

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF MENDOCINO

NASH RANCH ROAD ASSOCIATION  
JOHN WILD, IND AND AS CHAIRMAN

CASE NO: 73038

Plaintiff

v.

WITHHELD

Defendant

PLAINTIFF'S STATEMENT AND MEMORANDUM OF LEGAL AUTHORITY

Plaintiff is a voluntary road association which maintains 13.5 miles of private roadway in Mendocino county, California providing parcel access for 97 owners.

Defendant is an owner of several parcels which can be accessed only by roads maintained by the Plaintiff.

Defendant has a residence on 1 parcel and harvested timber from 4 parcels in 1994.

Defendant paid annual road assessments for the years 1993 and 1994 but has not paid the 1995 annual assessment of \$325 or the 1994 Commercial Fee (for the transport of timber over Association Roads) of \$2465 (\$2660 less a partial payment of \$195) for a total unpaid balance for 1994 and 1995 of \$2790.

Plaintiff believes Section 845 of the California Civil Code applies when it states:

Section (a) "The owner of any easement in the nature of a private right-of-way, or any land to which any such easement is attached, shall maintain it in repair."

Section (b) pertains to a situation in which there is an agreement entered into by the parties concerning maintenance. As there is no agreement between the parties in this case, the section does not apply.

Exhibit 1

Section (c) states "In the absence of an agreement, the cost shall be shared proportionately to the use made of the easement by each owner."

Section (c) also provides that "Any owner of the easement, or any owner of land to which the easement is attached, may apply to any court where the right-of-way is located and that has jurisdiction over the amount in controversy for the appointment of an impartial arbitrator to apportion the cost."

A copy of Section 845 is attached and marked "Exhibit 1.1".

Plaintiff has not requested the appointment of an arbitrator because it believes this court is well qualified to judge the merits of this case and that the appointment of an arbitrator would be an unnecessary expense. If Defendant requests the appointment of an arbitrator, Plaintiff believes the costs of the arbitrator should be borne entirely by the Defendant.

Plaintiff requests Judgment for the unpaid 1995 annual assessment of \$325 and unpaid 1994 Commercial Fee (timber harvest) of \$2465 for a total of \$2790.

November 3, 1995

Respectfully submitted

NASH RANCH ROAD ASSOCIATION  
John Wild, Ind and as Chairman

**§ 845. Maintenance of right of way; Sharing of costs by co-owners**

(a) The owner of any easement in the nature of a private right-of-way, or of any land to which any such easement is attached, shall maintain it in repair.

(b) If the easement is owned by more than one person, or is attached to parcels of land under different ownership, the cost of maintaining it in repair shall be shared by each owner of the easement or the owners of the parcels of land, as the case may be, pursuant to the terms of any agreement entered into by the parties for that purpose. If any owner who is a party to the agreement refuses to perform or fails after demand in writing to pay the owner's proportion of the cost, an action for specific performance or contribution may be brought against that owner in a court of competent jurisdiction by the other owners, either jointly or severally.

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(c) In the absence of an agreement, the cost shall be shared proportionately to the use made of the easement by each owner.

Any owner of the easement, or any owner of land to which the easement is attached, may apply to any court where the right-of-way is located and that has jurisdiction over the amount in controversy for the appointment of an impartial arbitrator to apportion the cost. The application may be made before, during, or after performance of the maintenance work. If the arbitration award is not accepted by all of the owners, the court may enter a judgment determining the proportionate liability of each owner. The judgment may be enforced as a money judgment by any party against any other party to the action.

*(d) In the event that snow removal is not required under subdivision (a) or under any independent contractual or statutory duty, an agreement entered into pursuant to subdivision (b) to maintain the easement in repair shall be construed to include snow removal within the maintenance obligations of the agreement if all of the following exist:*

- (1) Snow removal is not expressly precluded by the terms of the agreement.*
- (2) Snow removal is necessary to provide access to the properties served by the easement.*
- (3) Snow removal is approved in advance by the property owners or their elected representatives in the same manner as provided by the agreement for repairs to the easement.*

(e) The provisions of this section do not apply to rights-of-way held or used by railroad common carriers subject to the jurisdiction of the Public Utilities Commission.

Amended Stats 1993 ch 196 § 1 (SB 370).

**Amendments:**

1993 Amendment: (1) Added subd (d); and (2) redesignated former subd (d) to be subd (e).

**Collateral References:**

Cal Trial Handbook 3d § 8:3.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF MENDOCINO

NASH RANCH ROAD ASSOCIATION  
JOHN WILD, IND AND AS CHAIRMAN

CASE NO: 73038

Plaintiff

v.

