

Subject: Past due statement from OFSRA

From: "Odd Fellows Sierra Homeowners' Association" <ofsha@ofsha.org>

Date: 9/17/2011 12:53 PM

To: "Alan and Kathryn Orth" <aorth@floryindustries.com>, "Bill and Heidi Ordwein" <bill.ordwein@yahoo.com>, "Charles and Patty Varvayanis" <charles@varvayanis.com>, "John and Sharon McDougall" <McDO3@aol.com>, "Fred and Ann Coleman" <mtbunch@dishmail.net>, "John and Jenean Tenbrink" <JITenbrink@aol.com>, "Mike and Tresa Ford" <tford@thevision.net>, "Ruth Dargitz" <rdargitz@comcast.net>

FILED
12-09-14
04:59 PM

Hello,

Via US Mail, OFSRA sent us a Past Due Statement demanding the entire amount we are collecting from the OFSHA membership. They caution us: "Assessments past due may be subject to legal action". See attached. At today's OFSRA BOD meeting Shaun stated that they ran the letter through their lawyer before sending it.

Sincerely,

Charles Varvayanis

Secretary

Odd Fellows Sierra Homeowners' Association

P.O. Box 236, Long Barn, CA 95335-0236

Phone: (209) 586-3733

ofsha@ofsha.org | www.ofsha.org

— Attachments: —

OFSRA - Statement of Account - 9-15-2011.pdf

65.4 KB

Odd Fellows Sierra Recreation Association
P.O. Box 116
Long Barn, CA 95335

September 15, 2011

Odd Fellows Sierra Homeowners Association
P.O. Box 236
Long Barn, CA 95335

Assessments due for the year June 1, 2011 thru May 31, 2012

Statement of your account

June 1, 2011

Assessments due 364 x \$830.00	\$302,120.00
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July 31, 2011

Partial payment	<u>(50,000.00)</u>
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September 1, 2011

Past due	\$252,120.00
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Assessments past due may be subject to legal action.

Exhibit 1A - Page 3 of 3

Odd Fellows Sierra Recreation Association
P.O. Box 116
Long Barn, CA 95335



Odd Fellows Sierra Homeowners Association
P.O. Box 236
Long Barn, CA 95335

95335+0236



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arankin@annrankin.com

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OF COUNSEL

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FAX: (510) 653-8889

TOLL FREE
TEL: (800) 354-4529

September 20, 2011

Mr. Shaun Velayas, President
Ms. Gloria Harvey, Secretary
Mr. Delwyne Wallis, Treasurer
Odd Fellows Sierra Recreation Association
P.O. Box 116
Long Barn, CA 95335

Attn.: Mr. Shaun Velayas

Re: Demand to Odd Fellows Sierra Homeowners Association for Payment of Assessments

Dear Directors:

This firm provides legal services to the Odd Fellows Sierra Homeowners Association ("OFSHA"). I am in receipt of your demand that OFSHA pay your organization the entire amount of assessments which OFSHA has collected this year.

In order for me to advise OFSHA about this demand, please provide me a detailed explanation of what you contend is the legal basis for the demand. Please identify each and every contract, licensing agreement, and recorded instrument which forms the basis for your claim. Please provide me with a copy of each document you identify so that there will be no misunderstanding. Please also provide me, in writing, with a detailed description of all goods and services for which you contend OFSHA owes you money, together with supporting documentation.

I understand that your association has a contract with OFSHA pursuant to which OFSHA is to pay your organization the sum of \$69,000 for water services, and that OFSHA has paid you \$50,000 so far. Therefore, I can understand your basis for demanding \$19,000, but no more.

My client and I look forward to your reply.

Very truly yours,

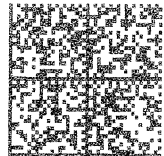
LAW OFFICES OF ANN RANKIN


Ann Rankin

Cc: Client
AR: GB

Exhibit 1B - Page 2 of 2

LAW OFFICES OF ANN RANKIN
3911 Harrison Street
Oakland, CA 94611

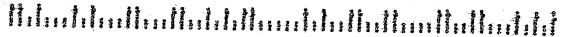


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ZIP 94611 \$ 000.44⁰
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0001365721 SEP 20 2011

Board of Directors
Odd Fellows Sierra Homeowners Association
Attn: Charles Varvayanis
P. O. Box 236
Long Barn, CA 95335

12/8/2014 Rebuttal to 11/27/2014 OFSRA & SPWC Comments on 9/30/2014 CPUC Staff Report - A.13-09-023 & C.12-03-017

5525+0236



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October 17, 2011

Timothy Trujillo, Esq.
Dambacher, Trujillo & Wright
32 N. Washington Street
Sonora, CA 95370

Re: **Odd Fellows Sierra Homeowners Association and Odd Fellows
Sierra Recreation Association**

Dear Mr. Trujillo:

The Board of Directors of Odd Fellows Sierra Homeowners' Association ("OFSHA") is willing to provide your client, Odd Fellows Sierra Recreation Association ("OFSRA") with payment for pine needle removal and garbage collection. OFSHA has verbally requested information on the amount due and has received no response. Please find out how much OFSRA believes is owed by OFSHA for these service, and how the charges were calculated, and please send me all invoices and other back-up information to facilitate getting this obligation paid. Thank you for your courtesies.

Very truly yours,

LAW OFFICES OF ANN RANKIN

Ann Rankin

cc: Client
AR:gb

Subject: Re: Bills

From: Shaun Velayas <Shaun@crestonemtg.com>

Date: 11/8/2011 4:16 PM

To: Fred Coleman <mtbunch@dishmail.net>

CC: bill.ordwein@yahoo.com, Ann Rankin <arankin@annrankin.com>, "Jeff Cluett, Esq." <jcluett@annrankin.com>, gwen bernier <gbernier@annrankin.com>, Ruth Daragitz-Vaughan <rdargitz@comcast.net>

Fred,

Thank you for your second November 5, 2011 email. We appreciate that OFSHA has finally acknowledged that OFSRA provides services to OFSHA other than water and use of roads. Hopefully you have now apprised your attorney of that fact.

Please note that OFSRA does not agree with the "accounting" set forth in your email or the limited list of services that you "think" you "might" owe for.

We will more fully respond to your email after December 3, 2011.

Thank you.

Shaun
OFSRA President

On Nov 5, 2011, at 4:11 PM, Fred Coleman wrote:

Shaun:

At the meeting of the OFSHA Board of Directors today, November 5, 2011, I was instructed to send you this email. We are aware that certain services have been provided by OFSRA that we have, in some cases, not contracted with you for. However, these services benefit the homeowners and need to be continued. The OFSHA Board asked you to let us know what we owed for these items earlier. Our attorney also requested that your attorney inform us what we owed but your attorney was too busy to respond. On our own, we came up with what we think OFSHA owes OFSRA for these services. Below is an accounting of what we think we owe OFSRA. Please share this email with the OFSRA Board of Directors. If you agree with the amount itemized below, please contact our Treasurer, Ruth Dargitz at RDargitz@comcast.net, and she will authorize payment in five toten working days of receiving your response. Should the amount be greater, please notify us and we will review the information you send us and discuss sending you a check for the additional amount at our December meeting. If the amount is too high, please inform Ruth and she will authorize a check for the lesser amount.

OFSHA might owe for other services that OFSRA has provided. Should this be the case, we are willing to discuss the services, fees and payment with you.

What we think we owe for the services listed below:

Pine needle removal - \$7,500

Garbage removal from June through December 2011 - \$8,400

Porta-Potty from June through October, 2011 - \$750

Exhibit 1D - Page 2 of 2

Damage to Porta-Potty	- \$350	
Gate - telephone and electricity June through October 2011	- \$375	
Total		- \$17,375.

Thank you,

Fred Coleman
President
OFSHA Board of Directors

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arankin@annrankin.com

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twilkens@annrankin.com

HANH PHAM
hpham@annrankin.com

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TEL: (800) 354-4529

November 9, 2011

By U.S. Mail and e-mail

Timothy Trujillo, Esq.
Dambacher, Trujillo & Wright
32 N. Washington Street
Sonora, CA 95370

Re: **Odd Fellows Sierra Homeowners Association and Odd Fellows Sierra Recreation Association**

Dear Mr. Trujillo:

We repeat our request for information regarding what OFSRA asserts that OFSHA owes to it: what services OFSRA provides, what they contend is the cost of each such service, and the back-up for the dollar amounts. OFSHA has also unsuccessfully tried to obtain an accounting from OFSRA directly. We have requested this information since September 20, 2011.

If you will not provide us with an accounting until after December 3, 2011, please advise us of same.

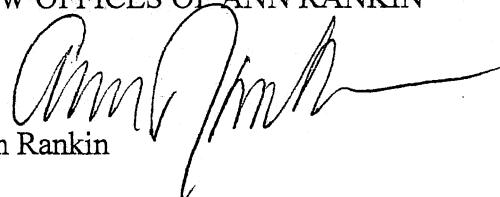
You wrote in your correspondence on October 27, 2011, that this situation is rapidly deteriorating. As we noted in our email of October 28, 2011, we would like to prevent any further deterioration. To that end, we request your assistance in regards to an accounting and our letters of September 20 and 28 and October 17, 2011.

We look forward to your prompt responses in these regards.

Very truly yours,

LAW OFFICES OF ANN RANKIN

Ann Rankin



cc: Client
JC:gb

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November 29, 2011

By U.S. Mail and e-mail

Timothy Trujillo, Esq.
Dambacher, Trujillo & Wright
32 N. Washington Street
Sonora, CA 95370

Re: **Odd Fellows Sierra Homeowners Association and Odd Fellows Sierra Recreation Association**

Dear Mr. Trujillo:

The purpose of this letter is to suggest a framework for resolution of the current disputes between OFSHA and OFSRA.

From OFSHA's point of view, the basis of the dispute is as follows:

1. OFSRA members include some, but not all, of the Lot Owners who belong to OFSHA.
2. OFSRA performs a number of functions. It maintains the roads and the water system within the Park. These facilities are utilized by all of the Lot Owners. It maintains facilities such as the clubhouse which are owned by OFSRA and are sometimes used by OFSHA and its members. Finally, it manages for-profit enterprises such as the timberland; in order to be entitled to a share of the profits for these enterprises, it is necessary to be a member of OFSRA. Also, it is necessary to be a member of an Odd Fellows or Rebekah Lodge in order to belong to OFSRA, but this requirement does not apply to membership in OFSHA or to the right to own a Lot in the development.
3. OFSRA is mad at OFSHA because OFSHA collects assessments from all of the Lot Owners and, during 2011, has not turned over all of these assessments to OFSRA.
4. The OFSHA Board Members are fiduciaries as to the OFSHA members. The OFSRA Board Members are fiduciaries as to the OFSRA members; however, many lot owners are members of OFSHA and are not members of OFSRA. The relationships between OFSHA and OFSRA are primarily contractual in nature.

Timothy Trujillo, Esq.
November 29, 2011
Page 2

5. In order to resolve the disputes between OFSRA and OFSHA for the benefit of all of the Lot Owners, and to avoid the need for expensive litigation, here's what I think needs to happen:
 - A. A neutral CPA needs to set up a chart of accounts showing what OFSRA expenses are required for providing water service and road maintenance. OFSHA should pay OFSRA for the reasonable costs of providing these services. There should be transparency as to the method of allocating expenses for these purposes. The new License Agreements should reflect the reasonable costs of providing these services.
 - B. OFSHA and OFSRA should agree upon what other services provided by OFSRA are beneficial to the Lot Owners who are represented by OFSHA. These services could be paid for either through regular payments by OFSHA to OFSRA, or could be paid for by OFSRA charging user fees when the facility is used by OFSHA. For example, since the clubhouse is owned by OFSRA, it may be more appropriate for OFSHA to pay a reasonable use fee when it wants to utilize the clubhouse than for OFSRA to pay assessments for maintenance, repair and capital improvements for a clubhouse that it does not own.
 - C. OFSRA should not collect money from OFSHA for uses such as timberland expenses that benefit only OFSRA and its Members.
 - D. Funds collected by OFSRA for future repair and replacement of the water service infrastructure and for future road maintenance and replacement should be held in a reserve account earmarked only for those purposes; these funds should not be able to be transferred to OFSRA for its general operating expenses, or for expenses related to OFSRA's for-profit enterprises that don't benefit the Lot Owners who are not OFSRA members.

If the above could be accomplished by negotiation, we could avoid all the antagonism and expense inherent in litigation between OFSRA and OFSHA.

Please let me know your thoughts on this proposal.

Very truly yours,

LAW OFFICES OF ANN RANKIN


Jeffrey R. Cluett

cc: Client
AR:gb

Odd Fellows Sierra Recreation Association

P. O. Box 116
Long Barn, CA 95335

STATEMENT

December 15, 2011

Odd Fellows Sierra Homeowners Association
P. O. Box 236
Long Barn, CA 95335

Assessments due for the year June 1, 2011 through May 31, 2012

Statement of your account

June 1, 2011

Assessments due 364 x \$830.00	\$302,120.00
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July 31, 2011

Partial payment	(50,000.00)
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October 4, 2011

Partial Payment	(19,350.00)
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December 15, 2011

Past Due	\$232,770.00
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Assessments past due may be subject to legal action.

Odd Fellows Sierra Rec. Assoc.
P. O. Box 116
Long Barn, CA 95335

Odd Fellows Sierra Homeowners Association
P. O. Box 236
Long Barn, CA 95335



January 4, 2012

VIA US POSTAL SERVICE, CERTIFIED MAIL, RETURN
RECEIPT REQUESTED AND ELECTRONIC MAIL

Odd Fellows Sierra Homeowners' Association
Attn: Fred Coleman, President
P.O. Box 236
Long Barn, CA 95335

Re: Notice of Termination of Water Agreement and License Agreement

Dear Mr. Coleman:

Reference is made to that certain Water Use Agreement dated as of October 12, 1986 (the "Water Agreement") and entered into by and between Odd Fellows Sierra Recreation Association, a California corporation ("OFSRA") as "Grantor", and Odd Fellows Sierra Homeowners' Association, a California non-profit corporation ("OFSHA") as "Grantee".

Reference is also made to that certain License Agreement dated as of October 12, 1986 (the "License Agreement") and entered into by and between OFSRA as "Licensor", and OFSHA as "Licensee".

As you know, the initial term of the Water Agreement and License Agreement was set to expire on October 11, 2011. As you also know, OFSRA agreed to extend the term of the Water Agreement and License Agreement until January 10, 2012.

As you know, OFSRA approved a budget of \$302,120.00 in May 2011 for the wholesale services OFSRA provided to OFSHA for the period of June 1, 2011 to May 31, 2012. On or about September 1, 2011, OFSRA presented OFSHA with an invoice in the amount of \$302,120.00 for the wholesale services of OFSRA, including, but not limited to: unmetered water; repair and maintenance of water supply/storage system; garbage removal; road maintenance and repair; access gate maintenance and repair; snow removal; pine needle disposal; maintenance (and repair as applicable) of lake, recreation hall, picnic area, baseball field, playground, etc.; maintenance and repair of vehicles used in connection with the aforementioned services; services of a caretaker to assist in providing the aforementioned services and certain costs associated therewith; utility costs in providing some of the foregoing services; etc. OFSHA in turn provides retail service to OFSHA's homeowners.

