

**Carlyon Beach Homeowner's Association
Board Meeting Minutes
February 23, 2021**

Present: Sandi Allen, Lisa Krupp, Patricia Olive, Jeremy Madden, Marv Harris, Bill Allen (arrived at 7:00pm)

I. Meeting called to order at 6:06 by Sandi Allen.

II. Flag Salute

Motion 1 – Sandi Allen moved that we seat Stan Harris on the Board to replace Linda Bremer whose position ends at the end of 2022. Jeremy Madden seconded. Approved 5/0.

III. Member Comments – there were no members attending via ZOOM.

IV. Approval of Minutes of January 26, 2021 Board Meeting.

Motion 2 – Lisa Krupp moved to approve the minutes for the January 26, 2021 Board Meeting. Marv Harris seconded. Approved 6/0

V. Treasurer's Report (see attached)

Nothing too out of the ordinary in the balances of the Operating Fund. General Fund – Parts and Supplies continues to be over budget as does Repair and Maintenance, and Vehicle Repair and Maintenance. Our vehicles, buildings, and equipment are well used (old) and require maintenance. Our current assessment for general fund is not sufficient to cover expenses. In March we need to seriously look at the budget numbers for next year. There were no significant expenditures in the Marina Fund. The sewer fund is barely hanging in there and is running in the hole. We should work to build a cushion in the Sewer Fund. Capital Fund - \$8,400 in repairs to the 2006 pump truck. The total of capital expenditures is now \$144,104. Additional capital fund expenditures include: Marina repairs \$50,000, Jolly Drain way repair \$12,000, approximately \$8,000 to repair shop roof. There will be little left over to add to the reserve fund.

Motion 3 – Lisa Krupp moved to approve the first draft of the audit for the 2019 – 2020 fiscal year and then do the final draft to be reviewed in full by the Board. Jeremy Madden seconded. Approved 6/0

Motion 4 – Lisa Krupp moved to write off \$24 for one pump out at 10032 Lookout Dr NW that appeared after the house had been sold. Stan Harris seconded. Approved 6/0

VI. Committee Reports

a. Roads and Stormwater – Snow plow found by Sandi Allen to clear roads. Then members complained that their driveway were not plowed out. In the past CBHA did not plow at all. CBHA is not responsible for plowing driveways. Plowing is expensive. There was a street sign

knocked over by the plow. Information was put in the newsletter to promote a conversation about setting up a snow plan for the future. This plan should include clearly stating that CBHA is not responsible for clearing driveways. Stan Harris mentioned that scraping is hard on our roads. CBHA may have some reflective poles that could be placed at the end of each speed bump to alert plows. The speed bumps at the lower entrance need to be epoxied down. Barnacle Ct needs some attention to keep water from flowing down from the water tower drive into a member's garage. Marv will work with crew to address this water flow issue.

b. Parks & Recreation – Tags and stickers were ordered for parking lot with free shipping. Looking into doing some minor repair to the wanigan. Pressure washing would help clean out the mud. Maybe volunteers could address this. Gravel along the back wall would help with the mud.

c. Water and Wastewater –

Motion 5 – Patricia Olive moved that we accept the repair costs in the amount of \$8,451.53 to the 2006 Peterbilt at Olympic Truck Service. Jeremy Madden seconded. Approved 6/0

Motion 6 – Patricia Olive moved that we accept the bid of \$11,885 by KCL Excavating to complete the work specified by John Krenik at the Jolly Drain way project. Discussion: Is this a firm price bid? All parts will be made in advance. Do they have an adequate bond? Overage added for a maximum of \$14,000. Jeremy Madden seconded. Approved 6/0

Motion 7 – Patricia Olive moved to approve the replacement of the roof at shop by Ascend Roofing Company, LLC. For a maximum of \$11,272.80. Seconded by Marv Harris. Approved 6/0

