Kahler Glen Community Association

Board Meeting Minutes

19 January 2013 – 11:00 a.m.

Kahler Glen Restaurant and by telephone

The meeting was **called to order** at11:00 a.m. by President Michael Wandell.

Board members also **present** were: Carol Billesbach, John Greiner, Nancy Miller, Carol Pierce, Dave Reynolds, and John Bennett as representative of Kahler Glen Resort.

Also present were Glenn Week, Tom Graham, Bud Wallgren, Joanne Lowry, and John Killian; Linda Wandell entered later.

Mike Wandell declared that a **quorum** was present.

**Minutes.** Nancy made copies of the December minutes available. Carol Pierce moved that the minutes be adopted as presented. Nancy Miller seconded. Motion passed unanimously.

**Communications Report** by Carol Pierce:

* A multitude of communications were received this month concerning the storm conditions, the recycling program, cross-country skiing at the Resort, and snow-plowing; copies of all were forwarded to the board.
* A second complaint was received regarding dogs on the resort property and unleashed; as this was a second complaint, Carol P consulted with Mike W and a $100 fine was imposed. John Killian spoke to the board regarding the issue of unleashed, off-property dogs. Mike W stated that the board has little discretion in this matter, similar to outdoor burning and fireworks rules. Glenn remarked on the intent of the covenants and the importance of on-site enforcement.

Jim Farmer entered the meeting by telephone.

**Treasurer’s Report** by Jim Farmer:

* Residents in arrears have paid $11,010 and $1500 more is expected. An e-mail will be sent to board members with details.
* During the next month, a lien will be placed on the property of the largest delinquent payer.
* Fidelity insurance information will be reported at the next meeting.
* In response to Mike W’s question, Jim informed us that Directors-&-Officers insurance currently covers each event to $1M, for a maximum coverage of $1M. Increasing coverage to $2M would cost $1950 and Jim recommended making this increase.

Jim Farmer moved to increase Directors-&-Officers’ insurance coverage from $1M to $2M. Dave Reynolds seconded the motion. In response to John G’s question, Mike W confirmed that the additional payment could be made from unbudgeted funds. The motion passed unanimously. Jim F will report on this matter at the next meeting.

* Cost of legal fees through December is $6108; Jim reported that this is below budget.

**Infrastructure Report** by John Greiner:

* **Architecture Committee**:
	+ Noxious weed letters will be sent out next month. Kathryn DeMeritt will be the point person for this issue. Messaging will be by e-mail, with e-mail and snail mail sent to owners of vacant lots. John B said that Kathryn DeMeritt will have identificatory pamphlets from the county available.
	+ John Killian raised a concern about dead trees on golf course property.
	+ In the next month, John G will touch base with the county building permits department to make sure that we are in the loop should a permit application be made.
* **First Responders**: the AED is operable and back in its box in the restaurant hallway.
* **Storm Water**: a spring walk-around will be scheduled to examine the condition of the ditches.
* **Septic Systems**:
	+ John Torrance will review the recently obtained Operations and Maintenance Manual.
	+ The septic will be over budget this year, but can use this information to make a more realistic budget line next year.
	+ Updated emergency telephone numbers have been posted on the septic alarm boxes.
	+ In response to Mike W’s question, John G affirmed that all hydrants are clear of snow and flagged.

John G deferred Domestic Water and Roads reports to others.

John Greiner conveyed Bud Olson’s resignation from the board for personal reasons to the board. The resignation was accepted. Mike W will write a thank you note to Bud for his years of service. Nancy M will take over Bud O’s assignment as ‘solid waste’ point person.

* **Recycling**: Nancy reported that, following several telephone contacts with Waste Management, issues from December concerning pickup seem to be resolved.
* **Chart of Accounts and Time-Tracking**: Glenn Week distributed a packet of copies of the daily work sheets of the employees and a summary sheet. He also stated that resort curb appeal needs to be improved, and that improvements are needed on the golf course.
	+ John Greiner explained the time-tracking and stated that the summary sheet can be related to the budget categories; he said that when KGCA’s payments change from fixed amount to time-and-material, that will be reflected in the documentation.
		- Glenn Week said that septic and dosing tanks need to be marked. Mike W asked John G to undertake this task.
		- Glenn noted that some households are using solid soaps, putting garbage (coffee grounds, grease) down the drain. Mike W stated that notices in the form of little signs about septic practices were sent out several years ago, and that they should be re-sent.