The total amount invoiced by OFSRA for the period of June 1, 2011 to May 31, 2012 was comparable to OFSRA's invoice for the previous fiscal year (adjusted for

inflation and increased expenses). However, in response to such invoice, OFSHA paid only \$69,350.00 (in two separate payments) and has expressed an unwillingness to pay for the remainder of such invoice despite the fact that OFSHA billed each of its homeowners an amount designed to collect the total amount due by OFSHA to OFSRA (\$302,120.00). OFSRA understands that OFSHA has collected the majority of the amount due by OFSHA to OFSRA from its homeowners. Therefore, there is approximately \$232,770.00 still due and owing by OFSHA to OFSRA for the period of June 1, 2011 to May 31, 2012.

As a result of the non-payment by OFSHA of OFSRA's above-referenced invoice (other than the \$69,350.00 partial payments referenced above), on December 5, 2011, at a special meeting of the shareholders of OFSRA, the shareholders of OFSRA voted to allow the Water Agreement and License Agreement to expire on January 10, 2012. The shareholders of OFSRA also voted to not enter into any further license agreement, water use agreement or other similar type of agreement with OFSHA after January 10, 2012 without approval of the shareholders of OFSRA.

Notwithstanding the expiration of the Water Agreement and License Agreement under their own terms, OFSRA believes that OFSHA's billing of its homeowners of an amount equivalent to that invoiced by OFSRA to OFSHA demonstrates the existence of a contract in fact through May 31, 2012. Therefore, OFSRA will continue to provide all services to OFSHA that it previously provided through May 31, 2012. OFSRA expects immediate payment from OFSHA directly for the remainder due by OFSHA to OFSRA (\$232,770.00) as set forth above (and will not seek payment from OFSHA's homeowners directly as they have already paid OFSHA for these services).

Please feel free to call me at (916)536-9860 if you have any questions.

Sincerely,

Odd Fellows Sierra Recreation Association,
a California corporation



By: Shaun Velayas

Its: President

P.O. Box 116

Long Barn, CA 95335

7007 2560 0000 8441 6493

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For delivery information visit our website at www.usps.com	
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Restricted Delivery Fee (Endorsement Required)	
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PS Form 3800, August 2005 See Reverse for Instructions	

BYLAWS

OF

ODD FELLOWS SIERRA HOMEOWNERS' ASSOCIATION

ARTICLE I. DEFINITIONS

Section 1.01. Project Defined. "Project" shall mean all of that certain real property located in the County of Tuolumne, State of California, commonly known as I.O.O.F. Odd Fellows Sierra Camp Subdivision Nos. 1 and 2.

Section 1.02. Declaration Defined. "Declaration" shall mean that certain Declaration of Covenants, Conditions, and Restrictions applicable to the Project and filed in the Office of the Recorder of the County of Tuolumne, on August 29, 1986, in Book 834, at page 60, and following, as the same may be amended from time to time in accordance with the terms thereof.

Section 1.03. Other Terms Defined. Other terms used herein shall have the meaning given to them in the Declaration and are hereby incorporated by reference and made a part hereof.

ARTICLE II. OBJECTIVES AND PURPOSES

Section 2.01. General Objectives. The objectives of this corporation shall be generally:

- a. To promote the health, safety, and welfare of its Members;
- b. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association;
- c. To fix, levy, collect, and enforce payment of any charges or assessments as set forth in the Declaration; to pay all expenses in connection therewith and all office and other expenses incidental to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Association;
- d. To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association;
- e. To borrow money, mortgage, pledge, deed and trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

f. To have and to exercise any and all powers, rights, and privileges which a corporation organized under the General Nonprofit Corporation Law of the State of California by law may now or hereafter have or exercise;

g. To act in the capacity of principal, agent, joint venture, partner, or otherwise; and

h. To provide water service to its Members on a not-for-profit basis.

ARTICLE III. QUALIFICATIONS FOR MEMBERSHIP

Section 3.01. Membership. The sole qualification for membership shall be ownership of a lot in the Project and the recording with the Recorder of the County of Tuolumne a short form of the Covenants, Conditions, and Restrictions described in Section 1.02 hereof with respect to each lot owned. No membership may be separated from the property to which it is appurtenant; provided, however, that the privileges of ownership may be exercised by a nominee of an Owner designated in writing so long as (1) the nominee is a resident on the property to which the membership is appurtenant; (2) no charges made for use of the membership in excess of the amount of any assessments levied against the Owner by reason thereof; and (3) any such assignment of the privileges is revocable at the will of the Owner.

Section 3.02. Water Voting. Any provision in these Bylaws to the contrary notwithstanding, if a lot in the Project has not had the short form of the Covenants, Conditions, and Restrictions referred in Section 3.01 recorded against it, the Owner of such lot nevertheless shall be entitled to attend Association meetings and to vote on all matters pertaining to the Association's providing of water to its Members, including without limitation matters pertaining to rates charged water users and water use agreements with water suppliers. He furthermore shall receive those portions of required Association reports to Members dealing with water use and accounting and shall be entitled to inspect all Association books and records pertaining thereto.

Section 3.03. Proof of Membership. No person or persons shall exercise the rights of membership until satisfactory proof has been furnished to the Secretary of the Association of qualification as a Member or nominee of a Member. Such proof may consist of a copy of a duly executed and acknowledged deed and short form of the Declaration or a title insurance policy showing said persons or the person nominating him as qualified in accordance herewith.

Section 3.04. No Additional Qualifications. No initiation fees, costs, or dues shall be assessed against any person as a condition upon his exercise of the rights of membership except such assessments, levies, and charges as are specifically authorized under the Articles of Incorporation or the Declaration.

Section 3.05. Certifications of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board in accordance with Corporations Code Section 7313. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the Association maintained by the Secretary. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board may direct.

ARTICLE IV. VOTING RIGHTS

Section 4.01. Voting Structure. The voting rights of Members are set forth in Article III of the Declaration, all of which are hereby incorporated by reference herein and as if set forth in full.

Section 4.02. Voting by Proxy. Each Member may vote in person or by proxy in accordance with Section 5.10 below.

Section 4.03. Cumulative Voting. Cumulative voting, as more particularly defined in Section 7.02 below, is permitted during the election of Directors.

Section 4.04. Manner of Casting Votes. Voting may be by voice or ballot, provided that any election of Directors must be by secret written ballot.

Section 4.05. Percentage Required. If a quorum is present, the affirmative vote of the majority of the Members represented at the meeting entitled to vote and voting on any matter (other than the election of Directors) shall be the act of the Members, unless the vote of a greater number or voting by classes is required by the California Nonprofit Corporation Law or by the Articles of Incorporation.

ARTICLE V. MEETINGS OF MEMBERS

Section 5.01. Annual Meetings. Thereafter, the annual meeting of the Members of the Association shall be held on the Sunday immediately preceding the day on which Memorial Day is celebrated immediately following the annual Shareholders meeting of ODD FELLOWS SIERRA RECREATION ASSOCIATION.

Section 5.02. Special Meetings. Special meetings of Members for any lawful purpose may be called at any time by a majority of a quorum of the Board or by five percent (5%) or more of the Members. If a special meeting is called by Members other than the Board, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to

the President, Vice President, or Secretary of the Association. The Officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, in accordance with the provisions of Sections 5.04 and 5.06 of these Bylaws, that a meeting will be held and the date for such meeting, which date shall not be less than thirty-five (35) nor more than ninety (90) days following the receipt of the request. If the notice is not given within the twenty (20) days after receipt of the request, the persons requesting this meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or effecting the time when a meeting of Members may be held when the meeting is called by action of the Board of Directors.

Section 5.03. Place. Meetings of the Members shall be held at the Recreation Hall, Odd Fellows Sierra Park, of Tuolumne County, California, or at a meeting place as close thereto as possible as the Board may specify in writing.

Section 5.04. General Notice Requirements. All notices of meetings of Members shall be sent or otherwise given not less than thirty (30) nor more than ninety (90) days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may in that case be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intend to present for action by the Members.

Section 5.05. Notice of Agenda Items. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

- a. Removing a Director without cause;
- b. Filling vacancies on the Board of Directors by the Members;
- c. Amending the Articles of Incorporation;
- d. Approving a contract or transaction in which a Director has a material financial interest; and
- e. Approving a plan of distribution of assets.

Section 5.06. Manner of Giving Notice. Notice of any meeting of Members shall be given either personally or by first-class mail, telephone, or other written communication, charges prepaid, addressed to each Member either at the address of that Member appearing on the books of the corporation or the address given by the Member to the corporation for the purpose of notice. If no address appears on the corporation's books and no other has been

given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first-class mail, telegraphic, or other written communication to the corporation's principal executive office, or (ii) notice is published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication. An affidavit of mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary, Assistant Secretary, or any other party of the Association giving the notice and, if so executed, shall be filed and maintained in the Minute Book of the Association.

Section 5.07. Quorum. The presence either in person or by proxy, at any meeting, of Members entitled to cast at least twenty-five percent (25%) of the membership shall constitute a quorum for any action except as otherwise provided in the Articles, Declaration, or these Bylaws. The Members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Members represented at the meeting, either in person or by proxy. But in the absence of a quorum, no other business may be transacted at that meeting, except as otherwise provided in this Section.

Except as provided below, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement of the time and place thereof at the meeting at which such adjournment is taken. An adjournment for lack of a quorum by those in attendance shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

Section 5.08. Waiver of Notice or Consent by Absent Members. The transactions of any meeting of Members, either annual or special, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes. The waiver of notice or consent may

not specify either the business to be transacted or the purpose of any annual or special meeting of Members, except that if the action is taken or proposed to be taken for approval of any of those matters specified in Section 5.05, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects at the beginning of the meeting to the transaction of any business due to inadequacy or illegality of the notice. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting.

Section 5.09. Action by Written Consent Without a Meeting. Any action that may be taken at any annual or special meeting of Members may be taken without a meeting and without prior notice if written ballots are received from a number of Members at least equal to a quorum applicable to a meeting of Members. All such written ballots shall be filed with the Secretary of the Association and maintained in the corporate records. All solicitations of ballots shall be in a manner consistent with the requirements of Sections 5.06 and 5.10 and shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of Directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

Section 5.10 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, signed by the Member, and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of such Member. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise specially provided in the proxy.

Section 5.11. Assessments. The foregoing provisions notwithstanding, annual and/or special assessments may be levied only in accordance with the requirements and provisions of the Declaration.

ARTICLE VI. BOARD OF DIRECTORS

Section 6.01. Number. The affairs of this Association shall be managed by a Board of Directors, consisting of nine (9) persons, who must be Members of the Association.

Section 6.02. Term. Directors shall be elected at each annual meeting of the Members, to hold office until the next annual meeting; however, if any annual meeting is not held or the

Directors are not elected at any annual meeting, they may be elected at any special Members' meeting held for that purpose. Each Director, including a Director elected to fill a vacancy or elected at a special Members' meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.

After the organizational meeting, the incorporators shall appoint three (3) Directors to three (3) year terms, three (3) Directors to two (2) year terms, and three (3) Directors to one (1) year terms. Thereafter, three (3) Directors shall be elected at each annual meeting of the Members to hold office for three (3) year terms; however, if any annual meeting is not held or if the Directors are not elected at any annual meeting, they may be elected at any special Members' meeting held for that purpose. Each Director, including a Director elected to fill a vacancy or elected at a special Members' meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.

Section 6.03. Removal. Unless the entire governing body is removed from office by the vote of Association Members, no individual Director shall be removed prior to the expiration of a term of office if the votes cast against removal would be sufficient to elect said individual Director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Board of Directors were then being elected.

Section 6.04. Resignation. Except as provided in this paragraph, any Director may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective.

Section 6.05. Vacancies. A vacancy in the Board of Directors shall be deemed to exist in the case of a death, resignation, or removal of any Director, if the authorized number of Directors is increased, or if the Members shall fail at any annual or special meeting of the Members at which Directors are elected to elect the full authorized number of Directors to be voted for at that meeting. Vacancies in the Board of Directors shall be filled by the runners-up in order of finish in the prior election of Directors. If such runners-up are insufficient to fill the vacancies, the vacancies shall be filled as follows:

a. Except for a vacancy created by the removal of a Director, vacancies may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office until his successor is elected in an annual or special meeting of the Members. A vacancy in the Board of Directors created by the removal of a Director may only be filled by the vote of a majority of the

Members entitled to vote in person or by proxy at a duly held meeting at which a quorum is present, or by the written consent of the holders of a majority of the outstanding memberships.

b. The Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors. Any such election by written consent shall require the consent of holders of a majority of the outstanding memberships entitled to vote.

Section 6.06. Compensation. A Director shall not receive any compensation for any services he may render to the Association; provided, however, that any Director may be reimbursed for actual and reasonable out-of-pocket expenses incurred by him in the performance of his duties.

Section 6.07. Powers and Duties. The Board shall have the powers and duties and shall be subject to the limitation on any such powers as enumerated in the Declaration and the California Nonprofit Corporation Law.

ARTICLE VII. NOMINATION AND ELECTION OF DIRECTORS

Section 7.01. Nomination. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting of the Members.

Section 7.02. Election. Voting for Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the highest number of votes shall be elected. Each Member may cumulate his votes and give one (1) candidate a number of votes equal to the number of Directors to be elected multiplied by the number of votes to which he is entitled or distribute his votes on the same principle among as many candidates as he thinks fit.

ARTICLE VIII. MEETINGS OF DIRECTORS

Section 8.01. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as may be designated by the Board of Directors in writing. Notice of the time and place of such meetings shall be posted at a prominent place within the Project and shall be communicated to Board members not less than four (4) days prior to the meeting.

Section 8.02. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of any special meeting must be given to each Director not less than three (3) days nor more than

fifteen (15) days prior to the date fixed for such meeting by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Association. A copy of such notice shall be posted in a prominent place in the Project at least three (3) days prior to the date of the meeting.

Section 8.03. Quorum. A majority of the Board shall constitute a quorum and, if a quorum is present, the decision of a majority of the Board present shall be the act of the Board.

Section 8.04. Meetings. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, the Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by a vote of at least fifty percent (50%) of a quorum of the Board.

Section 8.05. Executive Session. The Board, with the approval of a quorum, may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 8.06. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present, and (ii) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 8.07. Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 8.08. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 8.09. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board, individually or

collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. If the Board resolves by unanimous written consent to take an action, an explanation of the action taken shall be posted at a prominent place in the Project within ten (10) days after the written consents of all members have been obtained.