Working from list of difficult locations to attach pump out hose, Patricia will send letters to owners to follow up. How much push are we going to exert to the 15 locations that still have their pump out location back from the street? A number of the locations have to extend hoses 30' – 60' to reach the pump out. There are some that have difficult access that pose a safety issue. These need to be addressed. There are a few that are at the street, but in a difficult location. Brian Gibson will be speaking at the March meeting to inform us of projects that need to be addressed at the Waste Water Treatment Plant (WWTP).

d. Marina – Nothing new to report at this time.

e. Architecture – Meeting last Friday. Two new modular home are going to be built. A person investigating the neighborhood is interested in building here. They are trying to get information to build on Mariner. Marcia should not be the person to give information. It should come from the Architecture Committee or the website. Other than that, it is relatively quiet. Carlyon Beach can no longer be looked at the same way it has in the past. We need to have the funds to invest in our community. Bill wrote an article for the newsletter addressing this.

VII. New Business

a. By Law Proposals

1. Conflict of interest – more specific information needed from Jeremy Madden

2. LLC By-Law – Stan mentioned that the use of “one natural person” vs person or entity might help elevate this issue. He will work on a re-write.

3. Increased Assessments needed – Lisa will get some numbers together to present at the meeting next month. Personnel costs will continue to go up.

4. Rentals – Do we want to limit the number of rentals?

b. Increase to Pump Out Fee – The sewer fund is falling behind. Pumps have been going up each year. We anticipate more than 11,000 pump outs this year. More people are at home right now. The comfortable maximum number of pump outs is approximately 35 per day. A schedule is made out weekly and then there are approximately 7 – 10 additional pumps added per week. There are often 40 or more pumps per day. Drivers have gone to 4/10-hour days in an effort to even out the processing at the WWTP. The pump out fees barely cover the costs. Recent maintenance for the older pump truck had to be taken out of Capital Expenses. Tires for the truck will be just under \$4,000. Need to keep up with routine truck maintenance. The sewer fund will end the year in the negative. There has not been an increase to pump out fee since January, 2018. Sewer fund pays for driver salaries, Brian Gibson’s 4-year contract that is up in October 2021. We can anticipate that there will be an increase in that contract. There have been several emergencies this year that have brought Brian in additional hours over his contractual hours. Brian’s part time person has left and he is looking for another part time person. Marv asked if \$2 per pump was enough and could we go \$3 or \$4? We are also looking at other increases of Capital and Operating assessments. Stan asked if we should start charging for water.

Motion 8 – Bill Allen moved that the pump fees be raised by \$3 per pump to \$27 effective April 1, 2021. Lisa Krupp seconded. Discussion – Lisa stated that Repair and Maintenance was budgeted at \$4000 and we are already over that in 7 months. Vehicle maintenance and repair is ok at this time because the repair of the older truck came out of Capital funds because the cost was over \$8000. Normal maintenance would come out of the sewer fund. With a \$3 increase we might be able to build a little carryover and not have to raise the fee for a couple of years. Jeremy asked if we wanted to give the community a chance to comment and respond. Sandi indicated that this is a service provided that needs to be funded. Approved 6/0, Jeremy Madden abstained.

c. Vehicle Replacement and Crew recommendations – Patricia Olive stated that we do have some “elderly” vehicles in our fleet. The crew asked that if we are considering replacing any vehicles that we replace it with a box truck. There was also a suggestion that a Utility Terrain Vehicle (UTV) be purchased. We should keep this purchase in mind as we build the budget. Lisa asked if \$20,000 - \$25,000 would be a good number to put in the Capital Budget? Stan asked what the purpose of a box truck is. Marv indicated that keeping tools safe and dry would be an advantage. Stan thought an enclosed trailer could be used in place of a box truck. Marv stated that the F-350 has compartments for tools. The first vehicle to be replaced would be the 1992 F-150. It was decided that \$25,000 should be put in the budget for vehicle replacement. No decision was made at this time regarding what the vehicle(s) would be.

d. Snow emergency lessons learned – Sandi indicated that a blade to use sporadically would be an expensive investment. Jeremy stated that we should just hire the plowing when needed. If we hire out the work, we should get the buy-in of the neighborhood to make sure this is how

they want their money spent. Bill felt that the time the staff spent in preparation for the snow was not time wasted. Sandi indicated that just like the city, residential streets are not immediately plowed and home owners are responsible for removing snow from their driveways and the berm at the end of the driveway. We will need to come up with a snow removal policy for the neighborhood.

e. **Liqui-Vision has completed the work on the tower.** The images that are required by the Department of Health, Sanitary Survey have not been submitted to date. Patricia will follow up with John Krenik.