WITH HELD

Defendant

~~PLAINTIFF'S STATEMENT CONCERNING HISTORY AND POLICIES~~

The 13.5 mile Nash Ranch road system historically has been maintained by Wilbur Nash who moved to the Anderson Valley in the mid '30's. The Nash family subdivided the ranch into parcels in the mid '60's, and Wilbur Nash maintained the road system until January 1, 1993. There has never been an agreement among the owners concerning maintenance of the roads.

A map of the Road System is attached. (Exhibit 2.1)

*RT map + explain*  
The first 1.5 mile section of the road is used by 50 owners of parcels located on the Nash Ranch, and also by 47 owners of parcels located on Clow Ridge Road. The remaining 12 mile section is used only by the Nash Ranch Owners. Although both sections are maintained by the Road Association, there are 2 distinct sets of owners, one for the first 1.5 miles and one for the remaining 12 miles.

On August 8, 1992 Wilbur and Eleanor Nash announced they would not be responsible for road maintenance after January 1, 1993. (Exhibit 2.2)

A Steering Committee composed of Nash Ranch and Clow Ridge owners was formed and on January 14, 1993 it sent out a proposal to form a Road Association to all of the owners of property served by the road system. (Exhibit 2.3). The proposal included a sample statement and a ballot requesting approval or disapproval.

Exhibit 2

On February 12, 1993 the Steering Committee advised the owners that the proposal to form a Road Association had been overwhelmingly indorsed by Nash Ranch Owners but not Clow Ridge Owners and that an Association would be formed of Nash Ranch Owners only but that Clow Ridge Owners would pay for use of the Lower Road on the same Use Fee basis that the Nash Ranch Owners pay. (Exhibit 2.4).

1055-98  
AmE  
into  
discussions

On April 12, 1993 the Steering Committee answered a series of questions from the owners, one of which was "Logging trucks can cause major wear and tear to the roads. How does the Association plan to obtain compensation?" (see attached Exhibit 2.5). The answer was that the Committee was studying what other road associations charge and would propose a formula.

The By Laws of the Association were approved by mail ballot, effective December 1, 1993. (see attached Exhibit 2.6).

Nash Ranch Association Winter Newsletter was distributed in the winter of 1994. (see attached, Exhibit 2.7). It included a paragraph entitled Commercial Use which stated the Board of Directors had decided that a logging fee of \$1 per 1000 bd ft per mile was appropriate.

Nash Ranch Association Summer 1994 Newsletter was distributed prior to the Association Annual Meeting, August 13, 1994. (see attached, Exhibit 2.8).

Minutes of the August 13, 1994 Annual Meeting indicate that although a quorum was not present, the Commercial Fee was discussed and "The majority of the members present indicated support for the Board decision." (see attached, Exhibit 2.9).

1995 Statements were distributed on March 13, 1995, along with a letter of the same date addressed to the Nash Ranch Road Association Property Owners. (see attached, Exhibit 2.10).

Letter of July 1, 1995 announced the Annual Meeting on August 5, 1995. (see attached, Exhibit 2.11). A quorum was not present, no business was transacted and no minutes were prepared.

Road Maintenance Funding Policy dated July 1, 1995 (see attached, Exhibit 2.12). It summarizes Association policies relating to income and expenses.

The Road Maintenance Funding Policy provides for a "Base" fee and a "Use" fee.

The Base Fee is consistent with conventional utility concepts, in which a base fee covers the cost of bringing the service to the property, in this case the maintenance of a minimum level road system, and expenses which should be shared equally such as mailing, printing and other administrative expenses, insurance, and certain capital expenses which are of equal value to all owners.

This is the way PG & E, Pac Bell, water and gas companies all price their services. In this case the Base fee was stated to be payable "whether there is in fact a residence on the parcel or whether the parcel is used frequently, occasionally or not at all." The base fee is intended to cover costs which should be shared equally, such as major capital expenses, major culvert replacement, insurance, postage, printing, and the maintenance of a "minimum level" road to each parcel sufficient to provide fire and emergency access.

The Use Fee covers payment for services provided. It is based on the number of miles of Association Maintained Roads utilized and it provides for one level of per mile payment if the parcel is occupied "part time" and payment at a higher per mile level if the parcel is occupied "full time". If a parcel is not occupied at all during the year no Use Fee is charged.

