

**Edelweiss Maintenance Commission**  
**Draft Minutes of Board Meeting on October 9, 2017**

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**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, Will Fohrell, Alan Fahnestock (Vice President), Chuck Timchalk (Secretary), Kirk Schumacher, Sern Watt, and Sara Knapp. Also in attendance were Dick Volckmann (General Manager) and Craig Hook (Operations Manager).

**Absent board members included:** Chuck Armstrong (Treasurer).

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**Review of minutes of last meeting:** C. Timchalk shared hard-copies of the minutes, there were no comments or changes and the minutes were approved as written.

**Request for consideration of establishing a community directory (Carol Ege – Community Member):** C. Ege would like to create a roster of the community phone number and emails for those who want to participate. C. Hook mentioned that we had a roster a number of years ago, but there was a loss of interest. C. Ege felt it would be useful for the community, when people wanted to communicate with neighbors, particularly if there is an issue. She noted that it would be particularly useful for new community members. C. Ege indicated that she would be willing to pull it together. J. Kirner ask if there were any serious concerns? There were none voiced by any board members. It was decided that D. Volckmann would send an email to the community as a means of connecting them with C. Ege.

**President's report:** J. Kirner provided a brief report to the board highlighting the key topics for board discussion. He suggested we move into the specifics.

**Treasurer's Report :** In C. Armstrong's absence D. Volckmann provided the Treasurer's report. The following is from C. Armstrong's written report:

The Balance Sheet, dated September 30 reflects our current financial position with one notable exception. Last week \$20,000 was transferred from the Water Fund at Capital One to our main Checking account at Farmers Bank. This was done in anticipation of paying the bill for the water system work on Trillium in the next few days. This was work done to repair and replace the water main and was done in conjunction with conduit replacement by OCEC, where Edelweiss shared the excavating cost with OCEC. Total bill is approximately \$27,000 and we will receive \$7,000 from OCEC.

As has been discussed, we anticipate sharing cost with OCEC this year. Accordingly, there have been no transfers of water funds from our General Checking to the Savings Account from dues collected. As the year closes, surplus funds remaining will be deposited to the appropriate savings accounts. There are no concerns with cash flow to meet our remaining obligations this year.

Next year we will make the last repayment to the Sewer Fund for the pool borrowing, at \$20,000. Funding for water system improvements will need to be addressed. (C. Armstrong)

S. Ralph questioned the extent of itemized cost details for routine maintenance obligations such as lignin application (\$18,000/year) and snow plowing (\$40,000/year). It was unclear to him whether contractors are providing itemized cost and S. Ralph felt having itemized cost would help the board more effectively manage these activities. With regard to snow plowing, it was noted that this is a fixed cost per year for Palm with some additional cost incurred by the association, for example sand for roads. The question was raised by S. Ralph about the merits of a fixed price for snow plowing. Board members discussed this and based on an historical perspective (some winters lots of snow

others less), the perception was that a fixed price was the best option. No further action was taken by the board on this discussion.

**Manager's Report:** Dick Volckmann provided the following managers report:

Water System –

In September over 525 feet of the waterline on Trillium was replaced with 4" C-900, along with power conduit. We replaced more valves than we had anticipated, and added 140 feet more to the excavation along with added pipe. In addition we moved the clean-out standpipe to a more favorable location. The total cost of the project came in at \$27,227.95. We have billed the OCEC for their share of the cost which is \$7892.25. They have agreed to pay, however we have not yet received their reimbursement.

Road Repairs –

During the third week of August, lignin was applied to Homestead, Cassal and most of Highland after they were graded and watered. The roads held up fairly well for the first couple of weeks, but the tendency for drivers to up their speed on the smoothed roads has created the inevitable wash-boarding again. I have received complaints about the wash-boarding with the request for more grading. However, it is too expensive to have grading done by an outside company, and unless we get some significant moisture, our tractor is not up to the task of smoothing the roads.

Fences-

Even after a thorough (I thought) inspection of the fence line last spring, a couple of pairs of cows managed to find the area of fence that I had not cow-proofed adequately. The cattle caused some consternation for a couple of property owners. That area was repaired and we've not had a problem since. This will never end. The rancher has removed all the cows from the National Forest as of October 1<sup>st</sup>.

Booster pump noise-

Although modifications to the Cassal Booster pump house have been made (moving the air vent to the far side, adding sound mitigation to the door) the owner of the house directly above the pump-house still complains of the noise from the #2 pump motor. About the only thing left to do to mitigate the sound would be to replace the motor at a cost of approximately \$6,000.

Campground owner request-

One of the campground lot owners has request that we gravel the west side of the campground road extending from the parking area to the tree-line a distance of about 900 feet. This would cost several thousand dollars.

Property Owner Payments –

Four owners are in arrears as follows:

\$ 735.17 (lot owner)

759.20 (campground owner)

1701.72 (campground owner)

1960.44 (home owner)

One other lot owner is in arrears in the amount of \$442.53; however, the lot is under contract, and EMC will receive the amount from the proceeds of the sale.