VIII. Old Business –

a. Marv reports that there has been an increase infestation of rats in the neighborhood. He indicated that people are feeding the deer and that this encourages rats to feed as well. Bird feeders are also a problem. CBHA can only encourage the community to stop feeding the deer and using birdfeeders. Sandi found information that states that corn is harmful to deer. The deer actually have plenty of forage, even during the winter. Sandi is including an article regarding members reporting an increase in the number of rats. Jeremy stated that education is key.

b. Patricia indicated that the paperwork has come back from the lawyer that needs to go to the Balbo's for their signatures. Sandi should get that to them so this matter can be closed.

c. A member that operates a food truck asked if the neighborhood would like a food truck here one day a week. Lisa cited that there are to be no commercial businesses in the neighborhood.

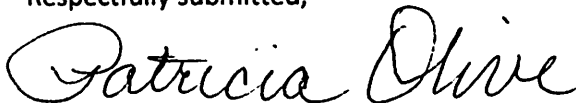
IX. Executive Session

Motion 9 –At 8:03 pm Lisa Krupp moved that we go into Executive Session for the purpose of discussing personnel issues. Sandi seconded. Approved 7/0

Motion 10 – At 8:17 pm Sandi moved to return to regular session. Marv seconded. Approved 7/0

Motion 11 – At 8:18 pm Sandi moved that the meeting be adjourned. Marv seconded. Approved 7/0

Respectfully submitted,

A handwritten signature in cursive script that reads "Patricia Olive". The signature is written in black ink and is positioned below the typed name.

Patricia Olive, CBHA Secretary
Water and Wastewater Trustee

**Treasurer's Report
February 23, 2021**

I. Balance Sheet as of January 31, 2021

Operating Funds

General	\$305,900
Marina	\$164,895
Sewer	\$ -838
Total	\$469,957

DNR Security Deposits

Marina lease	\$13,271
Sewer outfall lease	\$ 1,510
Total	\$ 14,782

Capital Funds (combined)

Total	\$484,365
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Total Cash **\$969,204**

II. Profit and Loss Budget vs. Actual Accrual Basis July through January 31, 2021

General Fund: We are 7 months, about 58%, through the fiscal year. There have been no significant changes to expenses as we have proceeded through the year. As expected, Line 5300 Parts and Supplies is over the budget. Because we do not have a manager, personnel expenses are under budget. Some specific areas where expenses have significantly exceeded the budget are Line 5211 Repair and Maintenance and Line 5216 Vehicle Repair and Maintenance. We need to keep in mind that our equipment, buildings, and vehicles are well-used (ie. old) and require maintenance. In the next two months, specific information will be presented showing that our current assessment for the general fund is not enough to maintain our facilities, vehicles, and cover personnel expenses.

Marina Fund: No significant expenditures in this fund in through January.

Sewer Fund: Through January, income has barely kept up with expenditures but the fund was in the hole so to speak at the beginning of this fiscal year which is why on the balance sheet, the fund is -\$833. Personnel costs have been higher than budgeted due to power outages which require our treatment plant operator to have to come out on nights or weekends to manually reset the equipment.

Capital Funds: In January, over \$8,400 was spent on repairs to the 2007 pump truck. Total capital expenditures are now \$144,104. We expect to spend \$50,000 on marina repairs, \$12,000 on the Jolly Drainway repair, and around \$8,000 to repair the shop roof. This means that there will be very little left this year to add to the reserve fund. More specific information will be provided for discussion purposes in March to determine if the capital assessment should be increased.