Plaintiff believes the Base fee plus Use fee procedure complies with the controlling California Statute (Civil Code section 845, wherein it states "The owner of any easement ...shall maintain it in repair" and "the cost shall be shared proportionately to the use made of the easement by each owner." It is also consistent with Healy v. Onstott, 237 Cal. Rptr. 540, which although decided on other grounds states "Obviously, a property owner may be asked to contribute only to the maintenance of that segment of the right of way lying between his driveway and the public road. Also, a distinction must be made between a parcel having an occupied residence and one which is unimproved, although we are not prepared to say that the owner of the latter should escape all contribution as his property is obviously benefitted by the maintenance of the common easement." We feel the Association's Fee structure fits precisely the comments of the Court in Healy v. Onstott.

Accounts for the 2 portions of the roads are kept separate. Revenue from assessments on the 1.5 mile portion is used exclusively to maintain the 1.5 mile segment, revenue from the 12 mile segment is used exclusively to maintain the 12 mile segment.

November 3, 1995

Respectfully Submitted

NASH RANCH ROAD ASSOCIATION  
John Wild, Ind and Chairman

**The Annual Base and Use Fee structure for 93-94-95 was:**

|                               | '93       | '94       | '95       |
|-------------------------------|-----------|-----------|-----------|
| Base Fee:                     | \$50      | \$150     | \$100     |
| Use Fee:                      |           |           |           |
| Lower Road (first 1.5 miles): |           |           |           |
| Full time                     | \$50/mile | \$30/mile | \$50/mile |
| Part time                     | \$40/mile | \$20/mile | \$40/mile |
| Upper Road (12.0 miles):      |           |           |           |
| Full time                     | \$50/mile | \$60/mile | \$60/mile |
| Part time                     | \$40/mile | \$40/mile | \$40/mile |

**Commercial Fee Structure:**

Timber Harvesting: \$1 per 1000 bd feet harvested per mile

Rental Property: Use Fee only, no Base Fee.

Cottage Industry: \$100 per mile, or as negotiated

**'93-'94-'95 Revenue**

|          | Annual Assessments | Commercial Fees<br>Timber | Cottage | Rental      | Total Revenue     |
|----------|--------------------|---------------------------|---------|-------------|-------------------|
| Lower Rd | \$15073.00         | \$2393.18                 | \$100   | \$83        | \$17649.18        |
| Upper Rd | <u>\$25520.00</u>  | <u>\$2157.70</u>          |         | <u>\$76</u> | <u>\$27753.70</u> |
| Total    | \$40593.00         | \$4550.88                 | \$100   | \$159       | \$45402.88        |

**'93-'94-'95 Expenses**

|            |                   |            |
|------------|-------------------|------------|
| Lower Road | \$13497.67        |            |
| Upper Road | <u>\$21229.37</u> |            |
| Total      |                   | \$34727.04 |