ARTICLE IX. OFFICERS

Section 9.01. Enumeration of Officers. The Officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary and Treasurer, and such other Officers as the Board may from time to time by resolution create.

Section 9.02. Term. The Officers of this Association, except such Officers as may be appointed in accordance with Section 9.03 or 9.05 of this Article, shall be elected annually by the Board and shall hold their offices for one (1) year unless they shall sooner resign or be removed, or otherwise be disqualified to serve.

Section 9.03. Special Appointments. The Board may appoint such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 9.04. Resignation and Removal. Any Officer may be removed from office either with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. The removal of any Officer who also serves as a Board member shall not automatically cause his removal from the Board without compliance with Section 6.03 of Article VI above. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Upon resignation or removal of an Officer, the position shall be filled in the manner prescribed in the Bylaws for regular appointment to such office. The appointee to such vacated office shall serve the remainder of the term of the Officer he replaces.

Section 9.05. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall be appointed to more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 9.03 of this Article.

Section 9.06. Compensation. An Officer shall not receive any compensation for any service he may render to the Association; provided, however, that any Officer may be reimbursed for actual

and reasonable out-of-pocket expenses incurred by him in the performance of his duties.

ARTICLE X. PRESIDENT

Section 10.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one (1) of its number as President.

Section 10.02. Duties. The President shall:

a. Preside over all meetings of the Members and of the Board;

b. Sign as President all deeds, contracts, and other instruments in writing which have been first approved by the Board unless the Board, by duly adopted resolution, has authorized the signature of a lesser Officer;

c. Call meetings of the Board whenever he deems it necessary and in accordance with the rules and upon notice agreed upon by the Board. The notice shall, with the exception of emergencies, in no event be less than three (3) days; and

d. Have, subject to the advice of the Board, general supervision, direction, and control of the affairs of the Association and discharge such other duties as may be required of him by the Board.

ARTICLE XI. VICE-PRESIDENT

Section 11.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of its Members to act as Vice-President.

Section 11.02. Duties. The Vice-President shall:

a. Act in place and in the stead of the President in the event of his absence, inability, or refusal to act; and

b. Exercise and discharge such other duties as may be required of him by the Board. In connection with any such actual duties, the Vice-President shall be responsible to the President.

ARTICLE XII. SECRETARY

Section 12.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Secretary.

Section 12.02. Duties. The Secretary shall:

a. Keep a record of all meetings and proceedings of the Board and of the Members;

b. Keep the seal of the Association, if any, and affix it on all papers requiring said seal;

c. Serve such notices of meetings of the Board and the Members required either by law or by these Bylaws;

d. Keep appropriate current records showing the Members of the Association together with their addresses; and

e. Sign as Secretary all deeds, contracts, and other instruments in writing which have first been approved by the Board if said instrument requires a second Association signature unless the Board has authorized another Officer to sign in the place and stead of the Secretary by duly adopted resolution.

ARTICLE XIII. TREASURER

Section 13.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Treasurer.

Section 13.02. Duties. The Treasurer shall:

a. Receive and deposit in such bank or banks as the Board may from time to time direct all the funds of the Association;

b. Be responsible for and shall supervise the maintenance, books, and records to account for such funds and other Association assets, maintaining a separate accounting relating to providing water to Members;

c. Disburse and withdraw said funds as the Board may from time to time direct, in accordance with prescribed procedures; and

d. Distribute the financial statements for the Association required by the Declaration.

ARTICLE XIV. SUBORDINATE OFFICERS

Section 14.01. Appointment. The Board may appoint such subordinate Officers as it deems desirable from time to time.

Section 14.02. Duties. Such subordinate Officers shall have the duties that the Board may from time to time prescribe, including the right to act in the place and stead of such Officers, other than the President, as the Board may designate.

ARTICLE XV. BOOKS AND RECORDS

Section 15.01. Maintenance of Corporate Records. The corporation shall keep:

a. Adequate and correct books and records of account with a separate accounting relating to providing water to Members;

b. Minutes in written form of the proceedings of its Members, Board, and committees of the Board;

c. A record of its Members, giving their names and addresses.

All such records shall be kept at the corporation's principal executive office, or, if its principal executive office is not in the State of California, at its principal business office in this state.

Section 15.02. Members' Inspection Rights.

a. (i) Any Member of the corporation may inspect and copy the records of Members' names and addresses and voting rights during usual business hours on five days' prior written demand on the corporation, stating the purpose for which the inspection rights are requested, or

(ii) Obtain from the Secretary of the corporation, on written demand and on the tender of the Secretary's usual charges for such a list, if any, a list of names and addresses of Members who are entitled to vote for the election of Directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of a date specified by the Member after the date of demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such Member by the Secretary on or before the later of ten days after the demand is received or the date specified in it as the date by which the list is to be compiled.

b. Any Member of the corporation may inspect the accounting books and records and minutes of the proceedings of the Members and the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest as a Member.

c. Any inspection and copying under this Section may be made in person or by an agent or attorney of the Member and the right of inspection includes the right to copy and make extracts.

Section 15.03. Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal executive office, or, if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Articles and Bylaws as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in this state, the

Secretary shall, on the written request of any Member, furnish to that Member a copy of the Articles and Bylaws as amended to date.

Section 15.04. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 15.05. Annual Report to Members.

a. Not later than 120 days after the close of the corporation's fiscal year, the Board shall cause an annual report to be sent to the Members. Such report shall contain the following information in reasonable detail:

(i) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;

(ii) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(iii) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

(iv) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year; and

(v) Any information required by Section 6 of this Article.

b. The report required by this Section shall be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of an authorized Officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

Section 15.06. Annual Statement of Certain Transactions and Indemnifications. No later than the time the corporation gives its annual report, if any, to the Members, and in any event no later than 120 days after the close of the corporation's fiscal year, the corporation shall prepare and mail or deliver to each Member a statement of the amount and circumstances of any transaction or indemnification of the following kind:

a. Any transaction(s) in which the corporation, its parent, or subsidiary was a party, and in which either of the following had a direct or indirect financial interest:

(i) Any Director or Officer of the corporation, its parent, or subsidiary (a mere common directorship shall not be considered such an interest); or

(ii) Any holder of more than 10 percent of the voting power of the corporation, its parent, or subsidiary.

Provided, however, that such transaction involved over \$40,000, or was one of a number of transactions with the same person involving in the aggregate more than \$40,000.

b. Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director of the corporation pursuant to California law, unless such indemnification has already been approved by the Members.

ARTICLE XVI. NOTICES

Section 16.01. Method of Giving Notice. Unless otherwise required, any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. Unless otherwise stated in these Bylaws, if delivery is by mail, notice shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage pre-paid, addressed to each such person at the address given by such person to the Secretary of the governing body for the purpose of service of such notice or to the Unit of such person if no address has been given to the Secretary. Such address may be changed from time to time by notice in writing to the Secretary.

ARTICLE XVII. AMENDMENTS

Section 17.01. Amendment of Bylaws. These Bylaws may be amended, at regular or special meeting of the Members, by the affirmative vote (in person or by proxy) or written consent of Members representing a majority of a quorum of members. Notwithstanding the above, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

ARTICLE XVIII. TAX EXEMPT STATUS

Section 18.01. Tax Exempt Status. The Board and Members of the Association shall conduct the business of the Association in such manner that the Association qualify and be considered an organization exempt from federal and state income taxes pursuant to Internal Revenue Code Section 528 and California Revenue and Taxation Code Section 23701t as amended.

Section 18.02. Filing. The Board shall cause to be timely filed any annual election for tax exempt status as may be required under federal or state law, and shall undertake to cause the

Association to comply with the statutes, rules, and regulations which have been or shall be adopted by federal and state agencies pertaining to such exemptions.

ARTICLE XIX. CONSTRUCTION

Section 19.01. Construction. Unless the context requires otherwise, the general provisions, rules, or construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the Association and a natural person.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of ODD FELLOWS SIERRA HOME-OWNERS' ASSOCIATION and that the above Bylaws, consisting of sixteen (16) pages, are the Bylaws of this Association as adopted at a meeting of the Incorporator held on October 12, 1986.

DATED: October 12, 1986



Secretary

Del Wallis Explaining Assessment Billing Practices to the OFSRA Membership and Property Owners at a Special Meeting of OFSRA Members on December 3, 2011

Shaun Velayas: Elsie

Elsie Manning: I'm a little bit confused. Where we've had both boards under one group of people... Was is at that time... Was the money paid to the Homeowners'?

Shaun Velayas: Yea. So, one of...

Elsie Manning: So we've always paid it to the Homeowner' rather than... Had... Since we had to go with this dumb thing.

Shaun Velayas: Well...

Del Wallis: No, No, No...

Unidentified BOD member: No, No, No...

Shaun Velayas: Yes.

Del Wallis: Well... what... what we did initially, Elsie, twenty-five years ago... is... we... ah... we, we sent the money, the bill I believe for the first, I don't three four years, maybe ten years.. ah... went through in name only to the Homeowners'. And it, and it became a paper deal. You know... we... ah...

1 we...we sent the bill out, I believe, and... and... and the letter head said
2 Homeowners' Association, but... since one board controlled both boards, it
3 was just a paper shuffle, and that... and it seemed like it was confusing and
4 it was also... ah... not very cost effective. It just cost us more money...
5 And then we started going in and sending the bills out under the Rec.
6 banner. And... ah.... and... and that came in... directly in... we functioned
7 that way. Ah... And then... I don't know how many years back... We
8 changed... There is the issue of two years went back to the Homeowners'.
9 And... And.. We couldn't... Significantly... We thought it was going
10 to... Ah... develop in to... Ah... Basically what we have today.

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WATER USE AGREEMENT

THIS AGREEMENT is made this 12th day of October, 1986, by and between ODD FELLOWS SIERRA RECREATION ASSOCIATION, a California corporation ("GRANTOR"), and ODD FELLOWS SIERRA HOMEOWNERS' ASSOCIATION, a California nonprofit corporation ("GRANTEE").

WHEREAS, GRANTOR was, prior to its conveyance of certain portions to GRANTEE's members, the owner of certain tracts of land in the County of Tuolumne, State of California, which are particularly described on Exhibit A hereto; and

WHEREAS, GRANTOR has prior to this date subdivided and conveyed by separate deeds certain portions of the above-described land, which portions are described on Exhibit B hereto; and

WHEREAS, GRANTEE is a homeowners association organized and existing for the mutual benefit of some or all of the owners of the portions of said tracts subdivided and conveyed by GRANTOR; and

WHEREAS, GRANTOR owns and maintains a water system on the portions of said tracts of land it retained; and

WHEREAS, GRANTEE desires to obtain water from that water system for use by its members on a not-for-profit basis.

NOW, THEREFORE, the parties hereto agree as follows:

1. Agreement to Furnish Water. GRANTOR agrees to furnish to GRANTEE from its water system such water as may be necessary for the domestic use of GRANTEE's members subject to the terms and conditions hereinafter set forth.

2. Domestic Use Defined. The "domestic use" for which water is to be furnished GRANTEE's members under this Agreement consists in general of the usual household uses and adequate watering of ornamental plants and shrubbery and household garden plots connected with the occupancy and development of the lots of GRANTEE's members as a residence but not their development for any industrial, commercial, or agricultural purposes.

3. Limit on Water Amount. In no event shall the water furnished GRANTEE's members under this contract exceed one hundred percent (100%) of the maximum amount of water that may be made available from said water system or any replacement or expansion thereof.

4. Quality and Quantity. GRANTOR cannot and does not make any guarantee concerning the quality of water agreed to be furnished under this Agreement or concerning the continuing availability of water except as herein expressly provided. GRANTEE understands and hereby acknowledges on behalf of its members that GRANTOR is not a public utility, is not guaranteeing any specific quantity of water, is the sole owner of said water system and all water supplied therefrom or in any way connected with the retained portion of said tracts of land, and has agreed to furnish water to GRANTEE's members only in accordance with the terms of this Agreement. GRANTEE stipulates that neither it nor its members have any right, title, or interest in or to any water from said water system coming from the retained portion of said tracts of land except as herein specifically set forth.

5. Maintenance of Water System. GRANTOR shall at its sole cost and expense:

a. Maintain said water system in proper and sanitary order without representation as to the quantity or quality of water that may be produced by it;

b. Install such pipeline, tanks, and other facilities for the delivery of water to GRANTEE's members as GRANTOR may deem reasonably necessary;

c. Maintain and operate the facilities described in this paragraph for so long as it is reasonably possible to procure and distribute water from the water source supplying the water system; and

d. Repair, replace, or expand the water system as reasonably necessary, in the opinion of water experts, to supply water as herein agreed.

6. Payment. GRANTEE shall pay to GRANTOR for water furnished pursuant to this Agreement the sum of *Sixty nine thousand three hundred fifty* Dollars (*\$69,350.⁰⁰*) per year during the first (1st) year of this Agreement and shall pay during each subsequent year such amount plus any increase in expense of GRANTOR over its expenses for the prior year in furnishing water to GRANTEE under this Agreement. Unless otherwise agreed in writing, the yearly payments herein provided shall be paid by GRANTEE to GRANTOR in annual installments on the first (1st) day of the second (2d) month of each year of the term of this Agreement.

7. Term. This Agreement is made for the period of twenty-five (25) years, commencing on the date hereof, unless earlier terminated as hereinafter provided.

8. Default. Should GRANTEE fail to pay any annual charge for water specified in this Agreement for a period of ninety (90) days after receiving written notice thereof from GRANTOR, GRANTOR may suspend supplying water until the charge is paid in addition to pursuing any other legal or equitable right or remedy it may have. The prevailing party in any legal or equitable action brought pursuant to this paragraph shall be entitled to its reasonable attorneys' fees and costs. Notwithstanding the provisions of this paragraph, however, GRANTOR may not terminate this Agreement if GRANTEE fails to pay the annual charges for water.

9. Termination. This Agreement shall automatically terminate upon the termination of the irrevocable license of even date given by GRANTOR to GRANTEE to use its roads and retained land for access and recreational purposes.

10. Subject to Valid Laws. This Agreement is subject at all times to any and all valid laws, ordinances, and governmental regulations, whether federal, state, county, or city, and any modification made to this Agreement by such law, ordinance, or regulation or to the conduct of the parties under this Agreement shall not impose liability on either party hereto for breach of their duties under this Agreement.

** See Minutes of B.O.D of Odd Fellows Rev. Assn.
on Oct. 12, 1986*

11. Assignment. This Agreement shall be binding on the parties hereto and on their successors in interest.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first above written.

