

**Carlyon Beach Homeowners Association
Board Meeting Minutes
August 27, 2019**

Present: Matt Barnhart, Sandi Allen, Bill Allen, Jeremy Madden, Lisa Krupp

I. Call to order at 7:00 by Matt Barnhart

II. Flag salute

Motion 1. Sandi moved to excuse the absence of Lars Swartling and Dick Morton. Seconded by Jeremy. Approved 5-0

III. Member Comments

1. Sharon Harris questioned why new LED tubes were installed in the light fixtures when new fixtures had been purchased by the Events Committee and were waiting to be installed. Gary replied that he would take the LED tubes to the shop and install the correct lights.
2. Chris inquired if the security cameras focused on the marina were working because recently, he had observed and had an interaction with a few people who came into the marina on a skiff and seemed to not belong there. Sandi replied that repairs are being made and it was also suggested that signs be put up advising people that security cameras are in use.
3. A question was asked about concrete repairs to a driveway that had disintegrated due to a leaky CBHA water line. Gary and John will make sure the appropriate repairs are performed.

IV. Approval of Minutes

Motion 2. Sandi moved to approve the minutes of the July 23, 2019 Board meeting. Seconded by Bill. Approved 5-0

V. Treasurer's Report

See attached report.

VI. Committee and Board member reports

- a. **President's report:** The focus has been on roads and wastewater which will be discussed in this meeting.
- b. **Roads and Stormwater:** In Dick's absence, Matt explained the situation with the estimate for road repair that was approved at the special board meeting on August 21. A mistake was made regarding the price to pave the section of Channel. Rather

than stating the cost for that section, the number given referred to the square footage. Thus, the cost for Channel is \$13,200 not \$4,800. The Board considered not paving the cul-de-sac on Lookout to save money this year, but it was agreed, with input from members in attendance, that it makes sense to pave the cul-de-sac now, since it may cost more in the future. During this discussion, the topic of monitoring ground movement came up, and the location of piezometers in the slide area. *(A piezometer is an instrument for measuring the pressure of a liquid or gas, or something related to pressure such as the compressibility of liquid. Piezometers are often placed in boreholes to monitor the pressure or depth of groundwater.)* Gary will look into the location and confirm that these are being monitored.

Motion 3. Sandi moved to amend the motion approved on August 21 to properly pay the contractor for the work and accept the proposal of \$96,101.14. The total project is not to exceed \$100,000. Seconded by Bill. Approved 5-0

c. Water and wastewater: Gary and Jeremy will talk with Brian Gibson, WWTP operator about future needs related to expanding the treatment plant or staggering shifts to allow the plant to handle the increased amount of wastewater.

d. Marina: Please see attached report that reviews the history of the permit process and future plans.

e. Architecture: No issues at the moment. Gary and Bill will be driving around looking at property maintenance concerns and the need for enforcement letters.

f. Parks and Recreation: No report due to Lars' absence.

g. Manager's report: The rubber speed bumps have arrived, to be put in two locations, the Westwind entrance and another spot to be determined. See the attached report.

VII. New Business

a. Certificate of Deposit and Allocation of Expenses: Lisa reported that a \$50,000 certificate of deposit is maturing on September 11, 2019. The office uses a formula to allocate indirect office expenses between the 3 operating funds. The allocation is based on the wages for the previous fiscal year in general, marina and sewer areas.

Motion 4. Lisa moved to allow the \$50,000 CD to go into the money market account until the board has a chance to determine how to invest the capital funds. Seconded by Bill. Approved 5-0

Motion 5. Lisa moved to set the allocation for indirect office expenses for fiscal year 2019-2020 at 70% general, 1% marina and 29% sewer. Seconded by Sandi. Approved 5-0

VIII. Unfinished Business

- a. **Rules and Regulations:** Colleen presented proposed changes to the architecture section of the rules and regs. The suggestions will be reviewed and revised by the architecture trustee and committee. Other minor changes to the rules have been incorporated. The community will be notified in the next newsletter that other suggestions for rule changes need to be brought to the Board's attention prior to the September workshop.
- b. **Trees on SIR/Westwind corner and dead fir on CBHA easement:** estimates have been received from 2 companies. A third company inspected the job but did not provide an estimate.

Motion 6. Lisa moved to contract with Dead or Alive Tree Service to remove the dead fir tree and the alders on the SIR corner not to exceed \$6500 paid from Capital unrestricted fund. Seconded by Bill. Approved 5-0

c. **Birch tree at 2513 Island:** Matt expressed his frustration with this situation after both parties acknowledged that they may seek legal action if they don't agree with the Board's decision. This puts the Board in the position of potentially having to go to court, and the board members who are not retired (Matt, Jeremy, and Lars) would be in the position of having to give up vacation and/or family time to attend to this. Since the full board was not in attendance, Matt asked that the decision be delayed for another month. Susan asked for an Executive Session with just the Board present to share further information. Matt assured Don that if he wanted an executive session with the board, that would be considered. Before going into Executive session, it was stated that no motion regarding the tree would be made following the executive session.

