

Eagle Bend West Community Association, Inc.

In the greater Harbor Village community- a great place to live!

To: Members, Eagle Bend West Community Association, Inc.

Date: August 18, 2020

Subject: Memo to Members: Annual Meeting Summary & CC&Rs Amending

Consideration Process

Thanks to those who joined us for an important and productive Eagle Bend Community Association, Inc. (EBWCA) Annual Meeting on Thursday, August 6. We accomplished a lot - and had some wonderful fellowship time!

Annual Meeting Summary

Perhaps most important at the Annual Meeting, we had a good discussion of the need to consider making technical updates, and perhaps more-substantive ones, to our principal governing document, our Covenants, Conditions, Easements and Restrictions (CC&Rs). The background, amendment options, and consideration process are all explained more fully below.

We also elected Board of Directors members for the 2020-21 term: John Cannon, Stuart Cole, David McIntyre, Dawn Underwood, and Bill Whitsitt. Biographies of each were distributed before the meeting. At a subsequent Board meeting John Cannon was re-elected president of the Association. Dawn Underwood was chosen by the Board to be vice president, and Stuart Cole was re-elected treasurer.

Other Annual Meeting highlights included:

- hearing from Treasurer Cole that several unexpected events and delayed invoice receipts led to a small budget overrun during the past year, with trends being further evaluated before 2021 budget and dues proposals are to be made in November and December respectively;
- granting approval for the Board to negotiate long-term contracts to obtain lower-cost services as opportunities are found;
- explaining that the EBWCA website (<u>www.eaglebendwestmt.us</u>) is an excellent source
 of information, including governing documents, wetlands protection maps and setback
 information, and Board meeting schedules and minutes;
- reminding members of the need to obtain approval by the Design Review Committee for any project that may change the external appearance of a property; and,

• reinforcing the need to follow best practices, community rules, and applicable federal, state and local laws to best ensure that we maintain the attractiveness of Eagle Bend West for residents and future buyers.

CC&R Amendment Options

As explained in the Memo to Members distributed prior to the Annual Meeting, and at the meeting itself by EBWCA attorney Randy Snyder, four CC&R amendment options are currently pending for member consideration and votes.

A key event that focused attention of the community on the potential CC&R changes was a a Montana Supreme Court decision in 2015 that, for technical reasons as opposed to substantive ones, caused a return to the original 1997 CC&Rs from two more modern versions. A Memo to Members sent to EBWCA owners before the Annual Meeting provided more background, including on the work of a community task group and a survey that focused on assessing potential CC&R amendment options. However, the bottom line is that EBWCA will remain under the original 1997 CC&Rs unless they are amended.

The amendment options presented and discussed at the Annual Meeting, each requiring separate approval by 67% of all EBWCA lot owners (39 of 58) to go into effect, are:

- a general restatement of the CC&Rs to "clean up" and simplify them by, for example, removing provisions dealing with townhomes that are no longer part of the community and eliminating references to the declarant and a vote class that no longer exist, and modernizing financial transparency and terminology;
- changing parking restriction language to allow more uniform parking of certain classes of vehicles on lots for reasonable periods of time;
- allowing the EBWCA to establish a schedule of reasonable escalating fines for continued violations of design guidelines and other restrictions and rules before resorting to currently-available civil lawsuits to require compliance; and,
- allowing short-term rentals of properties for a minimum of 60 days with a filed lease agreement stipulating full owner and lessee compliance with all EBWCA rules and restrictions.

A summary of the general restatement provisions and copies of the other amendment options were mailed and sent by email to all owner/members in advance of the Annual Meeting. They are also available on the www.eaglebendwestmt.us website. A copy of the complete general restatement "redline" document showing the precise changes that would be made in that document is also available by calling Property Manager David Roberts at 406.253.2840.

CC&R Voting Process

Following the Annual Meeting, the Board voted to request return of CC&R amendment option ballots by September 15.

<u>Under Montana law it is important that the EBWCA has a record of each property owner's votes on CC&R amendments, so all are asked to return ballots by the September 15 target date.</u>

If more than one owner is named on a property's deed, all owners must sign and date a ballot signature page. Signatures of multiple owners of a property may be made and returned on separate pages. Signatures do not need to be notarized. Completed signature pages for each amendment option may be scanned and emailed to: droberts@westernmountains.com.

Alternatively, completed signature pages may be mailed to:

David Roberts
Property Manager
Eagle Bend West Community Association, Inc.
P.O Box 468
Bigfork, MT 59911

Those who have not returned their completed signature pages by the end of this week will receive a reminder in the mail with a combination alternative ballot and a pre-addressed return envelope.

Again, please return your completed signature pages by September 15.

If you have any questions about the CC&R amendment options, or the voting process, we encourage you to contact any member of the Board as shown below.

John Cannon 949.310.8254

Dawn Underwood

520-349-4738

Stuart Cole

310.367.2646

Bill Whitsitt

406.309.0890

David Roberts Property Manager 406.253.2840

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