

LYNNESFIELD HOMEOWNER'S ASSOCIATION
Minutes of the Meeting of the Board of Directors
December 13, 2006

Charley Hough, President, called the meeting to order at 7 PM. In attendance were Vice President Bob Kampmann, Treasurer Tom Higgins, Jerry Johnson, Apartment Representatives Zelda Kennedy and Buz and Secretary Ginny King.

HORSES – The first topic for discussion was the continued violation of the CC&R's by Lynne and Michael Cassella-Blackburn who are reported to have one or more of their horses visit their property which is located within the Lynnesfield development. Repeated correspondence summarizing the rules and repercussions of having the horses occasionally in their yard have proved ineffective. Charley received a letter from the HOA's insurance company (attached hereto as Exhibit A) acknowledging the intent of the Board of Directors to comply with our policy terms which do not allow horses on the premises of Lynnesfield. Ginny King will draft a Declaration for the Cassella-Blackburn's to sign stating their guarantee to avoid having any of the horses on their property. A discussion followed concerning what efforts the Board should take to ensure full compliance with the CC&Rs and to comply with the terms of our insurance coverage. It was agreed that if the Cassella-Blackburns continue to disregard these rules and regulations we will need to proceed with litigation. Charley was emphatic that we try to resolve the horse issue on a friendly basis. He will have a friendly conversation with them and follow-up with another letter before consulting counsel.

CC&R AMENDMENTS – Attached as Exhibit B are the Lynnesfield HOA amendments that the general membership voted for subsequent to the October 2006 meeting. These amendments must be approved by the City of Port Townsend before they can be put into effect. After approval by the City, the auditor's office must also approve the changes. At that point, the amendments are submitted to the title companies for inclusion in buyer's property titles. Buz pointed out one erroneous fact that was relied upon in the October, 2006 meeting of the general membership where it was stated that building permits are good for one year. In fact, the permit requires "significant progress" every 6 months. This language can extend the valid period of the permit far beyond one year.

The meeting was adjourned at 8 PM with a confirming statement by President Charley that the Board needs to make every reasonable effort to resolve issues on a friendly basis to avoid litigation.

Respectfully submitted,

Ginny King, Secretary