Joanne Lowry, a new homeowner, asked about the community’s communication process. Carol P answered that an addition for Ms. Lowry to the roster and mailing list would be created. Discussion followed on the possible existence of a ‘Welcome Newcomer’ packet in the condo association that might be adapted for use by KGCA. Carol B stated that septic instructions and handouts could be distributed at the annual meeting.

* **Septic, cont**. – Glenn stated that the inspection ports are overgrown and that the fields need to be identified. John Greiner noted that we now have an M-&-O manual and, after it is examined, will know if we need to be more proactive. John expressed concern about space for new systems, as space seemed limited when the new 5 lots were planned; Glenn stated that there is space in abundance.

Mike W said that examination of the septic m&o manual will be on next month’s agenda.

**Reserve Study Report** by Dave Reynolds: to set in context, this is an engineering study with actionable items.

* County drain field studies were helpful, in that they revealed that we have sufficient capacity.
* Pipes were reported in good condition, with exception of a stretch where the type of pipe is not known: Glenn informed us that the pipes in question are C900, which means that no immediate maintenance is needed.
* Reliability of water delivery is of highest concern.
	+ Glenn informed the board of the existence of a second well of potable water, which relieves much of the concern about water delivery.
	+ The possibility of system leaks will be addressed by state metering. Mike W reminded the board that method of paying for meter installment will be on the annual meeting agenda.
	+ Carol B has talked with Tumwater Drilling, who assured her that a new pump could be in place in 24 hours, should the current pump fail. Glenn Week assured the board that there is at least a week’s capacity of water in the towers.
* Various possibilities for chip-sealing the roads were discussed. Chip-sealing the surface would move KG beyond annual asphalt road-patching, and eventually result in financial savings.
* Dave Reynolds described the reserve account in the current budget, and estimated that we will need to put $50,000 per year into the reserves in order to be able to pay for the road project. Jim Farmer stated that $20,000 in current budget is not in place in the reserves.

Jim Farmer left the meeting, telephonically.

Dave Reynolds moved to pay John Torrance’s bill in full, from the reserve account; John Greiner seconded; motion passed unanimously.

**Infrastructure, cont**.:

* Glenn Week described the **condition of the roads** and recommended the following to protect their condition:
	+ Do not use loader on road shoulders (e.g., as snow mover)
	+ Prohibit heavy trucks during spring melt, and enforce prohibition with fines; garbage containers can be delivered by loader to the county road, and supplies can be brought in by pickup truck.
* Glenn assured the board that all Kahler Glen roads were built to county standards, with one stretch (driving range to ‘Y’) being at highway standards; he cited the compaction report, which is a public record, as confirmation of his information.

John Bennett asked Dave Reynolds if the new information concerning pipes, and the additional well, changed the Reserve Study projections. Dave replied that he had done only the financial portion of the report. Dave said that the reserve study should be reviewed every year, and examined by a professional every three years, in order to keep it current. Dave offered to explain the Reserve Study at the annual meeting; Mike W agreed. Discussion of the new information followed; Dave R asked if the board intended him to return to Torrance with the new information on pipes, wells; Mike W said that the information should be attached to the reserve study for the information of the board that reviews it at a later time.

Mike W instructed the secretary to make special note in the minutes of the new information learned: the new information was:

1. There is a second well of potable water, and
2. All the water system pipes are C900 except the reservoir pipe.

Glenn Week expressed concern about the septic system, specifying concerns over drying out, over pumps in the ground, over electrical stands hooked up but not in use. Dave Reynolds asked for documentation of these additional concerns.