Account Balances as of 09-30-2017

Checking -----	21,677.77
Savings -----	52,075.57
Road Fund -----	27,361.31
Water Fund -----	13,163.81
Legal Fund -----	15,128.34
Sewer Fund -----	168,422.18

(We are due a check from OCEC in the amount of \$7,892.25 for the Trillium work. This will be added to the checking account.)

We have not received the invoice for the recent legal work done by Michael Brady. The amount is not yet known.)

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One other lot owner is in arrears in the amount of \$442.53; however, the lot is under contract, and EMC will receive the amount from the proceeds of the sale.

(Since the meeting, the campground lot owner has paid the \$759.20 owed.)

***Additions to the Manager report:*** Requested that two excavator companies provide estimates for digging water power and sewer lines along Highland Meadow and Homestead Roads to transformer on Castle Rd (~2500 ft). B. Buzzard looked at this in May of 2017 but has not yet provided an estimate for cost. However, Palm Construction did provide an estimate of \$146,000 to put in sewer, conduit and water lines. Okanogan County would like to replace their sewer line in conjunction with us, but there are some issue concerning distance between sewer and water lines. If EMC can combine with county our cost would be ~\$66,000. Hence, **D. Volckmann** recommended that we should work to do this in collaboration since it would save costs and we would not need to dig up the roads twice. This effort would entail 17 connections to homes.

## ***Discussion Topics***

***Infrastructure and Reserve Funding Proposals:*** **A. Fahnestock** provided an overview on potential strategies to address current and future maintenance/repair/replacement needs for the Edelweiss water system. **A. Fahnestock** noted that our water system has been a major issue for the community for many years, in large part because there is no expressed mandate or dedicated funding mechanism for maintenance, repair and up-grades. He indicated that to date, we've managed to barely keep-up, thanks to huge efforts and ingenuity by staff and the absence of catastrophic failure of major components of the system. However, **A. Fahnestock** indicated that it is now just a matter of time before there is a catastrophic failure; therefore, necessity dictates establishing reserves against such failure. He also indicated that State law mandates such reserves. **A. Fahnestock** provided a more detailed discussion of both short-term solutions (i.e. property assessment) as well as some potential longer-term approaches.

There was general discussion by the board, about how to generate additional revenue. For the short-term the board discussed the merits of a special assessment to raise needed financial resources to support 2018 efforts. The board recognized that this special assessment process would need to be approved by the community (simple majority vote). With regard to the longer-term needs the board discussed the merits of using the the Mel Hartwig (engineer) comprehensive report that was generated ~9 years ago as a starting point for identifying project cost. However, there was considerable discussion about the need for a newer assessment since it will be hard to estimate today's cost based upon the older report. **K. Schumacher** recommended having a new report so we can make a strong case with the community. The plan is to explore another engineering firm to conduct the assessment on the water system to more fully understand the long term scope of work. However, in the near-term the board proposed requesting a short-term assessment to enable the 2018 joint efforts with OCEC to proceed.

**Motion:** **J. Kirner** proposed that **D. Volckmann** send a letter to Edelweiss members to request their support for a special assessment (\$250/property owner) to support initial water line replacement in 2018 in association with proposed OCEC efforts to replace underground power lines. Cost for excavation, bedding, compaction and gravel application would be shared between Edelweiss and OCEC. In addition, **D. Volckmann** will also inform the community that the Board anticipates additional costs (yet to be determined) to replace most of the community water system in the foreseeable future. These efforts need to be done concurrently. The proposed special assessment must be voted on by members and will require a simple majority for approval. Motion was made, seconded and unanimously approved.

**Fire Safety Procedures as a Community:** **C. Timchalk** discussed the need for the board to take a more proactive role in providing leadership to the community with regard to fire preparedness. He proposed that the Board commit to making Edelweiss a Firewise Community.

**Motion:** **C. Timchalk** proposed that the Board commit to making Edelweiss a Firewise Community. To accomplish this goal the Board will establish a Firewise Committee with a charter to develop a detailed recommendation plan and a strategy for implementation. The committee will be co-chaired by two Board members and additional committee members will be solicited from the community. Motion was made, seconded and unanimously approved.

**S. Knapp** and **C. Timchalk** volunteered to co-chair the committee.

**Water Rights.** **S. Ralph** lead a discussion on needing to map out a plan of action for working with the Department of Ecology (DOE) to affirm Edelweiss's water right. We currently have a water right under a permit but need to move that right to a certificate. The issue is that if we do not affirm

our rights we could lose our access to water. He noted that the permit is temporary whereas the certificate is permanent.

**Action:** **S. Ralph, T. Lasater and J. Kirner** will work on this and meet with DOE to discuss.

***Discussion of any new business:*** No new business was discussed

***Establishing of date and time of the next meeting:*** Next meeting will be **December 11, 2017, 6:00 pm**

***Executive Session:*** **J. Kirner** asked non-board members to leave and only board members were present for the executive session.

***Adjournment of meeting:*** Meeting closed at ~8:30 pm