

Kahler Glen Community Association  
Board Meeting Minutes  
12 October 2014 – 8 a.m. – Teleconference

President Michael Wandell called the meeting to order at 8:15 a.m. Other board members present: Carol Pierce, Dwight Miller, Paul DeWees, Dave Thorbeck, Kathryn DeMeritt, and Brook Fritz (who joined at 8:25). Also present at the invitation of the Board was KGCA Manager Gary Marks.

Mike Wandell noted the presence of a quorum. Following is a summary of the agenda:

- Review & Approval of Minutes
  - Communications Report - Carol Pierce, KGCA Vice President
  - Treasurer's Report - Dwight Miller
  - Property Manager Report - Gary Marks
  - New Business
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A motion was made by Carol and seconded by Dave to approve the September 7 Board meeting minutes. The motion was approved unanimously.

**Communications Report (Carol Pierce) —**

Dave asked and Carol responded that no one requested the call-in number for the meeting.

Carol said an email was received suggesting the creation of walking trails around the Kahler Glen property. Carol said this is a nice suggestion that could be looked into later since the Board currently has much to do.

Carol said multiple emails were received in response to the letter regarding the water rights issues the Board sent to the community. Of particular concern by the Board were two letters stating bank loans had been withheld due to the banks' concern the community could lose its water rights and that HOA dues might be affected. Mike responded that he has called our water expert and the realtor to see if information could be provided that would alleviate the banks' concern. He added that his communications with our water expert and attorneys show the situation to be looking quite positive and that no one, including the Department of Ecology (DOE), has suggested we would lose our water rights. He expressed willingness to do whatever the Board could do to help, but said definitive information wouldn't be received for some time. Dave suggested we request a letter from our attorney stating we are not at risk of losing our water rights. Mike and Paul said they believed they heard we might be able to get something from our water expert and will pursue that.

An email was received asking what is being done about bears accessing the garbage. Gary responded that the new garbage dumpster is proving to be successful. The dumpster has been moved from the overflow parking lot to near Building E and CAST has cleaned up what they could, but they need ropes and gear to access the hillside. Gary said more space was allotted between garbage and recycle because the bears were climbing onto the recycle to get to the garbage. He added bears are still raiding the four smaller dumpsters on the front nine, and recommended ordering one of the large new dumpsters to replace them, putting it near the maintenance facility. He said this would also help solve issues garbage pickup has had accessing the smaller dumpsters in the wintertime. Mike voiced concern about the

safety of the community and guests if garbage is attracting bears. He suggested placing signage at the entrances warning people that our community is located in wild animal country. The Board agreed this was a good idea; Gary said he would talk to the community member who replaced another sign to see if he wanted to work on this. Paul said we could probably find the official warning about wild animals and post the standard language.

An email was received requesting community financial information from an outside person interested in purchasing property at Kahler Glen. Mike asked the Board what its policy was for providing financial information to outside entities. Dwight and Carol gave some examples of information provided by condo associations and charities. It was suggested to Mike to ask our attorney and he agreed since he is already talking to him.

A letter was received from a homeowner expressing concern about apparent conflicts between the restaurant and golf course leases. Mike suggested the discussion begin with the restaurant meeting held the day before. Kathryn provided a meeting overview and said the LLC representatives requested a new restaurant lease be drawn up. The Board discussed and decided not to do that. Dwight asked if a letter of agreement between the two parties might resolve this request. Mike agreed this might help and mentioned a "Working Together" agreement the LLC submitted regarding water issues. Carol expressed confidence that golfers' needs will be met and repeated the Board's earlier stated position that the respective managers should work on solutions.

Kathryn added the LLC representatives also voiced concerns about billing practices. Dwight said he already responded to requests for this information by providing copies of detailed transactions along with reconciliation of the data with observed work done and that the requestor appeared satisfied. Dwight said he told the requestor that further requests for detailed information that require Esther's time will need to be paid for by the requestor. Mike added that payment would be a pass-through to Esther. Dwight said he has reviewed CAST billing practices and sees no issues with what we're doing. Gary said that Esther, who does our invoicing, uses QuickBooks and that better software is available.

Carol ended the discussion by asking if there is an action plan. Mike said he would respond to the LLC regarding their "Working Together" agreement. Dave suggested Gary talk to Randy to see if adequate ProShop storage space can be found. Mike made a motion that the Board express its appreciation for the CAST crew and all the work they are doing. Dave seconded; the Board approved unanimously.

The final communication Carol received was an LLC request to post the investor newsletter on the KGCA website. It was pointed out the LLC has its own a website, and the Board agreed it would be more appropriate for the newsletter to be posted there. Paul said our website provides a link to the golf course website.