GRANTOR:

ODD FELLOWS SIERRA RECREATION
ASSOCIATION

By *Deit H. Johnson*
Title: *President*

GRANTEE:

ODD FELLOWS SIERRA HOMEOWNERS'
ASSOCIATION

By *W. J. Walsh*
Title: *Secretary*

Odd Fellows Sierra Recreation Association Annual General Meeting

May 29, 2011

The meeting was called to order by President Gloria Harvey at 9:13 A.M. President Harvey welcomed everyone to the 63rd OFSRA Annual meeting. The pledge of allegiance to the flag was lead by President Harvey. The invocation was presented by Al Orth. Boards of Directors present were: Gloria Harvey, Friedhelm Peter, Mike Rainwater, Shaun Velayas, Ron Hawke, Dick Barrett, Charles Varvayanis, and excused Paul Emery.

Reading of the Minutes: Last year's minutes were approved as corrected. The corrections were regarding several statements Fred Coleman had made. Mr. Coleman indicated that words had been added to his statements and needed to be deleted. The statements were reread to the membership with the specified words deleted. Motion made by Elsie Manning and seconded by Doris Kilgore to accept the minutes as corrected. Motion carried.

Correspondence: Secretary Rainwater indicated that there was no correspondence.

Director Reports:

Water - Ron Hawke: Water Report for 2011 Annual Meeting

Past Year

During this past year, several items relating to our water system have been dealt with.

Diver Inspection of Our Storage Tanks in July 2010.

Generally our tanks are in good condition, however some refurbishment is needed:

<u>Storage Tank</u>	<u>Condition</u>
Isaac Tank, 210,000 gallon capacity	Interior support structure is corroded.
Wheeler Tank, 43,000 gallon capacity	Bottom plate bolts have corroded threads.
Wheeler Tank, 12,500 gallon capacity	Interior coating beginning to fail on 1 tank.

State CDPH Inspection of Our System in Oct 2010. Status

Renewal of our Water Permit by CDPH. Permit Received on Feb 28, 2011

Contingent upon completion of 4 tasks:

BSSP, Bacterial Sample Siting Plan,	Approved April 27, 2011
Numerous water tests thought to be delinquent,	State's Electronic recording system was at fault.
Cross Connection Control Survey,	Verified it does not apply to our system. May 19, 2011
Emergency Chlorination Plan	In progress.

Remote Water Level Monitoring System

Pressure transducers were installed on 43,000 gallon and one of the 12,500 gallon tanks at Wheeler site.

System enables measurement of water level year-round from easy to access location on Joseph Way.

Miscellaneous Improvements

- Restored retaining wall at Wheeler tank site,
- Restored insulating boxes on exposed drain pipes on storage tanks subjected to freezing,
- Sheet rocked interiors of pump houses,
- Installed temperature recording thermometers freeze impeding heater tapes on pump pipes.

Routine Maintenance

- Replaced several broken valves and repaired broken pipes.
- All water samples met or exceeded CDPH standards. No bacterial contamination incidents.

Current Issues Under Consideration

- Develop a plan of action to address the findings from the Diver Inspection,
- Develop a methodical long-term plan to ensure continued high quality water supply for potable water and fire suppression.

Regarding the OFSRA Water Reserves

Facts About Our System:

- Our system is aging; some of it contains the original components from the 1950's.
- Our system has worked well and is one of the best small local systems.
- Some components should be methodically replaced, i.e. black plastic pipes.
- Dead ends should be eliminated.
- Continued replacement of parts should be expected, i.e. 3/4 inch valves, which now cost \$72 each because of State requirements they be Lead-free.

Future Planning:

Pumps and Wells:

We need to plan for a new well, preferably from a different aquifer if possible, in the next few years.

Storage Tanks:

We need to refurbish and maintain our storage tanks while also considering the possibility of replacing the Wheeler tanks with a single large tank at the correct elevation to restore the full usability of the Isaac tank. These options, and others, should be explored during the coming year. One such option would be to install a float level activated valve to interrupt the filling of the Wheeler tanks, when full, enabling the Isaac tank to be filled thereby restoring the 44,000 gallon capacity that has been lost due to the fact the tops of the Wheeler tanks are 6 feet lower than the Isaac tank.

Piping:

As we address the renewal of our pumps, wells and storage tanks, we should also realize we could take this opportunity to upgrade our piping system. i.e. lay new lines from the wells to the tanks so that the tanks are top feed providing a flow-through system for better circulation.

Revision of the Rate of Accumulation of Water Reserve Fund

At the time of the April BOD meeting, I had been led to believe our system needed a significant upgrade of our piping system, from 4 inch pipes to 6 or 8 inch pipes in order to provide an adequate water supply for emergency fire fighting. It would be a very expensive undertaking. Further investigation has reduced the need for this upgrade. The main concern was to insure we keep a favorable ISO rating on our fire hydrant supply capabilities in order to keep our fire insurance rates affordable. This fortunate revision was reported at our May BOD meeting last week, but was regrettably not deliverable prior to this meeting today. I apologize for the many shocked reactions at the sight of the large increase in our annual assessment that was sent out with the April newsletter. At this point, it is my hope that our foreseeable future needs will be able to be met with our current rate of funding for the Water Reserve, namely, \$16,380 per year, which calculates out to be \$3.75 per month per lot.

It is worth noting that our water system is the best value and least expensive to operate of any I know of in the area. In terms of value, we have consistently had high quality, chlorine-free water reliably supplied. In terms of cost, it is a bargain. The operating cost, as proposed in our budget for 2011 to 2012, is \$19,050, which includes maintenance of the system and water testing and other actions to maintain our system to CDPH standards. This amounts to \$4.35 per month per lot. The total cost, for operating and reserves, comes to \$8.10 per month per lot. This is considerably less than any of our neighboring systems!

Roads – Gloria Harvey: No major road repairs are scheduled; however, some shoulder work needs to be completed this year.

Buildings – Barrett: During the 2010 – 2011 year there are a number of items that have been completed in the area of buildings – some of these were in the form of repairs and others were improvements. The utility building's roof that is used for equipment storage was repaired in order to close a large hole created by high winds. This work was completed by the caretaker working together with park residents. New lighting was added at the fire station by the caretaker to make the space more usable for general repair. At the caretaker's cabin, the internal work planned for the kitchen cabinets was completed by the caretaker's wife who refinished the existing cabinets thus eliminating the need for their replacement. In addition, a wood burning stove was installed to alleviate the costs associated with the propane heating. The walkway outside the glass door was also completed and the dry rot at the front edge of the cabin was repaired. In the lodge hall, the walls were repainted and new fixtures were purchased and installed in the restrooms. These improvements were accomplished through funding provided by the Rebekahs together with the Park. In addition, the overhead beams were thoroughly cleaned to improve the use of the hall for dining functions. At the last annual meeting, \$40,000.00 was approved to repair dry rot on the side of the caretaker's cabin. This work was deferred primarily due to weather conditions. Future needs concerning the Park's buildings are: 1) complete the dry rot repair and refinishing on the caretaker's cabin, 2) replace the lower section of the siding on the Lodge and create an effective drain system around the Lodge hall, and 3) new lighting is needed in the building used for equipment storage.

Equipment – Peter: At this time all equipment is working. This last year we had a lot of repairs on all of the trucks with the exception of the Toyota. The single biggest expense was to install the twelve foot (12) snow blade on the International. I feel that the \$5,000.00 budget should cover all regular routine maintenance barring any unforeseen major repairs. However, some of the equipment is getting well worn and a suggested budget of \$20,000.00 for reserve is necessary to avoid any huge outlay at one time. The International truck, as mentioned, was installed with a new 12 ft. snow blade at a cost of \$4,826.83. An unforeseen problem arose when the truck was serviced last July and metal shavings were found in the front differential because the bolts holding the ring gear had come loose, the repair costs were \$3,615.20. The Case backhoe had routine maintenance and is running well. The Champion road grader needed some repairs to reattach a steering hydraulic ram. A fluid leak was detected in another hydraulic ram and will be fixed in the near future. The old dump truck, at a cost of \$894.93, was put back into service and has been a great vehicle in clearing the debris in the Park. Some additional minor repairs were needed. The old tractor, at a cost of \$911.98, was repaired and has been a very useful tool for cutting grass and rototilling the sand on the beach and fluffing up the bark in the playground. With routine maintenance, this tractor should last for some time. The Toyota pick-up is running well. Routine maintenance is needed at this time.

Timber – Varvayanis: At the present time, wood prices are fluctuating drastically. If we were to timber, it would be in compartments 3 & 4 and the proposed yield after costs minus federal income taxes would be between \$30,000 and \$40,000. It was mentioned that approximately 30% would be attributed to taxes with a net result of less than \$30,000.

Gate – Varvayanis: Director Varvayanis indicated that there had been one break down this year with the gate. The DVR is not programmable for motion activation of cameras. The cameras record 24/7. A discussion between homeowners and the Board continued with several suggestions that included that the BOD look into a better recording device and any other problems the gate might have that need attention.

Recreation – Harvey: The Park enjoyed four special events this year that were very successful. The Labor Day BBQ, the Oktoberfest, Christmas Party, and the annual fishing derby on Father's Day had large attendance and enjoyed by all. Mike Ford asked for donations and sponsors for this year's fishing derby. Mike indicated that he needs additional prizes for the girl's category in the age range of 10 – 14. Mike reported that 117 children participated in the fishing derby last year. This year there will be an early registration on Friday June 18th between 5:00 P.M. and 7:00 P.M. at the lodge.

Health & Safety – Harvey: President Harvey reported on the accident that had occurred earlier this year at the lake. The individual that had been involved was doing extremely well. There is a leak in the lower drain pipe of the lake and it will be fixed in the fall when the lake is drained.

FAC Grant fuel reduction – Harvey: The grant is for \$38,000 that should be available in the fall.

Finance – Velayas: Director Velayas indicated that the Board had run over budget due to additional cost that was unforeseen. There was a \$14,580 increase in cash funds for the year. Director Velayas asked each director to submit a line item budget for this year. The new assessment for 2011-2012 would be \$1,060. Director Velayas also pledged to donate \$830.00 to a special fund for those residents who might need assistance in paying their assessment.

Old Business:

1. **Camp Cedarbrook:** At the present time, the property is not back on the market. The bank presently owns the property and before they can put it back on the market, they must allow the past owners time to clean out their personal property. Due to the weather conditions, this has not been able to occur. Once the weather improves and the personal items have been removed; the bank will put the property back on the market. There are two bids for the property, one being the Sierra Recreation Association and the other from southern California. Mr. Daryl Clark asked a question concerning the spending of timber funds without a vote. The answer to that question was that the BOD had the authorization to spend that money if so directed by the members of the OFSRA. Fred Coleman suggested that an amendment to the by-laws be made that requires a vote before spending the timber funds.

New Business:

1. **Removal of Charles Varvayanis from Board of Directors:** President Harvey reported to the membership that Mr. Varvayanis was a difficult individual to work with and had caused continuous problems with the rest of the Board of Directors. Harvey further reported that if Mr. Varvayanis was not removed, and this was not a threat but the feelings of the rest of the Board, that the remaining five members would tender their resignations immediately. Discussion from the homeowners concerning this issue resulted in numerous members expressing their displeasure in Mr. Varvayanis's behavior and performance in his duties as a director. Mr. Varvayanis spoke on his behalf and addressed several of the issues. A motion by Doris Kilgore to remove Mr. Varvayanis from the Board of Director was seconded by Jane McCall. The questioned was called for and the results of the vote were fifty-one (51) to remove and eighteen (18) against. Motion carried and Mr. Varvayanis was voted off the Board of Directors. His term of office has one year remaining.
2. **Removal of Directors Harvey, Hawke, Peter, and Velayas:** Mr. Ray Brown made a motion to proceed with the vote for removal and this motion was seconded by Mrs. Pat Monahan. The results of the vote are as follows: Harvey 21 "yes" and 50 "no," Peter 21 "yes" and 50 "no," Hawke 13 "yes" and 59 "no," and Velayas 22 "yes" and 48 "no." All Board members retained their positions.
3. **Audit of accounts from 2004 – 2011:** President Harvey indicated that such an audit would cost between \$10,000 and \$12,000. There was some discussion from the homeowners and a motion by Doris Kilgore and seconded by Elsie Manning not to audit. The motion passed fifty-one (51) to zero (0).
4. **Approval of timber harvest:** Mr. Coleman made a motion not to timber this year and his motion was seconded by Jesse Worsham. The motion passed fifty-eight (58) to zero (0).
5. **Approval of Water Use Agreement & License Agreement:** Motion was made by Daryl Clark that the membership

approve both agreements as researched and created by the committee. The motion was seconded by Jess Worsham. The motion passed.

6. **Approval of proposed annual budget and assessment:** Director Velayas reported that the 2011 – 2012 assessment would be \$1,060.00. Questions from the membership regarding this assessment were asked and further discussion continued concerning the budget. Mr. Chris Kiriakou made a motion that the present assessment of \$830.00 be extended until September 1st, 2011, a subcommittee made up of members from both OFSHA and OFSRA Board of Directors as well as any other interested homeowners formulate a new budget and assessment with a five (5) year plan with reserves, and the tax issue with the Park's accountant be researched. Fred Coleman seconded the motion. The results were ninety (90) "yes," and thirty-four (34) "no." Motion carried.
7. **Election of Directors:** There are five vacancies: three (3) – 3 year terms, one (1) 2 year term, and one (1) 1 year term. Nominations from the floor were Dick Barrett, Del Wallace, Bill Ordwein, and Larry Adams. No further nominations were made and Elsie Manning made a motion to close the nominations and Fred Coleman seconded the motion. The results were: Del Wallace (85), Bill Ordwein (56), and Larry Adams (47) will all serve 3 year terms. Dick Barrett (38) will serve the 2 year term. The one year term is still open.

The next Annual meeting will be May 27th, 2012.

President Gloria Harvey adjourned the meeting at 1:35 P.M.

**Respectfully submitted:
Michael Rainwater
Secretary**

**Odd Fellows Sierra Recreation Association
Annual General Meeting
May 27, 2012**

A welcome greeting to the sixty-fourth OFSRA Annual General Meeting, called to order by **President Shaun Velayas @ 9:06am**. President Velayas stated that this is a private corporation meeting and requested no recordings be made. He also stated that in the interest of time, comments from the attendees would be limited to three minutes per person. The Pledge of Allegiance was lead by Del Wallis. Ron Hawke presented the invocation. Board of Directors present: Shaun Velayas, Ron Hawke, Larry Adams, Dick Barrett, Linda Clark, Bill Ordwein, Friedhelm Peter and Del Wallis.

Reading of the minutes of the May 29, 2011 annual minutes was dispensed with as copies were made available to everyone prior to the meeting. Elsie Manning moved that the minutes of the May 29, 2011 annual meeting be approved as presented. Bob Henson seconded. Motion carried.

There were no communications to report.

COMMITTEE REPORTS:

WATER: Ron Hawke presented his report. Please refer to **EXHIBIT "A"** following these minutes for his report.

