

MPMA Annual Membership Meeting

December 4, 2022

Legal Report – Marie Evans

I was able to report to you in January of this year that the Walla Walla Superior Court ruled in favor of the defendants' motion for Summary Judgement, with prejudice. I am not an attorney but what I understand this means is the defendants, including the 9 individual defendants and the MPMA filed a motion asking the judge to rule on the case without a need for a formal trial. Judge Johnson stated that he had read all the documents involved and listened to arguments by attorneys for both sides. Then he ruled in favor of the defendants' motion, ruling that the Board and the individual Board Members acted within their authority when presenting the exit issue to the membership. The judge also ruled "with prejudice" which means that the plaintiff cannot refile the same claim again in that court. I sent you the exact wording in a letter earlier this year. This is public record and available to anyone.

The plaintiffs, Don Coleman, Sue Wright, and the Hawk Hill Association decided to challenge the judge's ruling and filed an appeal with the Washington State Appeals Court. This elongates the process considerably. We don't anticipate a judgement from the Appeals Court for some months. It is our hope that when the appeal is resolved, the Board and the defendants will have an opportunity to share evidence, facts, and background with any members who want to learn more about the suit and its resolution.

According to our current documents, the amended CCRs and our Bylaws, our HOA is truly a homeowners association with 240 homes. The property within our MPMA starts at the Larch entrance and ends at the Clock Tower Circle. We do not govern or maintain any other properties. We DO govern and maintain the common properties in Villages 1, 2, 5, 6, 7, 8, 9, and 10 which includes our roads, walkways, parks, trees, and ponds.

Our liability insurance coverage provided legal assistance for the 9 defendants in the lawsuit and another lawyer to represent the Board of Directors. The MPMA,

your dues dollars, does not pay for any of the legal costs for the lawsuit; we just continue our insurance premiums.

A word about our corporate attorney. We have a law firm in Spokane to which the Board can direct our questions and concerns. We used their services for extra events this year which brought up the cost of their services. Our attorney advised the Board regarding Covid restrictions. She responded to questions about our property, our reserve spending, and our liability. She protected our rights during the application process for the vacant property along Garrison Village Way. And she advised us on our CCR and Bylaws drafts, making sure that we complied with all Washington State laws. Our corporate attorney has not ever been involved in the lawsuit that was filed and ruled in the Board's favor.

We hope to propose updated Covenants, Conditions, and Restrictions, (CCRs) and Bylaws. They will be coming up for a vote in the Spring. These documents do not change the make-up of the Villages. These documents do not eliminate any properties or excuse anyone from paying dues. These CCRs and Bylaws have been thoroughly vetted by our attorney so that we will conform to current Washington State Law. The current drafts had input from dozens of Village members and will be the subject of informational meetings in the next few months.

I will close by assuring you, the members, that your Board of Directors strive to do their best to follow all applicable laws and regulations and work for what is best for the Villages of Garrison Creek. This is our legal and moral responsibility that we take very seriously. Thank you for your support.