

LAKE ENTIAT LODGE ASSOCIATED

Annual Meeting of Members

April 16, 2016

WELCOME and INTRODUCTIONS

The Annual meeting of Lake Entiat Lodge Associated was called to order at 9:09 AM by board president, Dan Russell. The meeting was held in the multi-purpose room of the Orondo Elementary School, Orondo, Washington. He asked if any new members were in attendance. Eight new members introduced themselves. He announced that members in attendance represented 123 lots and then continued by introducing the Board of Directors and thanked them for their commitment and volunteer service to the community.

Dan Russell, President
Nick Nelson, Vice President
Ryan Haggard, Director
Greg Zeller, Director

John Howgate, Director
Darrell Richards, Director
Walt Wheeler, Director
J. Anderson, Treasurer

Next, Mr. Russell introduced the Lake Entiat Lodge Associated staff in attendance and recognized them for their excellent service: Jeri Fifer, Community Manager; Jason Knight, Water/Facilities/Grounds Manager; and Jessicah Curry, Administrative Assistant.

Thanks were offered to the volunteers who provided service of refreshments and member sign-in support: Marcia Kindig; Kim Richards; Karen Nelson; Lynn Wheeler; Beth Arias; Lisa Howgate; and Shelby Howe.

ASSOCIATION BYLAW CHANGE

Mr. Russell gave an overview of the intent of the changes outlining the primary focus of remote attendance voting to the Association Bylaws. A redline draft of the Bylaws, showing each change proposed, had been sent to all members with the meeting announcement and distributed at sign-in.

He reported that 50 members had registered to join the meeting remotely and that 29 members were electronically in attendance. He followed by explaining that the Bylaw change would require approval from 2/3 of the members in physical attendance to adopt. Next he shared that Mr. Howgate had been instrumental in researching the various options for remotely attending and/or voting at membership meetings.

Mr. Howgate shared in detail the challenges with proxy voting as opposed to the current proposal of remote attendance. Mr. Howgate and Mr. Russell opened the floor for questions. After responding to all questions, Mr. Russell called for the vote.

Collection of the Bylaw ballots commenced. Treasurer/Secretary, Mr. Anderson, provided verification of the ballots.

APPROVAL OF MINUTES

The minutes of the April 25, 2015 Annual Meeting of the Membership were reviewed.

After a motion made by John DiGiacomo and seconded by Ryan Haggard, the minutes were unanimously approved as submitted.

YEAR IN REVIEW

Mr. Russell provided a review of Association business for 2015.

BYLAW ANNOUNCEMENT

Mr. Russell announced that the new Bylaws were adopted, 114 yes to 9 no. Accordingly, with the adoption/approval of the Bylaws allowing remote electronic voting, those people currently attending the meeting remotely would now be eligible to vote on any meeting issues.

2015 FINANCIAL REVIEW

Mr. Anderson, Association Treasurer, shared that the 2015 financials summary was provided in the packet at sign-in for review and provided a few highlights.

He explained the four reserve account funds: Capital, Special Capital, Water System Capital and Water Loan. He announced that the budget is worked on in October and November for member review, and ratified in January.

MAILBOX FUNDING

Mr. Anderson shared that the primary expense from the Capital Reserve fund in 2015 was the installation of the new mailboxes. He shared that the expediency of the project was because the United States Postal Service (USPS) had contacted the Association with a demand for the mailbox stands to be immediately brought into delivery compliance or delivery would be discontinued in the community. The USPS also stated that some members had reported mail theft and shared that cluster box units help defer such theft.

After research concerning replacement of the stands as compared to the installation of new cluster box units, Board consensus was to install the cluster box units. The funds needed to complete the project, \$51,000, were unavailable in the Capital Reserve account, so the project was temporarily funded by the Water Loan Repayment Reserve account.

Several questions were taken from the floor and were answered. Mr. Nelson shared that the project had been researched for months, detailed in many Board minutes, and that mail theft and aesthetics were the main reason that the cluster boxes were chosen. He reminded those in attendance that, should any

members have concerns on the direction of a project, they may attend Board meetings to share their ideas. Mr. Russell called for discussion to end and the ballots to be collected. The ballots were collected and Mr. Anderson provided verification.

FIREWISE

Ms. Fifer introduced Mr. Al Murphy, a fire specialist. Mr. Murphy provided an educational presentation regarding how best to protect homes from fire. He went over the importance of reduction of fuels and the best landscape materials, and relayed to the members that the amount and continuity of fuels is paramount, not just the type.

ORONDO COMMUNITY SCHOLARSHIP PROGRAM

Ms. Hannah Podlich, President of the Orondo Scholarship Fund, shared details about the fund and thanked the community for their ongoing support. Raffle winners were selected.

MAILBOX FUNDING ANNOUNCEMENT

Mr. Russell announced that the members approved the use of the remaining balance of the Special Capital Reserve Account for the 2015 completed mailbox project with 116 yes, to 7 no votes.