ROADS: Larry Adams reported that last year Ken's Asphalt did crack sealing throughout the park which has held up very well. A four-year plan has been established for road maintenance. This year the plan is to repave the incoming side of the entry gate, have Wheeler Road, Jordan Way East and Jordan Way West slurry sealed. Bids for this work have been received from George Reed, Ken's Asphalt and Simunaci Construction. The successful bidder will be announced in the newsletter. The work will be done sometime in early September. Notice will be put in the newsletter to allow any property owner who has work they need done on their property ample time to schedule that work at the property owner's expense.

EQUIPMENT: Friedhelm Peter presented his report. Please refer to **EXHIBIT "B"** following these minutes for his report.

HEALTH AND SAFETY: Larry Adams reported that work at the lake included the outgoing drain line had a leakage which resulted in washing away dirt all around the drain pipe. An outside company was hired to repair the drain line, including a new valve which will make it easier to drain in the future. It is planned that sand will be brought in for the beach prior to the annual fishing derby depending on budgeted availability. The geese that are presently making their home in the park are a nuisance and messy. Please do not feed them. The VFA grant for brush clearing has been approved. Work will begin either before fire season or this fall.

BUILDINGS: Dick Barrett reported four items were addressed this past year: 1. The short circuit to the snack shack has been resolved at a cost of \$142.00; The extension of power to the sand shed was done for lighting purposes and an extension of water to the sand shed was also done at a total cost of \$1,280.00; 3. Power to the kitchen in the lodge was extended at a cost of \$280.00; and 4. Additional lighting for the stairway in the lodge was completed for a cost of \$350.00. All electrical work was done by a licensed electrical contractor. Dick introduced Yvonne Peter, Noble

Grand of Dogwood Rebekah Lodge #200. Yvonne reported on the various community service projects that Dogwood Rebekah Lodge has completed this past year and a half for the maintenance and improvement of areas in the Park: 1. Netting for the overhead of the lodge deck was purchased and installed to deter the birds from nesting in the overhead; 2. The inside of the lodge was cleaned and painted and new flags purchased. The Rebekahs paid for half the cost of the painting and the Recreation Association paid for half; 3. Flowers under the flagpole were planted; 4. Benches were built, painted and installed. They were all resealed this last year; the apple orchard was pruned and fertilized; 5. The backstop was repainted; 6. The snack shack was cleaned, painted and re-roofed; 7. Last year there was a pick-up baseball game for all the children and the Rebekahs painted all the lines. Yvonne stated that the funds for these projects come mostly from the Rebekah fundraisers held throughout the year – such as the annual bake sale, the wine tasting, the opportunity drawings for the donated quilts and afghans. She thanked everyone for their support so these projects can be completed

GATE: Bill Ordwein reported that bearings on the inbound gate were replaced. The magnets that had been installed incorrectly were repaired and all the batteries had to be replaced both on the gate and in the gate house. The outbound gate was repaired because someone had run into it. He is in the process of bringing all the records associated with the gate up to date. Bill also addressed the methods of gate entry: The remote electronic devices, the proximity cards and the old contact cards. The program for the old contact cards cannot be repaired if it were to break. He wants all the old contact cards returned for new proximity cards at a cost of \$10.00 per card. As of September 1, 2012 the old contact cards will be deactivated and after that date will no longer work. So, if anyone has any of those cards, or has given them to family members, renters, property managers or others, they need to be returned for exchange for the new cards at \$10.00 per card. Bill is also working on updating the directory display pad at the entry gate. He requested people contact him if they wish to change their information on the directory.

TIMBER: Del Wallis reported that the timbering plan has been put on hold for this year. The Recreation Association has looked at timbering about 21-22 acres by Cedarbrook to use as a demonstration for what a clean-up operation would look like. However, due to timing, the upcoming fire season and the fact that the cost versus the income projection would end up a break-even situation, the project has been put on hold. Del will be talking with the forester to determine if possibly more acreage would be included to make it cost effective to generate income. The project will probably be done sometime next year, allowing enough time to put a workable plan together.

FINANCE: Del Wallis noted that draft copies of the May 31, 2012 fiscal year Budget Report were available to all at registration for today's meeting. This report is a draft as the May bank statement is not yet available for reconciliation. Del stated that with a few bills still to come in for May, the bottom line is the year's expenses will be under budget. Dell directed everyone to the second page of the draft for review of the balances left in the Reserve Accounts. He stated there is enough in the reserves to effect a cash flow to be able to pay the upcoming bills for a couple of weeks and that after that time assessments should be coming in to keep park operations going. Del stated that all activity for the Cedar Brook property is accounted for separately. Del then addressed the assessment for the 2012/2013 fiscal year and the reasons for the increase. Please refer to **EXHIBIT C 2012/2013 Proposed Operating Budget**. Payroll/Labor expense has been increased by \$7,000.00 to cover pay increases and related payroll taxes. Due to depletion in the prior year, the Equipment, Road and Water Reserves need to be funded in the amount of \$6,900 for all. Road Maintenance has been increased by \$10,000.00 to provide for work that needs to be done as reported by Larry Adams in his report. Professional services-consulting is a

new item. Whether a CSD or a Mutual Water District is formed, it is more than likely that an analysis of the area will be required and the cost could easily be as much or more than the \$25,000.00. General Maintenance has been increased due to the concerns about the safety of the old foot bridge, the east side bridge and the lake levees. These three items need to be addressed. The overall increase in the proposed budget is approximately \$55,000.00 which equates to an assessment of \$1024.00 per property based on 364 properties.

NEW BUSINESS

AGENDA ITEMS 9.b. and 9.c. 2012/2013 PROPOSED BUDGET AND ASSESSMENT FOR 2012/2013 Del Wallis made a motion to approve the budget as presented and the annual assessment of \$1024.00 per property for fiscal year 2012/2013. David Unruh seconded.

After the above motion was made and seconded, discussion was held off the motion of matters relevant to the motion including the following agenda item.

AGENDA ITEM 9.e. Proposed formation of a Community Services District

Michael Lechner was introduced to present his views on a group that has gotten together to research what can be done for the good of the homeowners in the park. He mentioned a survey that had been sent out to all property owners a few months back asking what the property owners want for their park. He has put together a proposal to form a committee to research the possibility of a Community Services District (CSD). The purpose of the committee is three fold: 1. Learn about a CSD. 2. Communication and 3. Make suggestions. Mr. Lechner requested that anyone interested in this committee contact him after the meeting. A petition has been filed with LAFCO (Local Area Formation Commission) by the Recreation Association to form a CSD. LAFCO has the power to approve or disapprove the formation of a CSD. The actual governance of the CSD would be done by the membership of the CSD under the guidance of a Board of Directors elected by the property owners. If a CSD were to be formed, all business of the Park would come under the governance of the CSD including all the equipment and all the buildings. Monies held by the Recreation Association would be relinquished to the CSD with the one exception being the timber fund monies and management of the timberland which would remain under the control of the Recreation Association.

After the above discussion, a call for the vote was requested on the motion on the floor to approve the budget and the annual assessment of \$1,024.00 for the 2012/2013 fiscal year. President Velayas asked for the vote on the motion to approve the 2012/2013 budget and the 2012/2013 assessment. **By hand held ballots, there were 89 yes votes and 17 no votes. The motion carried.**

President Velayas called for a break at 11:15 am

President Velayas called the meeting back to order at 11:35 am

OLD BUSINESS (out of agenda sequence)

Mike Ford spoke about the upcoming annual Fish Derby. He stated that \$2,200.00 has been turned over from the Homeowner's Association to the Recreation Association for the derby expenses. Fish have been ordered. He requested help for the derby - both volunteers and money.

NEW BUSINESS – (continued)

Agenda Item 9.a. Proposed By-Laws Changes

Proposed change #1:

Eliminate the automatic sequence of candidates filling Board of Directors vacancies.

Article III. Directors

Section 4. Vacancies.

From the EXISTING:

Vacancies in the Board of Directors shall be filled by the runners-up in order of finish in the prior election of Directors.

Change TO:

Vacancies in the board of Directors shall be filled by majority vote of the remaining members of the Board of Directors. Such Director's term shall end at the next annual meeting of the shareholders or special meeting of the shareholders that has been called for such purpose.

Proposed change #2:

Establish that any Board of Directors member resigning after the filing of a petition to recall that director, and before the completion of the recall process, will be considered as recalled.

ADDITION of paragraph:

Article III. Directors

Section 3. Election and Term of Office

Add second paragraph to Section 3:

Any Director resigning after the filing of a petition to recall such director but before the completion of the recall process, will be considered as recalled.

Proposed By-laws change #1 was read and discussion followed. After discussion, Clark Kellogg moved that By-Laws change #1 be adopted as presented. Elsie Manning seconded. A hand held yellow ballot vote of OFSRA members resulted in 25 yes votes and 2 no votes. Motion carried.

Proposed By-Laws change #2 was read and discussion followed. After discussion, Yvonne Peter moved that By-Laws change #2 be adopted as presented. Daryl Clark seconded. A hand held yellow ballot vote of OFSRA members resulted in 25 yes votes and 5 no votes. Motion carried.

Agenda Item 9.e. Proposed formation of a Community Services District revisited

Michael Lechner spoke about the Ad Hoc committee formed to research a Community Services District and stated that this committee is not associated with either the Recreation Association or the Homeowners' Association. It is a strictly independent group of property owners. He said that every mailing the committee does costs approximately \$300.00 for paper, envelopes and postage. Any donations to help defray those costs would be greatly appreciated. He encouraged people to give him their email addresses for receipt of information in that manner. He presented a "Statement of Purpose" for the committee and an application form for membership on the committee.

President Velayas spoke to the fact that the Recreation Association Board of Directors is unanimously in favor of a Community Services District. **Ron Hawke** spoke to the fact that legal counsel has been contacted for guidance. The Board is trying to minimize the use of attorneys. The idea of a CSD came from one of the Town Hall meetings. There are presently two CSDs in Tuolumne County: Twain Harte and Groveland. Twain Harte is being very helpful in giving information as to the operation of a CSD. Collection of assessments for operation of the CSD could be collected by a variety of methods: property taxes, the CSD could bill directly, billing could be done by a third party agency. This would be determined at a later date. **Del Wallis** addressed the relinquishing of assets to a CSD which would include all the infrastructure – water system, roads, buildings (with the exception of the caretaker's cabin), all open spaces, all funds in the bank. The only entity that would remain under control of the Recreation Association would be the timber fund and the timber land.

Agenda Item 9.f. Proposal to sell timber during the 2012/2013 fiscal year.

This item was addressed in Del Wallis' Timber Report.

Agenda Item 9.g. Other New Business: Director Ordwein spoke to the fact that Assessment payments can now be made by credit card as well as by check.

President Velayas spoke about the purchase of the Cedar Brook property. A lot line adjustment was made and approximately 19 (+-) acres were transferred to the timber fund. The main cabin and approximately 2 acres will be put up for sale. The other out buildings will be torn down and the swimming pool demolished. The two wells will be retained for use by the park. The Cedar Brook property was purchased with timber fund money.

Agenda Item 9.d. Election of Board of Directors: There are four vacancies on the Board of Directors: Three three-year terms and one one-year term. Four candidates are on the Annual Meeting Notice Proxy Statement: Robert Cloak, Sharon Mc Dougall, Freidhelm Peter and Claire Velayas. President Velayas asked for nominations from the floor. There were none. Bob Hence moved that the nominations for Board of Directors be closed. John Bordes seconded. Motion carried. All the candidates introduced themselves and spoke a little about themselves. Robert Cloak indicated he would be interested in serving the one year term. Elsie Manning moved that all four candidates be elected by acclamation. Larry Adams seconded. Motion carried.

There being no further business to discuss, President Velayas adjourned the meeting at 12:43 p.m.

Linda Clark
Secretary

Water Report for 2012 Annual Meeting

Past Year

During this past year, several items relating to our water system have been dealt with.

State Department of Public Health, CDPH, Approvals

Renewal of our Water Permit by CDPH.

Status

Permit Received on Feb 28, 2011

Contingent upon completion of 4 tasks:

BSSP, Bacterial Sample Siting Plan,
Numerous water tests thought to be delinquent,
Cross Connection Control Survey,
Emergency Chlorination Plan

Approved April 27, 2011

State's Electronic recording system was at fault.

Verified it does not apply to our system. May 19, 2011

Approved Aug. 26, 2011

Note: Compliance with these requirements was effectively achieved by two experienced, licensed water operators, at considerable cost to the Park.

Routine Maintenance

Replaced several broken valves and repaired broken pipes.

All water samples met or exceeded CDPH standards. No bacterial contamination incidents.

Major Line Break

A 4-inch line broke under the West Jordan Way paved road. An outside contractor was used to repair the break and restore the road.

Caretaker Assumed Responsibility as our Water Operator

Our caretaker has studied for and obtained a D1 water license thereby enabling him to be our primary system operator and eliminating the need for a monthly outside contract. The prior operators are available as backup if needed.

Current Issues Under Consideration

Purchase and installation of an altitude valve at the Wheeler tank site in order to regain the full storage capacity of the Isaac tank whose top is about 5 feet higher than the Wheeler tanks. This would regain the Isaac storage capacity from the current limit of 166,250 gallons to its original capacity of 210,000 gallons. Hence the complete storage would be increased from the current 259,000 gallons to its potential of 302,750 gallons.

Incorporate a well on the Cedarbrook property into the system as a third operational well. Defer the option to incorporate a more distant well from the Cedarbrook property into the water system.

Miscellaneous Improvements

Rebuilt stairway for access to well #6 for improved safety, especially during ice and snow conditions.

Water Use

During the past 12 months, May 2011 through April 2012, we have pumped 10,146,100 gallons of water. The electric utility cost for this pumping is approximately \$12,000.

Respectfully Submitted for the Annual OFSRA Meeting, May 27, 2012

Ron Hawke

May 27, 2012

Equipment Report

With the exception with the old Dump Truck, all equipment is working good.

Back Hoe

We have had some major breakdown with the hydraulic ram on the backhoe attachment. It seems that something was in the hydraulic fluid and scored the ram where hydraulic fluid was bypassing and made the backhoe inoperable. Mark Higgins and Larry Jones were able to take the ram apart and repair the ram. New parts were quite expensive (about \$1200.00), but it was much less than if we had a repair service perform the work. It is now in good working condition.

International Snow Plow Truck

Routine service was performed by Mark and it is working good.

Old Tractor

Working good and it is a good unit for grass cutting operations.

Grader

Much effort has gone into the Grader to make the front wheels work. Because of its age, parts are difficult to obtain and a new control board was no longer available. The mechanic working on the Grader was able to fabricate a control board that controls the front wheel power. At this time the Grader is fully functional, but because of its age all hydraulic hoses show cracks and it is just a matter of time before they will start to completely deteriorate and start breaking. A financial decision and evaluation will have to be made at that time as to how much money needs to be spent.

Old Dump Truck

This truck has served us well but it is now to the point where it is not prudent to spend any more money on this truck. The brakes are marginal and the transfer case is leaking fluid and jumps out of gear.

Toyota Pick Up

Regular routine service was performed by Mark and it is running fine.