Motion 7. Lisa moved to go into Executive Session at 9:10 to discuss a potential legal issue. Seconded by Bill. Approved 5-0

Motion 8. Lisa moved to return to open session at 9:30. Seconded by Jeremy. Approved 5-0

Motion 9. Jeremy moved to adjourn at 9:35. Seconded by Bill. Approved 5-0

Submitted by:



Lisa Krupp
CHBA Secretary

**Treasurer's Report
August 27, 2019**

I. Balance Sheet as of July 31, 2019

Operating Funds

General	\$257,610
Marina	\$110,861
Sewer	\$ 8,317

Total **\$376,789**

Pledged funds

Total **\$ 62,510**

Capital Funds (combined)

Total **\$512,347**

Total cash checking/savings **\$951,747**

II. Profit and Loss Budget vs. Actual Accrual Basis July 2019

Operating funds: Statements are as expected for the first month of the fiscal year. The right column shows the percent of budget spent to date. To stay on budget, we expect to spend about 8% of the budget each month, keeping in mind that this can fluctuate. Many expenses do not occur continuously throughout the year.

Capital funds: There were no capital expenses in July.

Proceeds from the sale of the rental house: The sale of the rental house generated \$256,094 in revenue. This is currently in a money market account at Olympia Federal. As explained in the voter information material, \$12,000 will go into the General Fund to account for the lost rental income for the current fiscal year. The expected capital gains tax of about \$50,000 will also be paid from this revenue. Thus about \$188,500 will remain in the capital fund.

Given that the current balance in the Capital Reserve Fund will be over \$450,000 after taking into account the items mentioned above, I propose putting \$200,000 into Certificates of Deposit that will mature in 3, 4 and 5 year increments. This leaves about \$250,000 available for immediate capital expenses, and the fund will increase as the capital assessment for the current year is collected.

Managers' Report August 2019

- 1) Accompany John to investigate overflowing septic tank and failing the septic pump owned by the homeowner, currently addressing with the homeowner to rectify
- 2) Restructure the gross weight of the new pump truck with Dept of Licensing to avoid an IRS filing requirement and renew the tabs
- 3) Lynda and Lisa and I met with the new auditor to discuss what will happen and to learn the in's & outs of the auditing process as well as gain more clarity of the audit itself.
- 4) Penned, emailed and phoned numerous homeowners regarding inquiries, permits and violations and chased people from the beach with dogs
- 5) Met with three tree removal specialists to acquire bids for the Thurston county mandated tree removal by the entrance monument
- 6) Met with a great contractor for a new bid on the repair work of the clubhouse along with other smaller projects to pick their brain about -----
NO COMMITMENTS WERE MADE
- 7) The crew was instructed to secure the log boom which they have done following a break-away log. We have established a maintenance log for the boom with regular and scheduled inspections to maintenance its integrity and prevent future such mishaps.
- 8) A maintenance log has been established for the Carlyon Beach owned equipment and vehicles accommodating past and future required preservation measures, cost, details and dates. The need for continuing safety meeting was discussed and agreed to a bi-weekly schedule.
- 9) Cleaned the moss from the Wanagan roof and installed zinc stripping to inhibit future growth
- 10) Chris Williams repaired the boat launch gate and showed me where a piece of metal is making it difficult to complete the latch closing so I brought a grinder from home to file it down in an effort to help out with Chris's good work
- 11) Met with Brian Gibson at the wastewater treatment facility for some time to learn all the working mechanics in detail. We also discussed how I can go about getting my certification for state authorization to stand in for him during an absence for which I am looking best and most beneficial way to go about accomplishing

*****I am growing more accustomed to the particulars of this association, the staff & its members enabling me to start 'sinking my teeth' into the matters and details I need and want to address.**

Managers' Report

The state of the association is sound.

There were several serious water leaks in our distribution lines that have to date all been repaired.

A member of the summer maintenance crew left us a bit early, but we have found a great replacement, Dallas who lives here at Carlyon Beach. I understand he's proved to be a very hard worker and attentive addition to our crew.

Maintenance logs for association equipment and vehicles have been established to ensure routine maintenance is performed on time and our equipment lasts us for years to come.

I am in regular contact with Brian Gibson, our vendor for the wastewater treatment facility on a weekly basis to ensure the treatment plant is operating well and promptly address any issues as they arise.

Work is now commencing on repaving several roads throughout the association. The roads were approved for repair and repaving is being completed in order on a "worst to less worse condition" priority. The board voted to purchase speed bumps at a cost of about \$150.00 each compared to cost by the repaving firm hired of \$1,200.00 each saving the association \$1050.00 with every speed bump. The difference is the vendor's are made from cement and those purchased are rubberized recycled plastic which has been proven to last decades. They are also able to be removed and re-used in different locations. The board purchased four of these speed bumps as a trial to test them out before making a larger commitment.

The log boom has been repaired and is functioning properly with the next scheduled inspection due in October.

The Ford Taurus was sold for \$200.00 on Friday to a resident of the association.

Architect committee chair and board member Bill Allen and I are establishing a routine schedule to check on and follow up with compliance violations complete with a tracking spreadsheet within the community starting this week.