment by previous owner.
- ii. Perc holes dug without approval; holes may have been dug in setback as well. Photos on listing show this. Ben/Brad need to investigate.
- iii. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved that dues and transfer fees as normally assessed would stand, with caveat that we would consider waving if they gift the lot to us (Ed Note: lot has water issues, is likely unbuildable, which is why it has either changed hands or had five or so cancelled sales over past few years).
- iv. RHEANNON: CONFIRM YOU ARE MAILING/SENDING MESSAGE

c. Treasurer -

- 1. Financials okay
- 2. Cyclical Weirdness - no utility bills for month, but this is good. Cyclical nature of billing.
- 3. Accountant in Everett is signed up (Ed Note: see January minutes for more info).

d. President

- 1. We received a member concern asking what we will do to deal with people using pool who aren't members. Brad wants time to consider/think about the issue/how to handle people. Long discussion.
- 2. Because Titti Rinström is not able to moderate this year's AGM, should we offer to pay for this? Previous board member was asked to step up but they declined. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved that we would look into paying a professional to manage this.

e. Legal

- 1. Stuff to discuss during Exec session.

f. G&M

1. Exits for clubhouse - two exits per floor
 - i. Follow fire Code
 - ii. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved that we would budget \$2500 + \$500 for alarm to approve exit doors / crash bars for clubhouse.
 - iii. Jen wants us to revisit having a locked fence around the picnic area

 - g. Property Standards
 1. Application for new construction have stopped
 2. Two things
 - i. 19035: Section along creek - tree removal - Ben believes tree removal request is okay given location and due to tree being split on top.
 - ii. 12036 -
 - 1) Property grading to widen their driveway. Proposal that they can't redo their driveway into the setback.
 - 2) 12036 - tree removal out towards levee. We are okay with the removal.
 - iii. 12017 Property asked for permission to pour foundation in May-2022, have failed to do so. No construction.

 - h. Member at large
 1. Proposal for license plate reader. RPS system. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved that we would investigate in earnest installing a license plate reader and cameras at gate.
 2. Numerous Portal questions...
 3. Internet petition - suggestion that we try to coordinate again with Snowline and Snowwater to get elected officials to encourage Ziplly to put fiber in the Rim since they are out of paired copper lines (people unable to get phone lines installed, which is a safety hazard).
 - i. Steve and Rheannon have reached out to Rim and Snowline and Snowwater people to deal with this.
 4. AGM Hybrid approach? Should we? Should we send out another survey.
 5. Gate installed. wifi = XXXXX (members can get info from office; ED NOTE: passcode removed from this public document)

 - i. Member relations
 1. Dawn wants to have a social committee? Wants undefined budget for it.
6. Other
 7. Date of Next BOD Meeting: March-17-2023. March-10-2023; 18:30.
 8. Exec Session @ 21:49
 - a. Enter at 21:49
 - b. Exit at 22:25
 9. UPON A MOTION DULY MADE, SECONDED AND CARRIED WITH NO OBJECTIONS, it was resolved to end the MBR February 2023 board meeting at 22:26
 10. **Legal Problem Statement:**

MBRCC documents were not written for record ownership by non-individuals. Certain Trusts, Companies and LLC's have ownership interests in lots in MBRCC. We do not know who legally has authority with regards to the lots. These lots may have limitations we are not following as a result of definitions found in the Bylaws and may be able to skirt certain rules due to the way they are drafted.

The Bylaws define a member as: **Membership** in the Community Club shall **be limited to the parties of record** of not less than one (1) residential lot in Mt. Baker Rim. A purchaser under contract for purchase of a residential lot or lots in Mt. Baker Rim shall also be deemed an owner for purposes of these Bylaws. Residential lots held as marital community property shall qualify the owners thereof for one (1) membership in the Community Club, which membership shall be in the name of either spouse (but not both). Only one (1) of any number of co-owners of any residential

lot or lots may qualify for membership as a record owner of a residential lot in Mt. Baker Rim. No property may generate more than one (1) membership; no person may hold more than one (1) membership, except temporarily as Personal Representative of a deceased or incompetent person. (as amended June 6, 2004). See, Bylaws Article 3.

In our case, the parties of record are not individuals. The issue of who is a “member” is clouded. This section would need to be revised for ownership concepts other than ownership by individuals.

Section 4 states: Members whose dues are paid, and who otherwise are in good standing, shall be entitled to cast one vote per membership and no more than one vote per membership, regardless of the number of lots owned by the member. The vote for any membership owned by a marital community may be cast by either spouse without presentation of authority from the other. The vote for any membership appurtenant to a lot or lots held or being purchased by more than one person under some form of joint ownership, or several ownerships, may be cast by anyone of such persons upon presentation of written authority by proxy from the other joint owners. (as amended June 5, 1994)

Article 4 only addresses martial communities. It does not adequately address other forms of ownership holdings. We do not know who has authority to sign for various risk limiting entities or business ownership and do not limit our liability in the documents. This also likely leaves open a loophole for business entities, such as LLC’s to vote more than once since the LLC is the member of record and we have no idea who makes up the membership of the LLC.