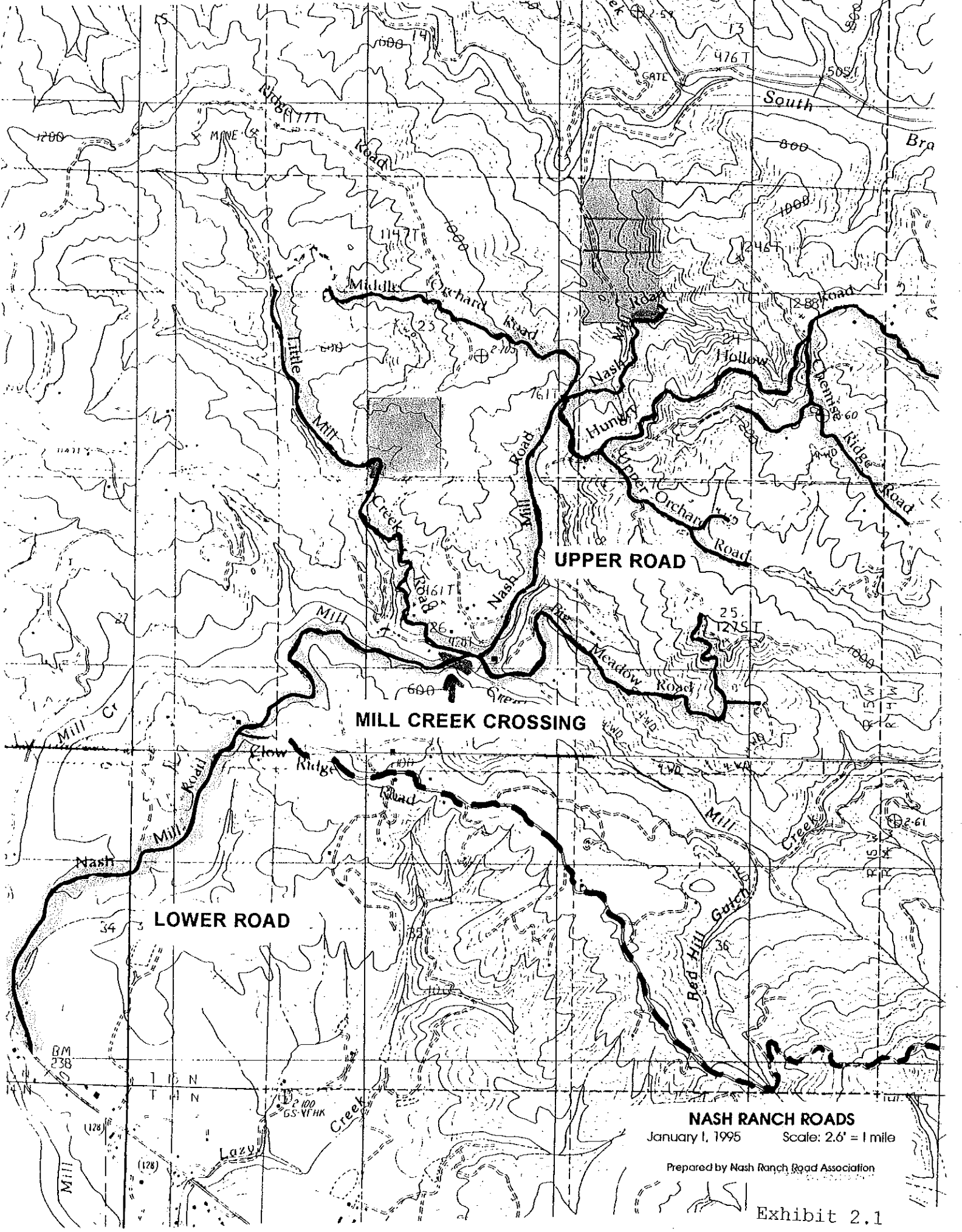
**Reserves for Contingencies**

|                                       |               |
|---------------------------------------|---------------|
| Insurance (due Jan 1 1996)            | \$2000        |
| Capital Reserve (Mill Creek Crossing) | \$3000        |
| Contingency Reserve                   | <u>\$2000</u> |
| Total Reserve                         | \$7000        |

**Currently available for Fall Maintenance**

\$3675.84 (October 1, 1995)





**NASH RANCH ROADS**

January 1, 1995 Scale: 2.6' = 1 mile

Prepared by Nash Ranch Road Association

Exhibit 2.1

JUN 20, 1992

DEAR PROPERTY OWNERS:

THERE WILL BE A MEETING TO DISCUSS THE  
FUTURE OF NASH MILL ROAD IN BOONVILLE AT THE  
LIVE OAK BUILDING WHICH IS LOCATED ACROSS THE  
STREET FROM THE MENDOCINO COUNTY APPLE FAIR  
OFFICE. IT WILL BE HELD ON SATURDAY, AUGUST 8,  
1992, AT 2 O'CLOCK IN THE AFTERNOON.

AS A PROPERTY OWNER ON NASH MILL ROAD IT IS  
VERY IMPORTANT THAT YOU ATTEND.  
WE HOPE TO SEE YOU THERE!

SINCERELY,

WILBUR & ELEANOR NASH

*Wilbur & Eleanor Nash*

# NASH RANCH ROAD ASSOCIATION

P. O. Box 400  
Philo, Ca 95466

January 14, 1993

Dear Nash Ranch and Clow Ridge Road Property Owners:

On August 8, 1992 Eleanor Nash announced that she and Wilbur could no longer be responsible for the maintenance of Nash Mill Road. Enclosed is a memorandum prepared by the Steering Committee appointed by the Owners of Nash Ranch and Clow Ridge property to design a program by which the Owners could assume responsibility for the maintenance of Nash Mill Road.

Although it would be preferable to call a meeting and discuss the attached material, it is the collective opinion of the Committee that since there are over 100 ownerships and many live far away we felt it best to submit this proposal by mail and save every owner the inconvenience of a meeting if possible. We have therefore prepared the enclosed memorandum, ballot, and a preliminary statement showing your share of road maintenance costs for 1993 calculated in accordance with the proposal in the memorandum.

It is urgent that this be resolved by early spring so that the roads can be graded while it is still damp from the winter rains. Please return the enclosed ballot by February 1. If a majority of the landowners agree we will implement the proposal and send out final assessments for the 1993 year. If a majority disagree we will call a meeting for Saturday, February 20, 1993 in Boonville. Any ballots not returned will be assumed to be yes votes.

