

Kahler Glen Community Association Board Meeting
16 July 2017 9 a.m. PDT KGAC meeting room

Board members present: Paula Robinson, Dwight Miller, Neil Taylor

Also present: Gary Marks, manager

Board members present by telephone: Nancy Miller, Sue Hennessy, Lynn Withrow (joined at 10 a.m.)

Several homeowners were also physically present, and three were signed in to the conference call.

Paula Robinson noted the presence of a quorum.

PRESIDENT'S REPORT

Paula summarized the Washington State pamphlet on fiduciary responsibility to the community. She announced this year's theme as "community first". She asked all members to affirm their intention to be "community first" and to declare conflicts of interest. No objection was heard.

Paula reported that there was a large response to the call for people to sign the community letter expressing concern about the logging project planned by Weyerhaeuser on Nason Ridge and nearby lands. Paula summarized the situation and said that the decision by the state is expected by 28 July. Action: Paula will send a final copy of the letter to the board.

ARCHITECTURE COMMITTEE

Julie Burrage reported for the Architecture Committee. Dwight Miller is also a member and Julie pointed out that the CC&Rs require three or more members. Action: Julie has some volunteers who she will contact. Julie listed the Architecture Committee priority list:

1. Fill committee vacancies
2. Find storage location of blueprints, color boards, etc sent to the committee
3. Review the process checklist given to Julie by John Killian.
4. Develop statement of scope and authority structure of the committee within the association, and acquire a current community roster
5. Transfer all archives of blueprints, landscape plans etc to digital format; acquire USB drives for storage
6. Develop a statement of mission and purpose, accompanied by an action plan to be presented to the board monthly
7. Encourage all community members to use reflective house numbers on their homes
8. Develop a checklist of materials on file
9. Organize the committee's historical data
10. Get information on the mailboxes maintained by the Architecture Committee.

Nancy Miller explained that of the three mail boxes on the four-box pad, the Athletic Club put in the pad and one mail box. The other two mail boxes were installed by the Community Association. The third mail box is near capacity and a fourth box will need to be installed in the foreseeable future.

Action: Paula asked that Gary Marks and Julie Burrage investigate the storage in the Maintenance Office. Gary confirmed that Architecture Committee materials have been stored there for several years. Paula pointed out that this is imperative, as one of the new homes is landscaping already and we have not received nor approved a landscaping plan.

Action: The board affirmed Julie Burrage's appointment as chair of the Architecture Committee. Action: Paula asked Sue to send her a current roster.

Michelle Perry asked the board to send her the paperwork that she needs to complete, as she currently has a landscaping project under way. Action: Julie will follow up.

Paula responded that the standards are on the website and that, since each project is different, the website is the place to start, and bring any questions directly to the Architecture Committee. Julie added that the standards were sent also sent out by Kathryn last spring.

Paula told Julie that she has the authority to use the roster and locate the plans. Paula said that John Killian said that the committee process of approval is completed when the approval is published in the KGCA minutes.

Sue Hennessy said that there are two more projects underway that need approval: Natapoc's roof, which will be done in September, and Greinauer's exterior painting. Julie has the materials for these applications.

Paula also stated that we need volunteers for the infrastructure committee and the noxious weeds subcommittee. Volunteers will be requested from the community. Action: Julie, under the landscaping portion of the Architecture Committee, took on the noxious weeds subcommittee. No objection was heard.

Action taken: Neil Taylor suggested Lynn Withrow as chair of the infrastructure committee, as she has relevant experience from previous board service. No objection was heard. (Later, Lynn agreed to chair.)

Sue endorsed the use of Julie's essential task list as a template regarding the need for charter, scope and action plan, with regular updates. Specifically, a road plan, follow-up on and continuation of the water project, and a septic plan were mentioned.

Mary Gallagher, community member, suggested that Kathryn be asked to continue as our noxious weeds resource for the landscape committee, and also that John Christianson be asked to become part of the infrastructure committee. Action: Paula said that she would contact John.

Mike Wandell, community member, stated that the law requires a reserve plan with regular updates, and that such a plan should be part of the infrastructure committee's responsibilities.

MINUTES

Linda Wandell asked about the posting of the minutes. Sue said that they were sent by email to the community on July 11.

Paula Robinson said that the board needs to approve the actions taken by the board at the special meeting following the annual meeting.

Dwight moved that the minutes of the May meeting be approved as distributed. Neil seconded. Motion passed unanimously.

Neil moved that the selection of officers done by the board at the special meeting be affirmed, namely, Paula Robinson, president; Neil Taylor, vice president; Sue Hennessy, communications; Nancy Miller, recording secretary. Dwight seconded. Motion passed unanimously.

FINANCIALS:

Dwight delivered the financial report for the month of June:

June Financial summary:

Total Reserves, savings and Cash:	\$189,206
Total adjusted revenue (less lot sale entry on P&L)	\$ 82,716
LESS Total adjusted expenses (less loan interest expense)	(\$ 69,169)
Total adjusted gross	\$ 13,547
LESS adjusted loan payments	(\$ 9,375)
Monthly positive cash flow	\$ 4171
Financial highlights:	
June: Sold heavy equipment on commission- net proceeds	\$ 42,400
Sold community owned lot- net proceeds	\$ 8,700

Dwight reported that the preliminary look at the audit indicates no major bookkeeping or financial issues. All payments were tracked back to invoices. The tax statements are fine. There were several comments on processes:

1. We have a single check signing authority; dual is recommended.
2. Meeting minutes provide more detail that required.
3. Reserve study update is needed, as the last one was done in 2012.
4. Policy standardization on when delinquent owners are contacted is needed.

Gary stated that because the principal of the loan has changed, the payment schedule needs to be reviewed; Dwight agreed.