Section 5 states: The use of Club facilities shall be extended to members, immediate members of their family, and may be extended to non-paying guests accompanied by members, under such rules and regulations as the Board of Directors may prescribe. (as amended June 29, 2021)

This also poses a problem. Technically, we have business and liability limiting entities as the member and as the party of record. While the folks that created these entities probably did not read the Bylaws, they probably do not realize that they do not have facilities use rights.

As to eligibility for being on the Board of Directors, the Bylaws discuss members and selection from membership. Again, in some cases, members are not individuals.

Further our rules are Bylaws are complicated by terms such as ownership. In the example of an LLC, The LLC owns the properties not the individual members of an LLC. Can a member of an LLC be a Board member? It is not clear that they can under the current Bylaws.

How do we address this?

1. If it our intent to allow these no individual ownership interests to be able to vote, use faculties, and to have some level of Board participation, we will need to have outside Counsel redraft our documents.
2. We also need to make sure we have complete documents on who is actually involved in the operating entities. For instance, we have always limited renting to one unit. Owners may not rent if they own an interest in another. In the case of LLC’s, we have no idea who is participating nor do the individual members have “ownership” in the property. Thus, the argument could be made that LLC ownership allows the renting of as many lots as they like by playing with LLC names and as the LLC is technically the “member”, they could be voting more than once in elections.
3. No matter what route we intent to take, the documents need to be cleaned up and we will need to have outside counsel do it. It is probably too late to prohibit this type of ownership.

February Legal Report

Proposed Bylaw Change

Section 6. Unless otherwise stated in this section, the Board of Directors shall have the power to assess a fine not in excess of twice the annual club dues per violation per month, plus all costs, expenses, and attorney's fees incurred, for violation(s) of the Covenants, Bylaws, Rules and Regulations (which includes Property Standards and Tree Policy). The Board shall provide the alleged offender with written notice of the fine and the alleged offender the may appeal the violation in writing within 30 days following the issuance of the violation notice.

In the event that the violation that resulted in the fine is related to a condition that must be remedied, the remedy must be completed within 30 days of the imposition of the fine or the fine may be assessed each month as a new violation until such time as the condition is brought into conformance with the Covenants, Bylaws, Rules and Regulations.

Any fine(s) imposed shall constitute a "charge or assessment" as provided in this Article.

Proposed Amendment to the Rules and Regulations

Welcome to Mt. Baker Rim Community Club! These rules and regulations are designed as a helpful guide. They are based on the community governing documents- the bylaws, protective restrictions, minimum property standards, board resolutions, and derivative documents. It is the owner's responsibility to be aware of all rules and restrictions, which are not limited to the rules on this document. It is an owner's responsibility to inform their guests and renters of MBRCC's rules and restrictions. MBRCC's governing documents are available in from our website: www.mtbakerrim.com. The MBR community is subject to WA State and Whatcom County rules and ordinances. Fine schedule is in place for noncompliance of Rules & Regulations.

The Minimum Property Standards and Tree Policy are part of the Rules and Regulations.

Hi All,

Please find below the Zoom link to the regular monthly board meetings for January through May 2023. The meetings are assumed to be on the third Friday of every month, but if a meeting date is changed, this will be posted to the MBR website homepage www.mtbakerrim.com, so please check there for updates on meeting dates/times.

Mt Baker Rim Community Club is inviting you to a scheduled Zoom meeting.

Topic: MBRCC Monthly Board Meeting

Time: Jan 20, 2023 07:00 PM Pacific Time (US and Canada)

Every month on the Third Fri, until May 19, 2023, 5 occurrence(s)

Jan 20, 2023 07:00 PM

Feb 17, 2023 07:00 PM

Mar 17, 2023 07:00 PM

Apr 21, 2023 07:00 PM

May 19, 2023 07:00 PM

Please download and import the following iCalendar (.ics) files to your calendar system.

Monthly: https://us06web.zoom.us/meeting/tZlqc-ysrD4rG9NdL8iCA2l9mqq_EiniTsnN/ics?icsToken=98tyKuGuqT8vHtaQsRiARpwAB4-gZ-jzpiVcJfpzmDO9CgNyMA-vO_NTDZd2HtHk

Join Zoom Meeting

<https://us06web.zoom.us/j/86745425117?pwd=c08rOWZ6c1hyMjV4ZFY3NTczZ3ZFU09>

Meeting ID: 867 4542 5117

Passcode: 509965

One tap mobile

+12532158782,,86745425117#,,,,*509965# US (Tacoma)

+12532050468,,86745425117#,,,,*509965# US

Dial by your location

+1 253 215 8782 US (Tacoma)

+1 253 205 0468 US

+1 720 707 2699 US (Denver)

+1 346 248 7799 US (Houston)

+1 669 444 9171 US

+1 719 359 4580 US

+1 305 224 1968 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 646 558 8656 US (New York)

+1 646 931 3860 US

+1 689 278 1000 US

+1 301 715 8592 US (Washington DC)

Meeting ID: 867 4542 5117

Passcode: 509965

Find your local number: <https://us06web.zoom.us/u/kcUbXXwNbl>