

Edelweiss Maintenance Commission

Board Meeting Minutes

October 3, 2016

1. Call to Order: The meeting was called to order at 6:05 PM by President John Kirner. In attendance were John Kirner (Board President), Steve Ralph (Secretary), Chuck Armstrong (Treasurer), Kirk Schumacher, and Sern Watt. Also in attendance were Dick Volckmann (General Manager) and Craig Hook (Operations Manager).

Absent was board members Will Fohrell, Alan Fahnestock (Vice President), Josh Jankowski and Bill Craven.

Community Members also present: Karen Reneau, Pat Leigh (Member of the CC&R Committee), Mike Shirley.

2. Approval of minute: Minutes for the Annual Meeting (August 1, 2016) were approved by a voice vote.

3. President's Report: John Kirner discussed a few items including the ongoing neighbor to neighbor conflicts that have been reported earlier. The problem such as this is somewhat unprecedented in the history of Edelweiss. The background is that one individual in the community is engaging in harassing and irrational retaliatory behavior towards her neighbors, including frequent incidents of speeding while driving through Edelweiss roads. Neighbors have come to the Board for assistance in getting this situation under control, if not fully resolved. To further discussion, many of the residents came together and drafted a letter to the individual in hopes of opening up a discussion to help resolve any outstanding concerns or issues with their one unhappy neighbor.

In other news, we have finished the paving project at the entrance to the community, although one board member questioned why all of the areas prepped were not paved. Dick will review the original scope and discuss with the contractor. *{After the meeting, Dick did speak with the contractor ...the paving issue was simply a misunderstanding, i.e. the contractor didn't understand that we wanted the small extension up Highland Rd done as well, and we didn't explicitly spell it out in the bid materials. We'll address the addition in the spring when the asphalt plant opens again.}*

We've completed a number of large infrastructure projects in the past few years, and we need to be cognizant of how it plays with the community and make sure everything is in alignment with our financial conditions.

4. Treasurer's Report: Treasurer, Chuck Armstrong provided an overview of the current profit and loss statement and balance sheet (copies were handed out and will be posted on the website). Chuck took a look at other HOA's and how their treasurers handle their finances with regards to reserve accounts. He did some research into the Homeowner RCW's for major infrastructure and the legal requirements for Reserve Accounts and Study is found in RCW 64.38.070; the corresponding rules for Study Requirements can be found in RCW 64.38.075. Both of these are available on line.

One concern Chuck has is that our potential cost if something large goes wrong with the community water system that would require unanticipated and expensive repairs at some point in the future. He recommends that we establish a reserve contingency fund to accommodate such circumstance. Our current reserves of ~ \$16K might not be quite enough to pay for such water system contingencies.

The Board had discussion about many of the potential problems with the water system, and what it might cost to resolve them. Some additional discussion about fees charged and expenses incurred, without a special assessment or an increase in dues, outside the basic utility services. We have had a water engineering firm under contract but they are not currently doing a critical examination of the state of our water system so we can better assess where our liabilities are in terms of failure of key pieces of the water supply infrastructure. John and Dick will discuss this with Will Fohrell, who had been tracking the contract with Erlandsen Engineering. All agreed that we need to be clear on what questions we want the Engineering firm to focus on in terms of doing a risk assessment. This topic will be discussed at the next board meeting; with Will and others to open discussions with Erlingson Engineering.

Karen R. asked if we still need the Long Range Planning Committee to exist – given that they could continue to renew an examination of water system improvements, the paving of the road, etc. The Board did not reply directly and will need to discuss this at a future meeting.

Karen also asked that the financial statements also include a column to show the current budgeted amount next to costs to allow ease of comparison with expenditures. Chuck said he will take her suggestion under advisement.

5. General Manager's Report: Dick Volckmann handed out his report (distributed electronically) including discussion of:

- The new pool – is being winterized now; as a preemptive measure to prevent ice damage to the pool lining, we will need to float something in the pool to take pressure off ice expansion (i.e. perhaps floating logs or plastic pipes). The pool construction contractor, KrisCo will be asked to give us some guidance so that we know we're doing what is appropriate to protect the integrity of the inside of the pool.
- Pool assessments – we've received \$205K so far, with only three community members now behind in their payments. These three people who will receive lien notices on their properties tomorrow to urge them to pay their fair share of outstanding community services and annual fees. Repayments to the septic system fund will begin on schedule early next year.
- Road repairs and paving accomplished – A new 36 inch culvert has been installed on Highland Meadows Road near Cassal Creek to resolve the damaged culvert from spring melt off.
- Paving – is all done (Omak Paving) – John brought up the need to protect the pavement from the impacts of plowing and snow blowing this coming winter. Palm will outfeed some gravel on the side of the road to prevent such impacts.
- Road System finances – discussed above
- Water meter reading (future) – water meters are all in place and will expect to begin reading them this next spring. There was some discussion about how homeowners might access that data to better understand their water consumption.
- Cow incursions – We have had some unwanted cow incursions this summer. Dick contacts the rancher when he sees or hears of cows in the community. Please do call Dick if you see one. Trees that fall down on the fence have been a particular problem this summer. Dick is investigating an upgrade of portions of the nearly 3 miles of fence that we have to maintain. Open range laws deeply embedded in the State constitution make it the responsibility of the community to maintain fences to exclude cattle, i.e. it is not the responsibility of the rancher who actually owns the cattle to keep them off of private property. Dick is in contact with a fencing company to see if there isn't something that can be upgraded to help mitigate this.
- Bear sightings – there's been some but the problem should resolve itself in the coming weeks with the onset of winter.

6. Discussion topics:

Is there a role for the Board in defining and adjudicating situations related to the ‘nuisance’ clause in the CC&Rs (John Kirner)?

The Board will write a letter to the offending party to inform them that we hear continuing reports about her behavior and wish to help resolve the conflicts. The Board is also continuing discussions with the County Sheriff.

Speed Enforcement - Chuck brought up the enforcement of speed limits and what we can do about it, for example. There are other communities that reach agreement with the County Sheriff to enforce the speed limit. John and Dick will explore the idea of entering into a memorandum of agreement with the County Sheriff to get more active enforcement of the 15 mph speed limit on Edelweiss Roads. Chuck stated that the state statute regarding speed control on private roads can be found in RCW 46.61.419, available online.

7. New Business: No new business was offered. Budget discussions for 2017 will begin next meeting.

8. Next EMC Board meeting is scheduled for the evening of December 5 at 6 pm. All members are welcome to attend, but seating is limited.

9. Adjournment at 8:20 PM