We apologize for the length of the memorandum, but there seems to be no way to explain the proposal without going into at least some detail. Over 100 hours have been contributed to this effort by members of the Steering Committee and we are confident that our proposal is both workable and cost effective. We hope you will agree.

Yours very truly

THE STEERING COMMITTEE

Exhibit 2.3

# NASH RANCH ROAD ASSOCIATION

Jan 14, 1993

TO: NASH MILL ROAD OWNERS AND USERS

FROM: THE STEERING COMMITTEE

On August 8, 1992, Eleanor Nash announced at a meeting in Boonville that Wilbur could no longer maintain Nash Mill Road and that as of Jan 1, 1993 the users of the road would have to assume responsibility for its maintenance.

A Steering Committee was formed, composed of a cross section of the road users; full time residents, part time users, and Clow Ridge Road owners and it was charged with the responsibility of developing a program for maintaining the roads. The Committee has met a number of times and the members have spent several months studying the roads in detail, discussing them with potential contractors, and reviewing other road maintenance arrangements including the obtaining of advice from a Mendocino County road advisor who advises road associations such as our own. We are now proposing a road plan that we believe will be both fair and as inexpensive as possible and at the same time will provide reasonable service to the owners.

A brief description of the plan follows. Additional information can be provided if you so desire by contacting one of the committee members.

## ORGANIZATION

For liability protection of the owners and for continuity in years to come we feel a Non Profit California Corporation should be formed under the name of Nash Ranch Road Association. The Association would be managed by it's Officers under the supervision of its Board of Directors and ultimately it's members. All owners of parcels on Nash ranch and Clow Ridge Road owners who use Nash Mill Road for access would be members of the association. The necessary documentation to set up the corporation can be prepared at no cost by members of the committee. The one time fees charged by the state would be approximately \$350. Liability insurance for the Association, it's Officers and it's members is not expected to exceed \$500 annually.

## ROADS TO BE MAINTAINED

The enclosed map shows the roads to be maintained and is color coded to show the maintenance levels of the various segments. In general terms Nash Mill Road (shown in red on the map) would be graded twice each year and be given the highest priority for rock.

Clow Ridge owners would share only in the maintenance of the 1 1/2 miles of Nash Mill Road between 128 and Clow Ridge Road and the Association would have no responsibility for the maintenance of Clow Ridge Road

Owners of Nash Ranch property would fund the maintenance of certain ranch roads (Nash Mill and others) beyond the Clow Ridge intersection. These are shown in green (secondary roads) which would be graded once each year and would have rock as funds are available, and in blue (tertiary roads) which would have the current level of maintenance.

Any owner of land outside the boundary of Nash Ranch who uses the ranch roads will be expected to make Use Fee (as defined in the next paragraph) payments to the Association on the same basis as the members of the Association.

### SHARING COST

Costs should be shared fairly - but not equally. The formula which we feel best meets the test of fairness is:

A Base Fee of \$50.00. The owner of each parcel should contribute to the maintenance of the roads irrespective of whether there is in fact a residence on the parcel or whether the parcel is used frequently, occasionally or not at all. We feel a base fee is justified by the fact that a maintained road is necessary to support property values and to provide access in the event of fire.

A Use Fee. This is an additional fee that would be due from each parcel owner who actually 'uses' a parcel and would be levied on the basis of the parcel's use and "distance from Highway 128" as follows.

Full Time residents: \$5 per 1/10 mile from 128 to the parcel's driveway (or the Clow Ridge intersection in the case of Clow Ridge Owners).

Part Time residents or users: \$4 per 1/10 mile from 128 to the parcel driveway (or the Clow Ridge intersection in the case of Clow Ridge Owners).

These fees result in assessments between \$110 for part time residents on Clow Ridge Road (\$50 + \$4 x 15 tenths of a mile) to \$300 for a full time Nash Ranch resident whose parcel is 5 miles from 128 (\$50 + \$5 x 50 tenths of a mile). Both Nash Ranch and Clow Ridge users are charged the same for maintenance from 128 to Clow Ridge Road, and we have noted that when this charge is added to the regular Clow Ridge assessment paid by Clow Ridge owners the total road maintenance cost to Clow Ridge users and to Nash Ranch users is essentially the same for parcels the same distance from 128.

Both of the above fees are intended to be for the year 1993. Assuming each owner contributes in accordance with the suggested fee schedule we believe sufficient funds will be available to maintain the roads during the year and to also begin a few longer term improvements which may reduce costs in the future. The anticipated 1993 revenue, assuming everyone pays and pays the full amount would be approximately \$13,000. The cost estimates we have received indicate this amount will be sufficient for this year. Assessments for future years would be as decided by the Members of the Association through their Officers and Directors.