FIREWISE continued

Mr. Nelson provided a report regarding the project of clearing fire hazards on the land owned by the Chelan County PUD. He reminded members that, being downwind from the community, this particular area had been identified by the local fire chief and fire specialist as the greatest fire hazard. 30 feet will be cleared and an additional 70 feet will be cleared selectively to reduce fuels. Request for bids have been sent to 10 local vendors with the attempt of accomplishing the clearing before the fire season begins.

Mr. Russell announce that the Association had successfully applied and received grant funding for FireWise clearing for the Association-owned property. A membership fire hazard chipping/shredding service will be provided free of charge to all members who place cuttings alongside all roadways prior to the vendor arriving May 31- June 2.

COMMITTEE REPORTS

Long Range Planning- Mr. Zeller provided a recap of the importance of long range planning. The mission statement was created to identify the ideals and objectives of the Association. The goal is to improve the community by proper planning rather than to make incremental decisions forced by needs. The board is working from member input from previous surveys completed along with immediate needs.

The Board had a long range planning workshop in the fall of 2015 and compiled and prioritized a list of potential projects based on safety, risk and value to the community as a whole. A long range planning membership meeting has been set for July 9, 2016 to offer another opportunity for members to offer their ideas and provide input on the projects being considered.

Sun Cove Trail System Update- Mr. Richards provided an update on Phase 2 of the trail, which crosses the United States Bureau of Reclamation (USBR) land to provide access to the upriver landlocked Association property and another path to the park and clubhouse off the busy roadway. He shared that as government land, bureaucracy had prolonged the permitting process and that no additional information is available currently.

Next he explained that for Phase 3 of the trail, on Chelan County PUD (CCPUD) land, FireWise had taken precedence over the potential of constructing a trail, however, the Association could still pursue in the future if desired. This area will be cleared in 2016 for fire hazards which will provide a nice walking area.

Phase 4 of the trail, constructing a side walk along Sun Cove from the clubhouse to Cider Works, is now being called a "Pedestrian Corridor". An engineer was contracted to prepare plans and provided planning level estimate of construction cost after membership comments at the 2015 Annual meeting. A conceptual, estimated cost [\$670,000] with few funding options were presented.

The floor was opened for questions. A member asked if incidence of injuries have been recorded. Another member asked if additional funding options will be presented.

Mr. Russell asked for a raise of hands of those in attendance that would be in favor of moving forward with the project. He estimated 50% in house were in favor and 60% of online attendees were found in favor. Mr. Richards shared that the project would be discussed at the membership meeting in July to gain membership direction.

Launch Park- Mr. Zeller shared that this project had been completed as a Firewise clearing and with a desire to protect our use of this land from future restrictions. The courts could be moved to this area in the future which would allow for additional clubhouse/pool parking. A member asked if there would be parking added for this new park and Mr. Zeller stated that future plans could include additional parking if the need is identified.

Facilities & Maintenance Report

Water Sun Cove Water Manager, Jason Knight, provided a presentation:

Cross Connection Prevention- Mr. Knight reported on the common causes for backflow and thanked the members for returning the surveys mailed in 2015. He stated that letters will be sent within a few weeks regarding whether a backflow devices is required or not. He will provide a class for members wishing to save a few dollars by installing the device themselves. The letters will also state that all installed devices must be checked annually.

Conservation - Mr. Knight shared that 42% of the members use excessive water and stressed that management of our water is important as the Association have water right limits. He named irrigation as being the normal overuse.

Yard Waste- Mr. Nelson shared that yard waste dumping is not allowed on the Ross property without contacting Otto Ross each year for permission.

Rules & Regulations

Mr. Haggard reported that the Rules Committee has determined that enforcement consistency would benefit the community and that changing our current rules to be enforced community wide (including Douglas County roadways) would be the best approach. He shared that dogs off leash and golf cart issues were the drive for this change as many complaints are received.

ELECTION OF OFFICERS

Mr. Howgate, Mr. Russell, Mr. Zeller and Mr. Wheeler had declared their desire for re-election as their terms were ending in 2016. Mr. Nelson requested that the other two board candidates, Mr. Tucker and Mr. Blair, provide a short biography and statement of declaration of their desire to represent the community as a board member.

The Election of Directors ballots were called for. Members attending remotely were provided a link to place their vote.

COMMITTEE REPORTS continued

Social- Mr. Howgate shared the need for more volunteer for the 4th of July event. The band, Crisis, will play on the 3rd of July with all other events to remain on the 4th. He invited the members to attend the Pancake Breakfast tomorrow morning. He said all ideas are welcome and to contact him.

Mr. Richards provided information on the upcoming Golf Tournament, June 25th.

ANNOUNCEMENT OF THE ELECTION OF OFFICERS

Mr. Anderson announced the newly elected Board of Directors as: John Howgate, Bill Tucker, Greg Zeller and Dan Russell.

ADJOURNMENT

There being no further business to come before the membership, and following a motion made by Mr. Anderson and seconded by Jack Barker, the meeting was adjourned at 12:22 pm.

Submitted by Jeri Fifer, Acting Assistant Secretary