

**The Rancho Tehama Association (RTA) Board of Directors Special Meeting
Minutes
July 15, 2008**

President Easton called the meeting to order at 9:00 a.m. Quorum: Easton, McGee, Murray, and Schultz. The Pledge to the Flag followed.

Announcements: Sharon Easton announced the Recreation Hall is available as a Cooling Center on hot days during business hours. Sharon Easton requested a retraction from the Rattler on a mis-quote of her statement that Board members are not going to self-manage the association. President Easton also read a letter from attorney Bruce Inman of Inman-Thomas stating the current RTA Election Rules are not valid because they were not sent to the members, and because provisions in later cleanup legislation were not included. It also stated that the Board knows the 2008 election is flawed and will be in violation of the law if it does not stop the process now and set up a new election schedule after adopting a legal set of rules (attached).

Open Forum: Jerry Kohler announced that he is still a member of the Association, now living in Cottonwood. Bill Massey requested that the letter from RTA to him and Mr. Kohler (regarding culpability for the losses from the lighted marquee project) be rescinded with prejudice. Tammie Hay stated that she thinks that: 1)Code §7527 does not allow the Board to vote to stop the election process, but only can challenge the election after it has been held, 2)The Board is breaking an agreement that we would use the Rules from Resolution 04-06 in the election, 3)If this election is illegal, then the prior two elections were, 4)Resolution 04-06 provides that the President, alone, can modify the current Rules and this is what should happen, 5)Resolution 04-06 did not need to be published to the members if adopted prior to 7/1/06 because the California Rules were different at that time. Marcia Rouse cited Civil Code §1363.03 Election Rules and Procedures, §1363.03(i), and §1363.09 Remedies, and feels the Board must wait until after the ballot count to take action. Tom Gano (also a director candidate) agreed and felt that the election should continue. Mel McNeill stated that the ballots are in already, and so should be counted. President Easton stated that the Board has discussed all the issues and concluded 1)that it cannot continue the election without violating the law, and 2)that it is seated legally because no challenge was made to the last two elections within the nine-month period provided by Code §7527.

Unfinished Business:

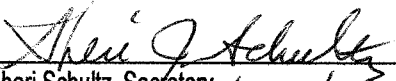
- Legality of 2008 Election:** Voted to cancel the current Board of Directors ballot and Election Procedures and conduct a new election of a slate of board members in accordance with all of the legal requirements of the Davis-Stirling Common Interest Development Act. (**McGee, motion seconded and passed unanimously**).
- Election Committee Procedures:** Voted to resolve to adopt the new Election Committee Procedures To Assist the Board in Conducting the Balloting Process, and that they shall supercede those internal procedures adopted with Resolution 04-06 (**Schultz, motion seconded and passed unanimously**).
- Election Policy:** Voted to resolve to adopt the Rancho Tehama Association's Election Policy as an operating rule for all the members (**Schultz, motion seconded and passed unanimously**). The resignation of the entire Election Committee membership was received by the Board (attached).

There being no further business, the open meeting adjourned to Executive Session at 9:30 AM; that meeting adjourned to 8:00 AM 7/18/08; that meeting adjourned to 9:00 AM 7/22/08; that meeting to 11:00 AM 7/25/08 and adjourned at 11:50 AM.

In executive session the Board

- Voted to record a release on a paid-up lien.

- Approved vacation requests from 2 employees.
- Approved an employee evaluation and merit raise.
- Approved instructions to the independent inspector about collecting ballots on the canceled election.
- Interviewed a management company.



Sheri Schultz, Secretary
Date Approved: 7/26/08

Date: 7/24/08
Date Corrected: _____