#### **Treasurer's Report (Dwight Miller) —**

Dwight said he sent out the September summary and that overall, we're doing fine. The clubhouse painting and unexpected legal fees have been paid out of cash reserves. For cash flow, Esther suggested we transfer money from reserves into our general fund, and Dwight made a motion to transfer \$15k. Mike asked to hold that motion until we discussed water rights issues. Mike asked about lien status and Dwight said we are up to date and may receive about \$13k when a property sale closes.

## **Property Managers Report (Gary Marks) —**

Gary said the irrigation system is scheduled to shut down around Oct. 21<sup>st</sup> but that metering requirements could delay that. The condo association has approved removal of the playground; the fence can be reused but the equipment is trash. The snack shack should be condemned; Randy tried to clean it and was sick for three days due to rodent infestation. Instead of replacing it, Gary's thought is to put up a sign and/or install a wireless ordering device connected to the deli. The 20 year-old frontend loader is a single-point failure; if it breaks down, we have nothing. Gary asked to work with Dwight to develop a financing plan to purchase a skid steer with sweeper, snow blower and brush cutter. The excavator could be used as trade-in toward the purchase. Gary said the CAST crew has been working really hard and he would like to award them each a \$500 bonus, he would like to provide Dez an insurance stipend similar to the one Mike (CAST employee) has, and he would like to give them a \$2/hr raise starting at the beginning of the year. Dwight said he needed to look at finances.

## **New Business —**

Mike brought up our current approach to the examination of community documents, which is to provide hard copies in the office. A community member with sight impairments requested electronic documents and questioned this approach. Mike asked the Board what reasons we have for denying electronic distribution. Discussion followed. Paul suggested there are two possible types of requests: one being for standard documents and the other being for specialty information, such as what might be requested from Esther. Dave said things like CCRs and monthly financial documents should be made available but he felt that items like leases should continue as before. Mike suggested we have three classifications of information: information available to the public, information available to the community, and information available to the Board. Paul made a motion that we provide access to standard documents electronically, with the caveat that they be in PDF with watermarks containing information about usage. Paul added that if someone wanted to access a restricted area, the Board could provide a time-limited password. Mike suggested Paul's motion be amended to say the Board will come up with a plan to provide access to restricted information on a case by case basis. Paul amended his motion to say the Board will provide a secure electronic location for standard documents with a single password that will be provided to the community and changed on a semi-annual basis or as needed, and a secure electronic location for restricted documents that individuals may request access to, granted on a case by case basis and with possible fees for time and materials. Kathryn seconded; the Board approved unanimously.

Paul said he and Mike had a conference call with our water expert and legal team and the avenue they suggest is to redefine our water system as a public water system. This would allow us to change the distribution of domestic water. They said that since outdoor water use for most properties is handled by the irrigation system, the allotment per home could be reduced to 150 gallons per day, which means well #5 could meet our needs. Issue now is whether DOE will allow us to conform to that or whether they will require additional metering to make that determination. Paul said we do need to meter the difference between irrigation and domestic water, and possibly the water from Nason Creek. Mike said a new permit must be negotiated with the Forest Service to account for unapproved uses, such as the road built two years ago to provide access to the wellhead.

Carol exited the meeting at 10:25.

Dwight expressed concern about the financial implications of all that has been discussed. Mike said we don't have much choice regarding regulatory compliance, and suggested holding a town hall meeting to present the water information/issues to the community and discuss the costs for this unplanned,

unbudgeted item. Paul said he could prepare a diagram that would help explain our water system. Dave said water compliance costs should be a separate line item from budgeted items.

Brook exited the meeting at 10:35.

Dates for the town hall were discussed. Mike moved that it be set for November 9th at 10 a.m. in the Kahler Glen conference center. Dave seconded; the Board approved unanimously. Mike suggested the next Board meeting be held prior to the town hall meeting at 8 a.m. (same place).

The next item discussed was a request received from a lot owner to adjust his boundary lines in order to avoid conflict between the lot and community water lines. The lot size would not increase. Mike asked the Board for approval so the owner could make good use of the lot. Dave moved to approve the shift in location subject to seeing where the new boundary lines would be. Mike asked if Dave would be willing to make that decision; Dave agreed. Mike moved that Dave be empowered to approve the boundary line adjustment. Dave said he would send the Board an email description for comment prior to approval. Paul seconded; the Board approved unanimously.

Lastly, Dwight's motion to shift \$15k from reserves into our cash operational account was discussed. Mike seconded the motion; the Board approved unanimously.

Paul made a motion to adjourn. Dwight seconded; the Board approved unanimously. The meeting was adjourned at 10:55 a.m.

Respectfully submitted,  
Kathryn DeMeritt, Secretary  
Kahler Glen Community Association Board