Conclusion

By having all service performed by Mark and Larry, we have been reducing the cost of general maintenance on the equipment. The old Dump Truck should be sold for scrap and the International Snow Plow truck will be used for general Dump Truck duty.

Respectfully submitted

Friedhelm Peter

Operating Budget

	2012-2013 Proposed
Maintenance Income	\$372,736
Rental Income (Caretaker's Cabin)	6,900
Fish Donations	
Refunds	
Tax Refunds	
Recreation Income	
Unrealized gain/loss on investments	
Interest Income	
Miscellaneous Income	
Timber Income	**
Timber Interest	
Total Operating Income	379,636
Accounting	18,000
Bank Charges	50
Contingency	6,900
Employee Benefits	12,000
Equipment Rental	
EQUIPMENT RESERVES	2,000
Fish Derby Expense	2,800
Franchise Tax Expenses (CA)	800
Fuel	9,000
Garbage	14,000
Gate Expense	3,873
Health and Safety	4,000
Insurance General	17,000
Maintenance/Buildings	11,000
Maintenance Buildings/ Cedarbrook	
Maintenance/Equipment	15,000
Maintenance/General Park	25,000
Maintenance/Roads	35,000
Maintenance/Roads Cap Exp	
Maintenance/Water	8,000
Maintenance/Lake	9,000
Member Communications	4,500
Needle Expense	10,000
Office Expense (includes clerical)	1,500
Payroll/Labor	70,000
Permits and Fees	2,500
Permits and Fees Cedarbrook	
Professional Services - Legal	30,000
Professional Services - Consulting	25,000
Recreation	1,000
ROAD RESERVES	2,000
Supplies Shop	1,500
Supplies/Recreation Hall	100
Taxes and Licenses	1,500
Taxes/Payroll	7,000
Taxes/Property	3,300
Taxes/Property Cedarbrook	3,800
Telephone	1,200
Timber Expense	**
Unrealized Loss on Investment	
Utilities	14,000
Utilities Cedarbrook	*
WATER RESERVES	3,113
Water Testing	8,000
Total Operating Budget Expenses	383,436
Less Cedarbrook expenses	*
Less Timber expenses	**



**Odd Fellows Sierra
Homeowners' Association**

Newsletter

May 2011

Website: www.sierrapark.org

Phone: (209) 586-3098

e-mail: sierrapark@sierrapark.org

<p style="text-align: center;">Annual General Meeting</p> <p>The annual OFSHA general meeting was held on Sunday May 29th 2011.</p> <p>Meeting highlights:</p> <ul style="list-style-type: none"> • A fixed position raft will be installed at the pond. • The drafts of the License agreements were approved by the membership. • The OFSRA budget did not pass. Billings will be sent out at last year's rate of \$830. Once the new budget is ratified, an additional bill for the difference will be sent. The \$830 is due now. • Nine members were elected to the OFSHA BOD. 	<p style="text-align: center;">Park Calendar</p> <p>OFSHA Board meetings will be held on the Second Saturday of each month beginning at 8:30 AM.</p> <p>Board Meeting: June 11th </p> <p>Fish Derby: June 18th (Day before Father's Day)</p>
<p style="text-align: center;">Board Meetings</p> <p>OFSHA Board meetings tentatively scheduled of the second Saturday of each month, beginning at 8:30 AM in the Board Room at the Lodge.</p> <p>Our initial meetings will concentrate on corporate organization.</p>	<p style="text-align: center;">Fish Derby</p> <p>The fish derby will be on Saturday June 18th 2011 from 7:00 A.M. to 11:00 A.M. Participants must be 15 years old or younger. Pre-Registration is on Friday June 17th from 5:00 P.M. to 7:00 P.M. at the Lodge. You may also register via e-mail or at the start of the event at the pond. A simple registration form is available on page 5 of this newsletter.</p>
<p style="text-align: center;">Pine Needle Dump Close Date</p> <p>The Needle Dump closes on Monday July 18th.</p> <p>After that, pine needles and branches will need to be hauled to Standard or Twain Hart for disposal.</p>	<p style="text-align: center;">New Mailing Address</p> <p>Homeowner communications should be sent to sierrapark@sierrapark.org or our new P.O. Box:</p> <p>Odd Fellows Sierra Homeowner's Association P.O. Box 236, Long Barn, CA 95335-0236</p>
<p style="text-align: center;">The Associations Defined</p> <p>OFSHA – A Homeowner's Association. It performs all of the tasks associated with a traditional Homeowners' association.</p> <p>OFSRA – A property holding company. This company owns the property and improvements and is currently the water and maintenance service provider to OFSHA via contract. The 25 year contract expires at midnight on October 11, 2011.</p>	<p style="text-align: center;">Defensible Space</p> <p>All lots are subject to CAL FIRE (CDF) inspection.</p> <p>Clearing the required 100 feet (or to your property line, whichever is closest) involves three steps: 1) Remove dead vegetation, 2) Thin out live vegetation, and 3) Prune up your trees. See the CAL FIRE (CDF) news release: www.varvayanis.com/sp/fire_safety/2007_Defensible_Space_4-20-07.pdf.</p> <p>For more detailed information see CDF document "General Guidelines for Creating Defensible Space": http://www.varvayanis.com/sp/fire_safety/4291_final_guidelines_9-29-2006.pdf</p>
<p style="text-align: center;">OFSHA / OFSRA</p> <p>OFSHA is your primary point of contact for homeowner issues. Whereas, OFSRA is our water contractor, you may contact them directly for water maintenance issues.</p>	<p style="text-align: center;">Newsletter & Website</p> <p>Newsletter – The newsletter is available via e-mail. Receiving your Newsletter via e-mail saves money and will aid us in holding down the assessment. Please e-mail us to sign up.</p> <p>Website – Protected documents password: sierrapark</p>



Odd Fellows Sierra Homeowners' Association Page 2



Note regarding this Newsletter: This newsletter (May 2011) is an interim newsletter intended to disseminate information about the upcoming first regular meeting of the OFSHA Board of Directors (BOD) on June 11th and the Fish Derby on June 18th. It is being distributed via e-mail and on the website only due to the lack of time for paper distribution. Please share the information within with anyone you know that normally receives the paper version of the Newsletter. The June newsletter will contain the minutes and other important information also published in this Newsletter.

Assessment: The OFRSA budget was rejected by OFSRA membership at the May 29th, 2011. A temporary assessment of \$830.00 using last year's budget figures was adopted by the OFSHA membership, due effective June 1, 2011. OFSRA will submit a revised 2011/2012 budget to OFSHA for review and negotiation. It will be distributed to the OFSHA Membership along with a proxy for approval. Once approved a second billing for the difference between the temporary and permanent 2011/2012 budgets will be sent. Please send your \$830.00 payment as soon as you can to help us through the initial period of reforming OFSHA.

Board Meetings: OFSHA Regular Board Meetings will be held on the second Saturday of each month at 8:30 AM.

Odd Fellows Sierra Homeowners Association Annual General Meeting May 29th, 2011

The meeting was called to order by President Gloria Harvey at 1:37 P.M. President Harvey welcomed everyone to the 25th OFSHA Annual meeting. Board of Directors present were: Gloria Harvey, Friedhelm Peter, Mike Rainwater, Shaun Velayas, Ron Hawke, Dick Barrett, Charles Varvayanis and excused Paul Emery.

Reading of the Minutes: Last year's minutes had been read during the OFSRA Annual meeting of May 29th, 2011 and approved as corrected. The corrections were regarding several statements Fred Coleman had made. Mr. Coleman indicated that words had been added to his statement and needed to be deleted. The statements were reread to the membership with the specified words deleted. Motion made by Elsie Manning and seconded by Doris Kilgore to accept the minutes as corrected. Motion carried.

Correspondence: Secretary Rainwater indicated that there was no correspondence.

Old Business:

- 1. Restoring the raft to the pond:** Janet Jory made a motion to not replace the raft in the pond. Mike Ford seconded that motion. Discussion followed and question was called for. The result was forty-seven voted "yes" and fifty-eight voted "no." Motion was defeated. Tony Pimentel made a motion to restore the raft to the pond as long as it addressed Cal Fire's needs and anchored in the pond. Motion seconded by Doris Kilgore. The result was fifty-four voted "yes" and forty-three voted "no." Motion passed.

New Business:

- 1. Approve amendment change to OFSHA bylaws:** The change to the OFSHA bylaw was to remove the requirement to have CC&R's recorded against ones' property in order to be a member of the OFSHA. Motion made by Yvonne Peter to approve the change to the bylaw and seconded by Heidi Ordwein. Motion carried.
- 2. Removal of Directors Varvayanis, Hawke, Peter, Velayas, and Harvey:** Elsie Manning made a motion that a completely new Board of Directors should be elected. Linda Clark seconded that motion. Concerns about the motion were discussed and the question was called for. Motion carried.
- 3. Renewal of License Agreement and Water Use Agreement:** Elsie Manning made a motion to accept both documents as prepared and Chris Kiriakou seconded the motion. Motion carried.
- 4. Election of directors to the OFSHA Board:** The following were the nominations for BOD of the OFSHA and the results of the vote: John Tenbrink – 50, Bill Engvall – 115, Al Orth – 88, Bill Ordwein – 105, Fred Coleman – 42, Steve Wallace – 52, Ruth Dargitz – 63, Mike Ford – 80, Jesse Worsham – 35, Charles Varvayanis – 56, Larry Vaughn – 27, Sharon McDougall – 151.
Three year term is: Sharon McDougall, Bill Engvall, Bill Ordwein



Odd Fellows Sierra Homeowners' Association Page 3

Two year term is: Al Orth, Mike Ford, Ruth Dargitz
One year term is: Charles Varvayanis, Steve Wallace, John Tenbrink

Next general meeting May 27, 2012.
Meeting adjourned at 3:40 P.M.

Respectfully submitted by,
Michael Rainwater
OFSRA Secretary

**OFSHA Board of Directors Special Meeting Minutes
May 29, 2011**

The meeting was called to order by the OFSHA Board immediately following the Annual Meeting.

All Directors were present: Bill Engvall, Sharon McDougal, Charles Varvayanis, Ruth Dargitz, Alan Orth, Steve Wallace, Mike Ford, John Tenbrink, and Bill Ordwein.

Members before the Board: None.

Correspondence: None.

Minutes read and disposed of: None

Old Business: None

New Business: A discussion regarding the organizational structure. The OFSHA Articles of Incorporation, By-Laws, and CC&R will be studied by the directors prior to the next meeting and discussed at that meeting. Meeting days and times were selected; the second Saturday of each month at 8:30 AM. The Officers were selected:

President	Bill Engvall
Vice President	Sharon McDougall
Secretary	Charles Varvayanis
Treasurer	Ruth Dargitz

A discussion regarding obtaining a Postal Permit separate from OFSRA for mailing newsletters and other correspondences. It was decided to use the same Postal Permit as OFSRA. A brief discussion of OFSHA financial responsibilities. It was decided to defer the financial responsibilities discussion until after the meeting.

The meeting adjourned at 4:58 P.M.

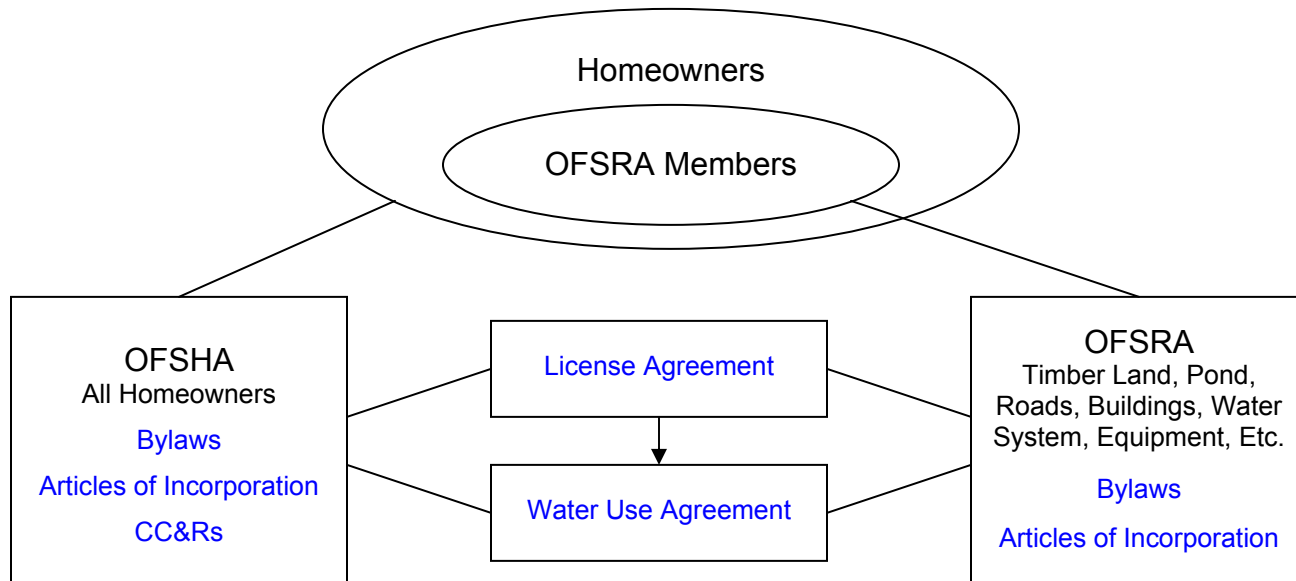
The regular meeting is on Saturday June 11, 2011 at 8:30 A.M.

Respectfully submitted,

Charles P. Varvayanis
Secretary
Odd Fellows Sierra Homeowners' Association, Inc.



Sierra Park Organizational Structure – Simple View



Homeowner: A lot owner in the I.O.O.F. Odd Fellows Sierra Camp subdivision (Odd Fellows Sierra Park) with CC&Rs recorded against their property.

OFSRA Member: A Homeowner as described above that is also an Odd Fellow or Rebekah.

OFSHA: Odd Fellows Sierra Homeowners' Association is a California Nonprofit Mutual Benefit Corporation comprised of Homeowners as described above. OFSHA provides for management, maintenance, and preservation of the I.O.O.F. Odd Fellows Sierra Camp (Odd Fellows Sierra Park) subdivision. OFSHA owns no property and has no significant assets.

OFSRA: Odd Fellows Sierra Recreation Association is a California corporation comprised of OFSRA Members. OFSRA owns the timber land, meadow, pond, and other lands within and around the subdivision and the improvements, including but not limited to roads, water system, structures, equipment, and other items within the park.

License Agreement: Provides OFSHA Members access to OFSRA roads, land, and facilities, and contracts OFSRA as the service provider for maintaining said roads, land, and facilities. It also provides that OFSHA will reimburse OFSRA per the terms of the contract if any. The term of this agreement is 25 years and expires on October 12, 2011. The proposed replacement for this document is [OFSHA/OFSRA LICENSE AGREEMENT – Rev. 7 – 1/12/2011](#).