We recognize that some owners cannot afford road maintenance fees at the rates we have proposed. We think of this effort as a cooperative project of all the owners and that we all accept that there will have to be exceptions in some instances and that the Board Of Directors of the Association would have the authority to modify assessments as necessary. The fact remains however that ultimately the only source of funding for road maintenance will have to come from the owners and any owner that refuses to pay will raise the cost to the owners who do participate. We make no recommendation regarding what action should be taken, if any, in the event an owner refuses to participate. That decision should also be made by the Board of Directors and ultimately by the members of the Association.

#### FUNDING

Mr. and Mrs Nash recently billed the owners for road maintenance for 1992 and we encourage each owner who has not done so to make payment to the Nashes as soon as possible. Unfortunately the new road association will have to bill at the beginning of each year and this will result in an additional payment early in '93. We know of no way to avoid this result. Enclosed with this package of material is a Statement showing the committee's calculation of the addressee's Road Assessment utilizing the formula outlined above. In making the calculations we have made several assumptions that may or may not be correct. We have used our best information to determine whether the addressee is a full time resident or a part time user or resident, but if we are in error please correct it. We have used the Assessor's Parcel Numbers to determine the number of parcels owned and although accurate, this may indicate more separate parcels than is intended. If so, please make the necessary changes.

We have shown distance in 1/10 miles, and the distance figures have been calculated for all parcels using the same automobile odometer. Accuracy of the odometer is not guaranteed but by using the same odometer for all measurements we feel we are as accurate as we can be without going to the considerable expense of having the roads surveyed. If there is an error of more than 1/10 mile in the mileage given to your driveway, feel free to check with Diane Paget who did the mapping.

## ROCK

Rock is indispensable in maintaining the roads and it is also very expensive to purchase and transport. Our costs can be reduced considerably if we can locate acceptable rock on Nash Ranch or Clow Ridge Property which the owner would be willing to sell to the Association. We ask that each owner let us know if rock would be available.

## ROAD DAMAGES

Any owner damaging the roads beyond ordinary wear and tear will be expected to make or pay for the necessary repairs. In the case of logging, the Owner will be expected to negotiate an appropriate road payment on behalf of the Association.

## THE NEXT MOVE

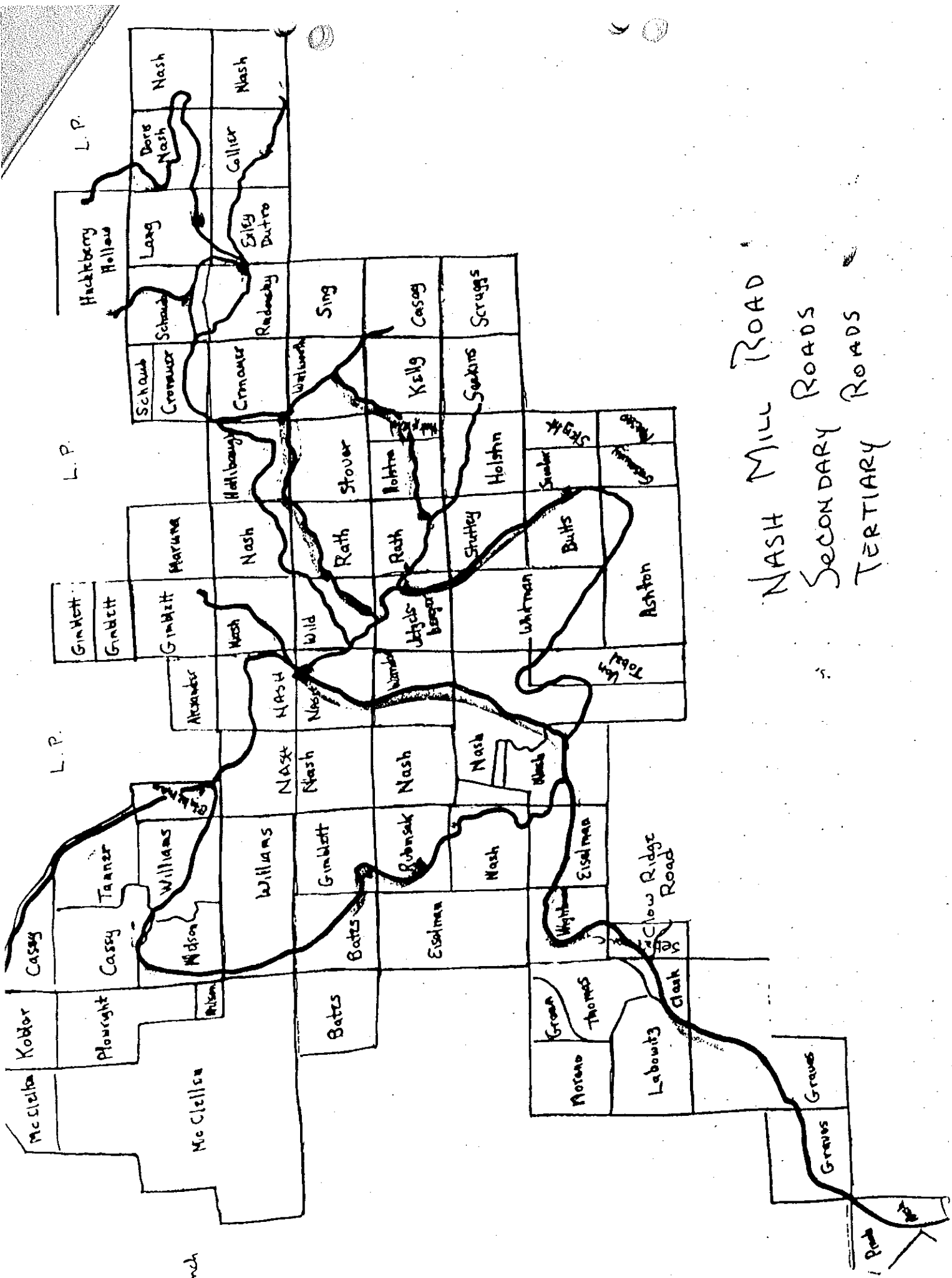
If convenient we would suggest that a meeting be called and that these matters be discussed. However in the interest of getting maintenance of the roads started as soon as possible we are suggesting that we move forward as the committee has proposed and that each owner indicate concurrence by returning the enclosed ballot. If a majority agree, we will proceed to qualify the Association as a Non-Profit California Corporation and engage the services of a contractor to commence work as soon as appropriate. We anticipate a meeting of the Association sometime during the summer of '93, possibly sooner, at which time the Association members can review the first months of operation, elect Directors and Officers and make plans for the future.