Paula stated that we need to find out the financial implications of Gary's notice of lease termination.

Gary reported that the equipment sale was completed, that all the Cat equipment has been sold and we realized a greater return than anticipated.

Dwight announced that the budget will be presented next month.

Linda Wandell thanked the board for the excellent audit report. She suggested that the entire audit report should go out to the entire community, with information added about processes that we do have in place.

Linda thanked the board for all their hard work.

Gary assured Paula that the water meter installation still under way would be completed in less than a month.

Dwight Miller said that funds to Dept of Ecology and Dept of Health are available. Paula noted that our water project requires reporting and recording, and asked Gary if this was underway. Gary answered that it is.

Linda Wandell asked how much we had paid for water this year. Dwight answered that the water rights expenditure to date is \$238,294.37.

Gary Marks reported on capital projects.

1. He has requested a schedule from John Torrance for the completion of Well #5.
2. There is a sinkhole across from the Ostics that follows the water line and needs repair.
3. Two bids are expected for pond maintenance projects.
4. We need a Dept of Ecology license to do more intensive mosquito control. Gary stated that this is being pursued.

Gary stated that there has been road damage from heavy trucks coming into the area as part of building/landscaping projects.

Neil asked about reserves for roads. Dwight said that there will be reserves for this purpose in the upcoming budget. Gary added that we are postponing two significant patches until the Well #5 project is completed. Gary added that there will be lots of irrigation repairs.

Lynn Withrow joined the meeting.

Gary reported

1. Two new doors installed on maintenance sheds
2. Garbage continues to be a problem in that there are unauthorized users
3. The controls to the irrigation system need to be secured; when they are open, anyone can adjust the water pressure.
 - a. Julie and Mary Long emphasized that ample, reliable notice is needed.

Paula said that there will be a shutdown during well connection.

Drainage on Upper Miracle Mile was discussed.

Neil Taylor asked about mosquito spraying. Paula said that the golf course and the community association have enough materials to get through the current season. Community Association will be sending an employee to renew his chemical license.

RESTAURANT

Paula announced that we have received a letter announcing termination of the restaurant lease from Gary Marks, in accord with the lease provision. The last day of business will be 22 November 2017.

Action: Paula requested that within one week Gary give the community association a list of all the personal property that will be removed.

Animated discussion followed concerning the role of the restaurant in the community.

WEBSITE

Sue Hennessy explained the current problems concerning the website, and stated that the minutes cannot be posted because our current webhosting service no longer supports our web-building capability. May meeting minutes were posted to the website. Sue says that there are options:

1. Pay \$50-100 to talk to the current host about moving the website; this is the least expensive option
2. Pay \$1500-2000 to rebuild the website

COMMUNICATIONS MANAGEMENT

Paula pointed out that emails received are being forwarded to the appropriate person by Sue, and that the DNR letter received 50 responses in 48 hours, so communications are getting through. She pointed out that a process exists to handle items such as the escrow inquiries. Paula asked that if anyone answers an email or letter, that Sue be copied so that she knows it has been handled.

FIREWISE

Paula reported that this summer's Firewise project was only partially completed due to the death of the tree service owner and inability of his successors to follow up completely. The year's donations went to purchase a long-arm saw, which will be very useful in tree limbing. Our next project will start in the area between the Marcus and the Sullivan houses.

Mary Gallagher inquired about firewising the clubhouse. Gary said that removal of the gutters and cleaning the roof was planned.

IN response to Julie's inquiry, Paula replied that Firewise standards belong in the Architecture Committee's standards, but that nothing retroactive can be imposed. Julie pointed out that the standards speak to both maintenance and aesthetics. It was suggested that the community be reminded that free assessments are available and are strongly encouraged.

COMMUNITY

Paula reported that she has received complaints from residents who want their names shielded; the problems are

1. Renters are disruptive and the owners are not cooperative
2. Concern about future raising of dues and assessments
3. Inquiry about weed-whacking and general trimming cleanup on community property.

A resident stated that the renters are disruptive, speed dangerously, and do not observe the limit on number of individuals: all this erodes the quality of life of the community and is a persistent and repeated problem. Paula said that we will investigate advertising for Kahler Glen rentals, to be sure that none are advertising space beyond the allowance.

It was suggested that the Kahler Glen CCRs be altered to prohibit rentals in properties sold from this day forward, thus eventually closing the community to rentals.

Nancy said that Leavenworth has recently made short-term rentals illegal; also that Chiwawa River Pines has experience with a law suit over a similar issue.

A complaint was made concerning the continued dumping of materials at the entry to the Nason Ridge road. Complaint was received concerning noxious weeds. Paula will do walk-around.

A home-owner asked about the possibility of publicizing the names and amounts of those delinquent in dues, assessments, or meter installations. Action: Dwight will discuss the matter with the home-owner.

Julie Burrage reminded that the annual meeting had discussed bringing the CC&Rs into alignment with the county road closure and fire closure standards.

NEXT MEETING will be 19 August 2017 at 9 a.m. in the Athletic Club meeting room.

Community members exited.

The board adjourned to executive session at 11:19 a.m. in order to receive information from its attorney, and to discuss personnel matters.

During the executive session, Sue Hennessy departed.

During the executive session, Nancy Miller departed.

The board reconvened in open session at 12:45 p.m.

[In the absence of the recording secretary, further notes are based on information provided by Lynn Withrow and Paula Robinson.]

Action: During the executive session, Neil Taylor volunteered to oversee the manager with regard to job performance.

Paula announced that the meeting was adjourned. No objection was heard.

Respectfully submitted,
Nancy M. Miller, with assistance
Secretary, KGCA Board