**Old Business**:

* Mike W reported on the **Community Town Hall** meeting held on 29 Dec. 2012. He reported support for the process underway, with agreement to seek to own community rights, and willingness to consider paying a bit more to achieve agreement.
* **MOU Update**: Mike W reported ‘guarded optimism’ about the possibility of reaching agreement. They will consult an attorney about the structure of the agreement, which will be a contract specifying how the entities will interact, and how the covenants will need to be amended.
	+ Nancy asked if the issue over the CPI had been discussed or resolved; Mike W said, no, as that is part of the service contract.
* **Storm Post-Mortem**: Glenn Week reported on the community experience during the recent storms, including ‘closure of the resort’ and several residential and renter groups who refused to leave.
	+ Several complaints were received about **ice on the roads** during recent weeks. Glenn announced Resort plans to build **sand containment** areas near Upper Pelton Place and by the maintenance shed. John B asked if there would be dry sand; Glenn answered that the storage would not be covered. Sanding with the loader was described, as the sanding truck requires dry sand. Glenn assured the board that such use was efficient and not damaging to the loader.
	+ Glenn pointed out that there was no charge for **home inspections** during the storm.
	+ Dave shared his concern, not about cars unable to proceed on ice, but for two cars approaching on an iced curve or someone walking who takes a fall, and the resulting **liability**. Mike W said that he had contacted Glenn that “unsafe conditions” have to be tended to.
	+ Nancy said that the situation of the unusable sanding truck illustrates why the service contract should specify levels of service, but should not specify equipment (section 1g) that must be possessed (“. . . meet the required service levels with . . .”), as the current situation finds the Resort unable to use all the equipment required, while continuing to provide service. Mike said that the contract lists charges for use of various pieces of equipment; Nancy agreed, but suggests that the required equipment list levies superfluous requirements on a vendor.
	+ Glenn added that roads should be maintained for driving, sidewalks for walking.
* **‘Resort Model’** : Nancy asked John G about his memo to the board of 5 Jan 2013, stating “I think it is time for the Resort to gracefully bow out and let the KGCA secure services from outside vendors. It will mean major changes in how the KGCA operates and may in the short term be more expensive, but we
have matured to a point where we can not properly monitor our sophisticated infrastructure with volunteers.”
 John replied that he feels that a natural progression will lead the community to a ‘model change’, relying on a professional Manager for oversight rather than a volunteer board, that a new LLC business model could preclude providing community services, and that those changes would be more appropriate sooner rather than later.
* John G clarified that the property manager line in the budget of the CA is currently part of the service contract, but added that there are two lines in the budget concerning administration, and that duplication needs to be cleared up.
* Glenn Week added that the condition of the **resort groomer** is not a contractual concern, that the groomer is ‘dead’, that the state has agreed to groom Kahler Glen for the short term, and that there are no financial implications for KGCA.

**New Business**:

John Greiner suggested that an **emergency protocol** should be developed to be used in situations like the recent storm. What ‘closure of the resort’ means should be specified. John G suggested when county and P.U.D. crews are withdrawn, it would be appropriate for resort employees to also be sent home. Mike W added that owners and guests can be advised, but not required, to leave.

Joanne Lowry raised the issue of **communications**, citing a rental agency that provided her more information than KGCA, and expressing her desire for more guidance in the emergency situation. Carol Pierce responded that the association needs communications addresses, and that we don’t have that information until several weeks after property closing.

John Bennett added that the resort has a **lodging business**, and all its customers were notified. Owners who rent their properties on their own or through **other rental services** are in violation of the covenants re conduct of a private business. The resort has no way of communicating with those renters. Glenn Week added that other rental agencies don’t follow community rules, for instance, concerning **septic practices** (prohibit bleach, solid soap). Joanne Lowry stated that she had received no information concerning community regulations and practices. John B stated that seller and buyer were responsible for exchanging this information; the association could facilitate communication, but are not responsible. Glenn Week recommended that the association needs to get a better handle on the conduct of rental business within the community. Mike W expressed hesitation, but John B stated that welfare of the septic system was a clear community interest. Carol Pierce said that the association can deal only with the owners, not with the housekeeping companies. Carol Pierce mentioned that Esther Christian might have a copy of a **welcome packet** from earlier years. Nancy asked about the covenant forbidding **disposals**, because they impact the septic system; she suggested that a reminder be given to the community about disposal use. Glenn raised the issue of inadequate snow storage, and inappropriately placed plantings. A ‘welcome packet’ might be the solution to this problem; Joanne Lowry and Carol Pierce will work together on this.

The **next board meeting** will be scheduled for Feb 9, at 9 a.m., by teleconference.

The **annual meeting** will be scheduled for May 18, at the Lake Wenatchee Recreation Club, at 10 a.m.

Glenn Week asked if the summary sheet he provided was adequate report. Mike W said that it was, but that price fixe activities should be separated from hourly time-and-materials activities. Carol Pierce added that condo hours and private owner hours, and community association and condo association hours, should also be distinguished, which, John G answered, is done.

**Adjournment**: It was moved by Nancy and seconded by Carol B to adjourn; passed unanimously. The meeting adjourned at 1:50 p.m.

Respectfully submitted,

Nancy M. Miller

Secretary, KGCA