We earnestly request your cooperation by responding as soon as possible to this memorandum. If we are to have road maintenance we will have to do it ourselves. The committee has done its best to design a workable and relatively inexpensive program which we hope you will find satisfactory.

The committee member's addresses and telephone numbers are shown below and we encourage you to contact any of them for clarification of this memorandum or for any other purpose.

## THE STEERING COMMITTEE

Diane Casey, General Delivery, Philo, Ca 95466  
Doug Collier, 3141 La Playa Court, Lafayette, Ca 94549, Ph 510-932-2164  
Glenn Gassaway, P. O. Box 158, Philo, CA 95466  
Bill Hollibaugh, 513 Bodega, Petaluma, CA 94952  
Diane Paget, P. O. Box 223, Philo, Ca 95466, Ph 707-895-2966  
Earl Peterman, P. O. Box A, Philo, Ca 95466, Ph 707-895-3128 or 2283 (office)  
John Wild, 420 Castanya Ct., Danville, Ca 94526, Ph 707- 895-2866 or  
510-837-2824



NASH MILL ROAD  
 SECONDARY ROADS  
 TERTIARY ROADS

anch





# NASH RANCH ROAD ASSOCIATION

P. O. Box 400

Philo, Ca 95466

January 14, 1993

Parcel Numbers

(Preliminary)  
**STATEMENT**

## 1993 NASH RANCH ROAD ASSESSMENT

The Steering Committee of the proposed Nash Ranch Road Association believes the road assessment for the above Assessors Parcel numbers should be calculated as follows for 1993:

Base Fee: \_\_\_\_\_ Parcels @ \$50.00 each \_\_\_\_\_

Use Fee: \_\_\_\_\_ 1/10 miles @ \$5.00 per 1/10 mile \_\_\_\_\_

OR

\_\_\_\_\_ 1/10 miles @ \$4.00 per 1/10 mile \_\_\_\_\_

TOTAL \_\_\_\_\_

NASH RANCH ROAD ASSOCIATION

# BALLOT

\_\_\_\_\_ I agree with the Steering Committee's Proposal.

\_\_\_\_\_ I agree with the Steering Committee's Proposal but wish to make corrections in the particulars of my assessment.

\_\_\_\_\_ I disagree and want a meeting called to discuss it.

\_\_\_\_\_  
Signature of Owner

Please return this ballot to Nash Ranch Road Association, P. O. Box 400, Philo, Ca 95466, not later than February 1, 1993.