Water Use Agreement: Contracts OFSRA as the water provide for OFSHA and service provider for maintaining said water system and that OFSHA will pay OFSRA for water furnished. The term of this agreement is 25 years and expires on October 12, 2011 and automatically terminates with the termination of the License Agreement above. The proposed replacement for this document is [OFSHA/OFSRA WATER USE AGREEMENT – Rev. 7 – 2/2/2011](#).



FISH DERBY REGISTRATION FORM

Name: _____ Age: _____ Boy or Girl

Name: _____ Age: _____ Boy or Girl

Name: _____ Age: _____ Boy or Girl

Name: _____ Age: _____ Boy or Girl

You may pre-register or register using the above form to save time. Alternatively, you may send an e-mail to sierrapark@sierrapark.org with the same information. Please put "Fish Derby Sign Up" in the subject line.



Fish Derby!

June 18th
7:00 A.M.



Odd Fellows Sierra Homeowner's Association
P.O. 236
Long Barn, CA 95335-0116

Return Service Requested

U.S. Postage Paid
Bulk Mail
Permit #2
Long Barn, CA 95335

Dear Homeowners,

January 9, 2012

We are asking for your help as homeowners in the Sierra Park to give us your feedback as to what is important to you. We are a group of homeowners who feel with everyone's input, our park could run smoother and with a lot less tension. We are not affiliated with the Recreation or Homeowners Boards. Our goal is to know what is important to our neighbors and friends and to work together with you and the Boards to make sure that we all have a great Park for all our families.

That's why we are asking you to fill out this survey and mail it back to us. We feel that every homeowner should be heard and that we should be working on items that are most important to you. If you respond to this Survey, we promise to compile the results and send the results to you. We will also give a copy to both the Recreation Board and the Homeowners Board so there is no confusion on what is important to all of us as homeowners.

We wish to be completely transparent in our dealings with you. We obtained your mailing addresses through public records and are paying for the mailing of this survey with our own funds. If you are interested in helping with any of the things you feel are important in the park, let us know that too. "Many hands make for light work". As a group we feel that the Park is such a great place to enjoy and want to keep it as a special place for us now and for generations to come.

If you have any questions please feel free to call Michael Lechner at 408-309-6015 and Thank You for taking the time to help us make the park an even better place.

Sincerely,

Michael Lechner
Susie Lechner
Pat Monahan
Jack Monahan
Carmi Ennis
Doris Kilgore
Paul Emery
Darlene Helmer

Brian Lechner
Katie Lechner
Kate Knudsen
Kirk Knudsen

Sierra Park Homeowners Survey

Please, rate the following items and indicate their importance to you and your family. Circle the number that best describes the importance of each.

1 Being not important, #2 Little importance, #3Neutral, #4 Somewhat important, #5 Extremely important

Then in the left column, please indicate your Top Five items in rank order, from A (most important) to E.

Top 5

- | | |
|---|-----------|
| ___ A live in Caretaker. | 1 2 3 4 5 |
| ___ Keeping a gate at the entrance to the Park. | 1 2 3 4 5 |
| ___ Garbage service. | 1 2 3 4 5 |
| ___ Road Maintenance and repair. | 1 2 3 4 5 |
| ___ Snow removal | 1 2 3 4 5 |
| ___ Maintaining private water, unmetered, maintained by Park personnel. | 1 2 3 4 5 |
| ___ Pine needle disposal site. | 1 2 3 4 5 |
| ___ Maintaining and having access to Lake and Beach area. | 1 2 3 4 5 |
| ___ Maintaining and have access to Play Ground and Picnic area. | 1 2 3 4 5 |
| ___ Dog Park. | 1 2 3 4 5 |
| ___ Traditional events such as the Fish Derby and Christmas Dinner. | 1 2 3 4 5 |
| ___ Recent events: Oktoberfest, Movie Night, Pick -up Baseball, Pot lucks. | 1 2 3 4 5 |
| ___ Contributions from the OFSRA improving the Park and keeping everyone's assessments down. Over \$460,000 since 1995 in direct donations. These donations have purchased equipment and off set road maintenance, over \$350,000 in loans. | 1 2 3 4 5 |
| ___ Other / Suggestions _____ | 1 2 3 4 5 |

Optional:

No personal information will appear in the survey results. Please include your personal information only if you would like to be contacted about helping with up coming events, or you would like a personal response to any comments you have.

Name _____

Address _____

Email _____

Please return the Survey in the enclosed envelope no later than January 25, 2012. Thank You Again

Michael Lechner
1696 Husted Avenue
San Jose, CA 95124-1924

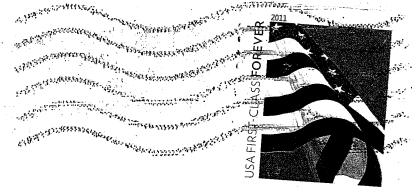


Susan Lechner
1696 Husted Ave
San Jose, CA 95124

Exhibit 8A - Page 4 of 4

SAN JOSE CA 95124

17 JAN 2012 PM 5:47



VARVAYANIS CHARLES
PO BOX 395
LONG BARN CA 95335

12/8/2014 Rebuttal to 11/27/2014 OFSRA & SPWC Comments on 9/30/2014 CPUC Staff Report - A.13-09-023 & C.12-03-017

95335+0395



Fellow Sierra Park Homeowners,

We received an amazing **150 responses** to our recent Homeowners' Survey. Thanks to all of you who let us know what's important to you!

Results showed that although every item has its strong supporters, their relative importance to the group as a whole was divided between park maintenance services/security (more important) and social amenities (nice to have but less critical).

After all responses were received, an average score for each was compiled. Those are as follows, with 5 being the highest possible score and 1 being lowest:

- 4.76 Road maintenance and repair
- 4.71 Snow removal
- 4.60 Maintaining private water, unmetered, maintained by the Park
- 4.57 Garbage service
- 4.53 Pine needle disposal site
- 4.51 Keeping a gate at the Park entrance
- 4.33 Live-in caretaker
- 4.17 Maintaining and having access to lake and beach area
- 3.75 Maintaining and having access to playground and picnic area
- 3.11 Traditional events such as the fishing derby and Christmas Dinner
- 2.74 Recent events such as Oktoberfest, movie night, pick-up baseball, pot lucks
- 2.07 Dog park

Surprisingly, the items voters listed as their Top Five did not correspond directly with the overall average score. All items mentioned as Top Five contenders are listed here, in descending order:

1. Road maintenance and repair
2. Snow removal
3. Maintaining and having access to playground and picnic area
4. Garbage service
5. Live-in caretaker
6. Maintaining private water, unmetered, maintained by the Park
7. Pine needle disposal site
8. Maintaining and having access to lake and beach area

Homeowners added many "write-in" comments – see back of this sheet for a breakdown.

Again, a sincere thanks to all of you who took time to provide this feedback! As promised, these results are being shared with your fellow homeowners, the OFSRA and the OFSHA, in the hope that your responses will guide future efforts to make our lovely Park an even better place.

Comments:

A number of respondents told us one question was unclear. To clarify: OFSRA records show that the Rec Association has gifted and/or lent monies to the Park over the last ten years to cover maintenance and equipment needs that might otherwise have been assessed to Homeowners. For the details of dollar amounts and needs addressed, please address the OFSRA Board.

Many of the responses noted concerns with the dual nature of the park leadership structure. Ten percent of respondents suggested eliminating one board entirely; an additional twelve percent wanted less tension between boards and less litigation. A number asked for written clarification of the roles and responsibilities of each board.

Several folks felt assessments should be lowered; several others thought current assessments were low for the services provided. One person suggested metered water would reduce overall costs for most homeowners; one wanted timber funds routinely used to lower fees. Several asked for cost comparisons between options (e.g., caretaker live-in or not; water metered or unmetered).

A few commenters requested CC & R's to control number of animals per lot or accumulated junk outside homes. Three people questioned recent expenditures such as the dog park and the playground upgrades. (Note: the dog park was a gift from a homeowner; playground upgrades corrected safety/liability concerns with hazardous equipment). Snow removal was a concern for two respondents; one wanted the current caretaker replaced.

Some homeowners had creative suggestions for ways the Park could be even better. Ideas included a mountain bike trail around the park, access to quad maps for hikers, a list of reputable workmen for home repair projects, adult fishing derby as a fundraising event, replacement of the floating dock at the pond, new sand at the beach area, doggie bag dispensers, a community pine needle rake day, and improvement of Camp Cedarbrook. In contrast, another owner suggested selling Camp Cedarbrook.

Much food for thought – thank you all!

THIS I BELIEVE –

I believe the COMMUNITY of Sierra Park to be a large gold nugget in the mountains.

I believe we are exceptionally privileged to have a lot/home in the COMMUNITY.

I believe with that privilege comes certain rights and responsibilities.

I believe if we as property owners overlook those rights/responsibilities, it can be at great peril to our investment in the property and COMMUNITY.

I believe after many years of an esprit de COMMUNITY, the byproduct of stable conditions in the past, the COMMUNITY was not prepared for the changes thrust upon it.

I believe we have learned from the experience of the last year it is more important for us all to take a more active role in keeping/remaking our COMMUNITY into the very most it can be.

I believe the results of the homeowner's survey, in which an extraordinary number of people took part, lays the foundation for rejuvenating the esprit de COMMUNITY. However, much work lies ahead.

I believe we cannot go back to the 'good old days,' as much as we might like to.

I believe we face challenges in that we include both folks who live in the Park year-round and weekenders (like myself), who will not always share the same interests in all amenities the Park/COMMUNITY offers.

I believe in negotiating the various interests, even though there will be no way to make everyone happy with every outcome of the resolution of every situation.

I believe the concept of COMMUNITY is to be able to agree and agree to disagree and still be respectful of each other, and of the fact it is the greater good for all that is the most important.

I believe it is important to balance the value to the COMMUNITY of services and expenditures with their costs, rather than to focus on the bottom line alone.

I believe it critical that the directors of both the OFSRA and the OFHOA work together to provide a better understanding of the issues faced by the COMMUNITY, solicit input, and listen to those in the COMMUNITY willing and wanting to have their views heard.

Michael Lechner 2/1/2012

In what do you believe?

Rights and Responsibilities for Better Communities

Principles for Homeowners and Community Leaders

Homeowners Have the Right To:

1. A responsive and competent community association.
2. Honest, fair and respectful treatment by community leaders and managers.
3. Participate in governing the community association by attending meetings, serving on committees and standing for election.
4. Access appropriate association books and records.
5. Prudent expenditure of fees and other assessments.
6. Live in a community where the property is maintained according to established standards.
7. Fair treatment regarding financial and other association obligations, including the opportunity to discuss payment plans and options with the association before foreclosure is initiated.
8. Receive all documents that address rules and regulations governing the community association—if not prior to purchase and settlement by a real estate agent or attorney, then upon joining the community.
9. Appeal to appropriate community leaders those decisions affecting non-routine financial responsibilities or property rights.

Homeowners Have the Responsibility To:

1. Read and comply with the governing documents of the community.
2. Maintain their property according to established standards.
3. Treat association leaders honestly and with respect.
4. Vote in community elections and on other issues.
5. Pay association assessments and charges on time.
6. Contact association leaders or managers, if necessary, to discuss financial obligations and alternative payment arrangements.
7. Request reconsideration of material decisions that personally affect them.
8. Provide current contact information to association leaders or managers to help ensure they receive information from the community.
9. Ensure that those who reside on their property (e.g., tenants, relatives, friends) adhere to all rules and regulations.

Community Leaders Have the Right To:

1. Expect owners and non-owner residents to meet their financial obligations to the community.
2. Expect residents to know and comply with the rules and regulations of the community and to stay informed by reading materials provided by the association.
3. Respectful and honest treatment from residents.
4. Conduct meetings in a positive and constructive atmosphere.
5. Receive support and constructive input from owners and non-owner residents.

6. Personal privacy at home and during leisure time in the community.
7. Take advantage of educational opportunities (e.g., publications, training workshops) that are directly related to their responsibilities, and as approved by the association.

Community Leaders Have the Responsibility To:

1. Fulfill their fiduciary duties to the community and exercise discretion in a manner they reasonably believe to be in the best interests of the community.
2. Exercise sound business judgment and follow established management practices.
3. Balance the needs and obligations of the community as a whole with those of individual homeowners and residents.
4. Understand the association's governing documents and become educated with respect to applicable state and local laws, and to manage the community association accordingly.
5. Establish committees or use other methods to obtain input from owners and non-owner residents.
6. Conduct open, fair and well-publicized elections.
7. Welcome and educate new members of the community—owners and non-owner residents alike.
8. Encourage input from residents on issues affecting them personally and the community as a whole.
9. Encourage events that foster neighborliness and a sense of community.
10. Conduct business in a transparent manner when feasible and appropriate.
11. Allow homeowners access to appropriate community records, when requested.
12. Collect all monies due from owners and non-owner residents.
13. Devise appropriate and reasonable arrangements, when needed and as feasible, to facilitate the ability of individual homeowners to meet their financial obligations to the community.
14. Provide a process residents can use to appeal decisions affecting their non-routine financial responsibilities or property rights—where permitted by law and the association's governing documents.
15. Initiate foreclosure proceedings only as a measure of last resort.
16. Make covenants, conditions and restrictions as understandable as possible, adding clarifying "lay" language or supplementary materials when drafting or revising the documents.
17. Provide complete and timely disclosure of personal and financial conflicts of interest related to the actions of community leaders, e.g., officers, the board and committees. (Community associations may want to develop a code of ethics.)

Community Associations Institute (CAI) is a national organization dedicated to fostering vibrant, responsive, competent community associations. Founded in 1973, CAI represents association-governed communities, such as condominium and homeowner associations, cooperatives, and planned communities. To learn more about CAI and its local, regional and state chapters, visit www.caionline.org or call CAI Direct at 703-548-8600.

Sponsored by CAI President's Club

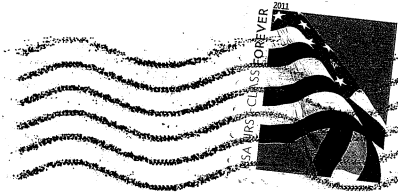




T. M. Lechner
1696 Husted Ave
San Jose, CA 95124-1924

SAN JOSE CA 951

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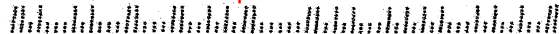
VARVAYANIS CHARLES

PO BOX 395

LONG BARN CA 95335

12/8/2014 Rebuttal to 11/27/2014 OFSRA & SPWC Comments on 9/30/2014 CPUC Staff Report - A.13-09-023 & C.12-03-017

95335+0395



SIERRA PARK

TO: All Property Owners

FROM: Ad Hoc Property Owners Committee

SUBJECT: Community Services District (CSD) and Other Options Evaluation: Update

DATE: June 22, 2012

Overview:

At the Annual Meeting of the Sierra Park Recreation Association (RA) on May 27th, the idea of evaluating the prospects of forming and operating the Park under a Special District was discussed, as detailed in the yellow flyer sent to you in April. An Ad Hoc Committee of volunteers, independent of either the RA or the inactive Homeowners Association (HOA), was formed to explore this option. The Committee's intent is to learn the pros and cons of options for future operation of the Park, including a Special District and other potential options as well. This memo is to update all property owners on what we have learned so far.

