

We are currently under WA state law RCW 64.38 governing homeowners' associations.

The WA legislature passed RCW 64.90 which became the effective law for any HOA established after 12/1/2018. RCW 64.38 is vague and silent on many matters. The legislature revamped Association law to codify results of many court challenges over the years. Overall, the newer 64.90 better protects property owners.

We do not have to adopt 64.90. However, the legislature wrote provisions to encourage adoption to reduce spurious law suits for matters already litigated and resolved.

Our documents require 67% of all owners (161) to modify our Covenants. The adoption provisions still require 67%, but lower the threshold "notwithstanding any provision in governing documents" to a quorum of 30% of all owners. If at least 72 owners vote and 2/3 vote 'yes', we have adopted 64.90.

Adopting 64.90 will not allow modification, adding or removing any restrictions, of our existing covenants without approval of at least 161 of our members.

I have only been a board member for this past year, but was an active volunteer attending a majority of meetings since the Fall of 2017. I have witnessed all boards since 2018 strive to follow the better defined and more restrictive language of 64.90. As such, there will not be major changes. The first immediate change is we will be required to produce "Resales Certificates" for prospective buyers, and we can charge to provide that service. This benefits buyers in having covenants and documents of the Association. While reputable realtors have provided this information since 2018 anyway, I have heard from multiple newer buyers surprised and occasionally dismayed by some provisions of our covenants or 'land use standards' which bind all owners.

If we choose not to adopt 64.90, there should not be major disruption with incumbent board members and new board members who respect what is within 64.90. The risk is an overhauled board which does not read either RCW or chooses to exploit the vagueness of 64.38.

The Hawk Hill Association (Village 10) incorporated in 2019. As such, they already fall under RCW 64.90. My observations are that they do not operate under 64.90 and ride roughshod over many provisions of 64.38, specifically proper meeting agendas, open meetings, notice, audits, and records. A current board candidate from the Hawk Hill Association has been suing us since 2018 and been dismissed twice in superior court, twice in appellate court, and rejected by the WA supreme court. This year that candidate started invoicing the VGC for \$45,000 for past years repairs of the Hawk Hill gates which have always been the responsibility of Hawk Hill and have never been authorized expenses by any budget or board.

Several members have shared some privately circulating messages. There are some contrarians who seem to object to any action of the current board, including adoption of 64.90. The leading contrarians, including the apparent leader of 'SaveTheVGC', are from Hawk Hill. There are also good, insightful, contributing members in Hawk Hill. Under both 64.38 or 64.90 if the contrarian contingent takes control, they cannot eliminate the reserve fund contribution without a new budget including open board agenda consideration, approved by that board, and a minimum 30 day notice given to all members for a ratification vote. Unless members plan on leaving the Villages sooner than later, have financial resources to cover future special assessments, or are willing to risk decreased property values due to marginal reserves or undermaintained commons, any promises of reduced dues are phantasy.

Association boards are made up of volunteers. They are human and can make mistakes even acting in good faith. I have witnessed boards for over 6 years always acting with integrity. The spurious behind the back claims of unethical, irresponsible, illogical, and irrational behaviours are unkind, inaccurate, inappropriate, and do not represent open communication and the interests of all members.

I recommend we adopt 64.90 to hold all future boards, and the association, to the higher standards it entails.