# NASH RANCH ROAD ASSOCIATION

P. O. Box 400  
Philo, CA 95466

February 12, 1993

DEAR NASH RANCH PROPERTY OWNERS:

The results of the proposal to form a Nash Ranch Road Association are in and the Steering Committee does not feel it necessary to call a meeting to discuss the matter at this time. There will be no meeting on February 20th. The proposal was overwhelmingly indorsed by the Nash Ranch Owners but was not as well received by the Clow Ridge Owners. This has resulted in a modification of the proposal as it relates to them.

A number of Clow Ridge Owners objected to their being included in an Association and particularly objected to the payment of a Base Fee, which many felt resulted in a greater burden being placed on them (on a per mile basis) than it placed on the Nash Ranch Owners. There is probably some merit in their complaint.

We have therefore decided to change the proposal in the following respects:

There will be no change for Nash Ranch Owners.

Clow Ridge Owners will not be a part of the Association, but will pay for the use of that portion of Nash Ranch Road between 128 and Clow Ridge Road (referred to hereinafter as Lower Nash Ranch Road) on the same Use Fee basis that the Nash Ranch Owners pay on that portion. Records will be kept separately for Lower Nash Ranch Road and for the roads that extend beyond Clow Ridge. As there are roughly twice as many users on the Lower Nash Ranch Road as on the remainder of the Nash Ranch roads we anticipate that in the future the per mile charges per owner on that portion of the road will be somewhat less than the per mile charges on the remainder of the roads. We are not suggesting any reduction in Use Fee charges on the Lower section of the road this year however because there is a major culvert repair on that section which will have to be made either this year or next and we hope to build up a small reserve in anticipation.

In spite of the overwhelming support for the proposal shown by the Nash Ranch Owners, this is not to say that every owner was completely satisfied. Several suggested that we had not gone far enough and that there should be some formal 'legal' requirement that each pay his or her fair share such as is apparently the case in Holmes Ranch and Rancho Navarro. Associations formed before property is sold (generally created by the developer of the property) frequently have a contractual right to enforce assessments because the property was sold subject to that right. That is not the case with Nash Ranch Road property and to get all owners to change their deeds to accommodate such a concept at this point we feel would

Exhibit 2.4

be virtually impossible.

Others simply felt the charges were too high considering their infrequent use of the property. This is an understandable concern, but one which is difficult to accommodate. We made an estimate of the cost of maintaining the roads and then tried to divide those costs equitably. The principal damage to our roads comes from the weather, not use, and whether an owner uses the property once a year or once a week, the maintenance cost is essentially the same. The costs are relatively fixed and the number of owners is fixed, so we really have very little room to adjust the fees.

This has been an extremely difficult year for the roads because of the rains. Several culverts were blocked and there were, and still are, some very hazardous spots. There are many places where bluffs have collapsed onto the road. The full time residents have done an outstanding job keeping the road passable and relatively safe. Some have been out on the roads in the rain with shovels directing water off to the sides to keep it from running down the middle and cutting deep ruts. Wilbur Nash, in spite of his desire to pass the road responsibility to others, has spent many hours on his loader replacing culverts and cleaning out ditches. All owners are indebted to those who have been voluntarily working on the roads.

Several Owners sent money with their ballots. We appreciate their early contributions. Enclosed herewith you will find a Statement showing what the Steering Committee feels to be your fair share of the road maintenance for 1993. The fees for 1994 will be set by the Officers and Directors of the Association who will be selected at a meeting of the Association members in the summer of 93.

We will appreciate your early attention to the enclosed statement so that we can start to work on the roads as soon as the rains stop.

THE STEERING COMMITTEE

# NASH RANCH ROAD ASSOCIATION

P. O. Box 400  
Philo, Ca 95466

February 13, 1993

## STATEMENT

### 1993 NASH RANCH ROAD ASSESSMENT

The Steering Committee of the proposed Nash Ranch Road Association believes the road assessment for the above Nash Ranch Owner should be calculated as follows for 1993:

Base Fee: \_\_\_\_\_ Parcels @ \$50.00 each \_\_\_\_\_

Use Fee: \_\_\_\_\_ 1/10 miles @ \$5.00 per 1/10 mile \_\_\_\_\_  
(Full time resident)

OR

\_\_\_\_\_ 1/10 miles @ \$4.00 per 1/10 mile \_\_\_\_\_  
(Part time user)

TOTAL \_\_\_\_\_

Please return the top portion of this Statement along with your check to Nash Ranch Road Association, P. O. Box 400, Philo, CA 95466. An envelope is enclosed for your convenience.