Note: because of complaints filed with the California Public Utilities Commission, continued operation of the Park as it was run in the past and more recently over the last year is **NOT AN OPTION**.

The Committee:

The members of the volunteer committee are:

Larry Cowles	Andrea Miller
Chris Kiriakou	Heidi Ordwein
Michael Lechner	Pam Vieira
Wanda Lenhardt	

This team has been researching California legal statutes to determine if it is possible to form a Special District to provide services for the Park. Follow-up study has looked at how the Special District could be put in place, its operations governed and conducted, and what services it could provide, along with the pros and cons of using a form of Special District over other operational methods that might serve the interests of property owners. The basis used to determine the priority for services to be provided was the Property Owners' Survey conducted earlier in the year.

Refresher – from the Survey Results: (Roughly 175 responses of 329 Surveys mailed.)

"All items mentioned as contenders for 'MOST IMPORTANT' services in the Park are listed here, in descending order of votes:

1. Road maintenance and repair
2. Snow removal
3. Maintaining and having access to playground and picnic area
4. Garbage service
5. Live-in caretaker
6. Maintaining private water, unmetered, maintained by the Park
7. Pine needle disposal site
8. Maintaining and having access to lake and beach area"

The Questions:

What types of organizational and operational options might be available to provide the services listed above to the Park? And if not all services can be included, how could they be otherwise provided?

Here are the options we are aware of and have explored:

1. Special District Options
 - a. Community Services District
 - b. Community Facilities District
 - c. Municipal Water District
 - d. Municipal or Public Utilities District
2. Legally Functioning Homeowners Association
3. California Public Utility Commission (CPUC) regulated privately (RA) owned water system

The Findings:

We don't have all of the answers yet, but here is a summary of what we've learned so far:

- Items 1c, 1d, and 3 would be water-centric. Other services, e.g. snow removal, road maintenance and repair, etc. would have to be contracted for separately. It is not clear how that could be structured and funded to ensure the same level of service and convenience now afforded. Estimated costs for these approaches, how property owners could have a say in costs and operation, and the long-term impact on property values have yet to be determined – more study is needed.
- Item 2 would require **all** property owners in the Park to agree to put CC&Rs (Covenants, Conditions, and Restrictions) on their properties. This would then constitute a legally binding HOA in which all would be able to have a voice. Any homeowners who did not accept the imposition of CC&R's would not be entitled to receive services, but obviously would benefit without the need to pay assessments, so financing for provision of services could be difficult.
- Item 1b is a bond-funding mechanism to provide capital for construction projects and services, obligating property owners to repay the debt over time.
- Items 1a, 1b, and 1d do not require CC&Rs and would result in a single, land-owner elected Board of Directors operating the Park under the direction of all property owners based on an annually approved budget.
- To establish a Special District with its own independent Board of Directors would require a majority vote of land-owners.

Please refer to the last mailing to all property owners just before the Annual Meeting that provided additional information on CSD prospects (the yellow flyer).

Where Things Stand:

There will be a Town Hall meeting starting at **9:00 AM on July 7th** in the Lodge – **please attend if you can.**

- Pros and Cons and additional information on all options will be discussed .
- The status of the RA's petition to the County's CSD Local Area Formation Commission (LAFCo) will be reviewed, along with what the next steps in that process would be.
- The results of the June 28th CPUC hearing on the complaints filed by the old HOA and four Park individuals concerning the water supply issue will be discussed.
- Status of the RA with respect to various options for solving the problem will be discussed.
- An update on the Park's budget situation will be provided.

How Can I Help?

The Ad Hoc Committee is operating without a budget. Donations totaling \$395.00 were made to the Committee during and after the Annual meeting to help offset the costs of mailings to keep all informed – many thanks to all who contributed so far. Mailing each update to you and 330 other property owners costs about \$250. ***No funding for this effort is being provided by the RA or the HOA.*** We are attempting to obtain a list of email addresses for future mailings; this could help defray costs going forward.

If you can help to offset the cost of keeping owners informed, we would welcome your contribution. Just \$20 will help, and some have contributed more. There is no obligation on your part. Contribute on July 7th or mail contributions to:

Michael Lechner (committee chair)
1696 Husted Avenue
San Jose, CA, 95124

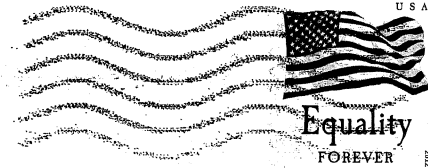
If you would like additional information please call Michael at 408-309-6015, after 6:00 PM please.

THANKS FOR LISTENING!!

Michael Lechner
1696 Husted Ave.
San Jose, CA 95124

Exhibit 8C - Page 3 of 3

SANTA BARBARA
CA 931 2 1
25 JUN 2012 PM



VARVAYANIS CHARLES
PO BOX 395
LONG BARN CA 95335

12/8/2014 Rebuttal to 11/27/2014 OFSRA & SPWC Comments on 9/30/2014 CPUC Staff Report - A.13-09-023 & C.12-03-017

95335+0395



**Ad Hoc Committee for Community Services District
Update from 7/7/2012 Town Hall Meeting**

THANK YOU! -- THANK YOU! -- THANK YOU!

To those who have generously contributed, the Committee thanks you on behalf of all of property owners in the Park. Your help will enable us to keep everyone informed through this and future mailings. To date: Two mailings at \$250 each; contributions received = \$1,097. Many property owners have also provided an email address and asked to receive information that way, reducing future mailing costs. Our thanks to all!

Nearly 40 property owners attended the July 7 Town Hall Meeting, showing great interest in the Committee's research and asking excellent questions about the findings. In addition to wanting to learn more, they were eager to move toward a more tranquil, secure future. The discussion was lively and several great ideas on helping with communications were brought forward. A summary of what was presented:

1. A brief review of Park organization and management from its initial founding to today. At the Annual Meeting in May, the OFSRA Board recognized the need to chart a different course and supported the formation of the Ad Hoc Committee to research options.
2. Committee member Chris Kiriakou summarized the findings to date. The committee first established **guiding principles for park operation**. Most important among these were the ability of any new structure to be:
 - Multipurpose – able to provide all the current services valued and currently enjoyed by property owners (as indicated on the 170+ responses to the Homeowners' Survey)
 - Representative of all owners – one vote per landowner lot
 - Accessible and transparent – decisions to be made in open meetings
 - Independent of other governmental agencies
 - Non-profit, with no conflicts of interest in operating the Park
3. The group reviewed multiple options, including six in depth. A detailed chart evaluated each against the principles, and a clear winner emerged: only a **Community Services District** meets all the criteria established. The committee recommended moving forward to establish the Park as a CSD, and attendees supported this recommendation.
4. The CSD would manage Park operations (roads, maintenance, water, recreation, etc.) and would own all common property. As has always been the case, the OFSRA (members of the Odd Fellows and Rebekahs) would retain ownership and full control of the timberland, Cedarbrook, and the caretaker's cabin.
5. The CSD would be a public agency, subject to the requirement that all meetings are open to the public serviced, and closed sessions could be held only in very limited circumstances (discussions with attorneys related to litigation, contract negotiation, or employment disputes). It would also be required to post an agenda before each meeting and allot time for public comment on agenda items, questions, or raising of policy issues and concerns.
6. A General Manager, employed by the CSD, would manage Park Operations with CSD Board oversight. The General Manager would coordinate efforts of the caretaker, outside contractors, and much-valued volunteer efforts in the park.

7. Next steps:

- The OFSRA Board supports formation of a CSD, and plans to take the issue to their shareholder members for a vote in September. If members approve, OFSRA will transfer ownership and control of facilities, common areas and equipment to the CSD.
- A detailed application package, including full survey of the Park, Business Plan, proposed CDS Policy and Procedures, and Interim Board of Directors must be provided to the County's Local Agency Formation Committee (LAFCO). The Ad Hoc Committee, with backing from OFSRA, is working with a local consultant experienced in developing this documentation; a survey and valuation of all Park common property will be underway soon.
- Ad Hoc Committee efforts in the meantime:
 - Review Policy and Procedures of neighboring CSD's and adapt as needed to develop proposed Sierra Park Policies and Procedures, including voting procedures
 - Review and comment on documents provided by consultant and OFSRA; request revisions as required
 - Provide OFSRA with any detailed information needed to support their shareholder membership vote
 - Establish an Interim Board of Directors
 - Serve as liaison between LAFCO, property owners and OFSRA to provide ongoing communication and progress updates
 - With help from homeowner Marianne Gennis, work to set up a website for posting of all communications to date, including the Town Hall Meeting presentation, and inviting homeowners to post questions/ comments. Watch for more info on this!
- LAFCO will review the application, and accept it as-is or ask for more information within 30 days. A more in-depth review, including provision for public comment, must be conducted within 90 days of acceptance.
- Once LAFCO accepts the application and the in-depth review is completed – assuming a successful outcome, all property owners within the Park will have the opportunity to vote on whether to accept or reject the formation of a CSD.
- This entire process will take at **least six months**.
- Assuming the vote is positive and LAFCO approves formation of the CSD, the Interim Board of Directors would move forward with the voting process to elect a formal CSD Board. This vote would occur within 90 days of the CSD's formation, allowing time for candidates to express their interest and provide position statements outlining their reasons for running. Again, all property owners would be eligible to vote – one vote per lot.
- The elected CSD Board would then be responsible for ongoing management decisions, including employee issues, financial decisions, meetings and communications, establishing assessment values and collection procedures, and any future adjustments to the proposed Policies and Procedures.

Meet Your Ad Hoc Committee!

We are a group of dedicated volunteers who want the Park to remain as it is in the day-to-day use of the property and the things we all enjoy. Our goal is to find a way to develop an administrative structure that can support the Park and fairly represent every property owner.

Michael Lechner, Committee Chair

As an energy conservation engineer, I have years of experience with the Public Utilities Commission – which is why I'm working to avoid their intervention in our Park! In my free time I am a golfer (sort of), hiker, tinkerer and overall fun-loving guy. My wife and I have co-owned our cabin with our extended family for only three years, but we all look forward to sharing the seasons in this wonderful Park for generations to come.

Larry Cowles

My wife Pat and I have owned a cabin on Abraham for about 10 years. We live near San Jose. We bought a cabin in Sierra Park for many reasons: tranquility, clean mountain air, the trees, a fun place for the kids, and the fact that the Park seemed like a very well-run organization that covered all of the essential tasks of running a Park in an efficient and low-cost manner. I joined the Ad Hoc Committee to help get the Park back to the way it was, the way I believe we all want it to be. I hope you'll join us.

Chris Kiriakou

My wife Linda and I have owned a "resort" on Miriam since 2002, and get there once or more each month. I worked in management of the Turlock Irrigation District until I started a consulting business providing executive level electric utility advice. Sierra Park is such a beautiful location it is a shame to have it marred by recent issues; we are involved to see peace and harmony restored. I believe this can be accomplished by creating a special district where the homeowners are represented and the Park operates in a fair and open way that they can all support.

Wanda Lenhardt

I have come to this Park ever since I was a kid. My grandfather was one of the founding members of the Park and my mother remembers coming up before any of the land was developed. I am on this committee because I wanted to understand what was happening and what our options really were. What we have in the Park is a gift, and I am working to protect it.

Andrea Miller

I am an attorney with particular expertise as a federal litigation specialist. During my career I have served on many boards as an independent director. I am currently a member of the Executive Committee of the Levi/Schwartz American Inn of Court and President of the United States District Court for the Eastern District of California. I am deeply interested in preserving Sierra Park services to assure that our "little slice of heaven" is kept intact.

Heidi Ordwein

My family and I have been coming to the Park for 26 years. Our girls were teenagers and now our grandchildren are teenagers. My husband and I built our retirement home on Abraham 12 years ago and became full time residents a year and a half ago when I retired from a management position in Employee Relations. I joined the Ad Hoc Committee to help find a viable operating structure that will meet the current needs of all property owners without losing the essence of our wonderful environment.

Pam Vieira

We have had a home in the park for 10 years. Our family has grown from only 1 grandchild then to now 5. We enjoy all the Park has to offer, beach, playground, fishing, etc. We are just an average family who wants the Park to stay the same. I want all homeowners to have a say. So far the new community services district has the promise of doing what we all want - I'm proud to be a part of it.

Watch for updates as we learn more. As always, your input is welcome!

IF YOU RECIVED THIS COMMUNICATION BY MAIL, HAVE AN EMAIL ADDRESS, AND WOULD BE WILLING TO RECEIVE FUTURE INFORMATION ELECTRONICALLY PLEASE LET US KNOW.

Send an email to tmlechner@earthlink.net. Please include name and home address so we can be sure to take your name off the mailing/printing list.

If you have questions please call Michael Lechner at 408-309-6015 (after 6:00PM).

Subject: RE: water rates

From: "Chauhan, Kassy@Waterboards" <Kassy.Chauhan@waterboards.ca.gov>

Date: 12/4/2014 4:30 PM

To: Fred Coleman <mtbunchfredann@gmail.com>

CC: "Barber, Christopher@Waterboards" <Christopher.Barber@waterboards.ca.gov>

Hi Fred! I am not sure what report that Michael Lechner is referring to when he indicates that CDPH noted that the fees charged are believed to be reasonable. You are correct that we typically do not get involved in rates or rate setting. We do encourage water systems to establish rates that support the operation and maintenance of the water system and along with that have a budget and a capital improvement plan. We do get involved with water rates if a water system is applying for funds that our agency administers because we have to establish that the rates are such that they are able to afford the funded project.

Please let me know if you have any further questions.

Thank you,

Kassy D. Chauhan, P.E
Merced District Engineer

-----Original Message-----

From: Fred Coleman [<mailto:mtbunchfredann@gmail.com>]

Sent: Thursday, December 04, 2014 11:59 AM

To: Chauhan, Kassy@Waterboards

Subject: water rates

Kassy:

Does your agency have anything to do with water rates. In a filing with the CPUC Michael Lechner, Vice President of the Sierra Park Water Company, said "When the Company applied for a temporary water permit the CDPH noted that the fees charged were believed to be reasonable and at times too low." If that is true, could you provide me with the data your department used to back up such comments on the rates. In his 2011 Report, Water Director Ron Hawke, reported that the rate was \$16.00 per month and that was the rate for years. This rate is quite reasonable for a system without a treatment plant, few breaks, and a gravity feed system without meters. When I inquired about rates in the past, I was told that your department did not deal with rate issues.

Thank you,

Fred Coleman