

# Lake Entiat Lodge Associated

Meeting of the Board of Directors

May 18, 2013

**APPROVED**

## **TIME AND PLACE**

The Board of Lake Entiat Lodge Associated met Saturday, May 18, 2013. The meeting was held at the Sun Cove Clubhouse in Orondo, Washington and called to order by Board President Dan Russell at 9:07 am.

## **PRESENT**

The following Directors were present: Dan Russell, Nick Nelson, Darrell Richards, Don Sass and Walt Wheeler. Director, Brandon Fix, attended via telephone conference. Treasurer; J Anderson, Community Manager; Jeri Fifer and Grounds/Facilities/Water Manager; Jason Knight were also present. Five association members were in attendance.

## **APPROVAL of MINUTES**

Mr. Russell presented the Annual Membership draft minutes. The minutes were tabled until the next board meeting.

Mr. Russell presented the March 23, 2013 Board Meeting Minutes for approval.

***Mr. Richards made a motion to accept the March 23, 2013 Board of Directors meeting minutes. Mr. Sass seconded and the motion carried unanimously.***

## **FINANCIAL REVIEW**

Mr. Anderson reviewed the financial status as of April 30, 2013;

1. The cash position is \$142,814 in operations and \$629,797 in reserves. Individual reserves are: Capital improvements \$28,463; Water System Improvements \$0; loan Repayment \$347,325; Special Capital \$173,931.
2. Year to date earnings before depreciation are \$92,886 better than a budgeted \$79,418
3. Delinquencies are down from the same time period in 2012.

A Banking Resolution, attached, was shared with the board members. Mr. Anderson requested that he be removed as a signer on the accounts.

***Mr. Sass motioned to accept the Banking Resolution with J Anderson removed as signer. Mr. Nelson seconded and the motion carried unanimously.***

## WELL UPDATE

On May 9, 2013, Mr. Nelson signed the final contract with Pipkin Construction for the new well. The final bid from Pipkin had been reviewed prior to the signing by the well committee members. After further discussion, a motion was made:

***Mr. Richards motioned to ratify approval of Mr. Nelson's action in executing the contract for the next phase of the Well #4 project to Pipkin Construction at a cost of \$179,071. Mr. Sass seconded and the motion carried unanimously.***

Pipkin Construction began work on May 13<sup>th</sup>. Pine trees close to the site may need to be removed and replaced because of root damage and proximity to the electrical and water lines.

Mr. Russell shared the different options for funding the project as the final bid came in under projected costs. Discussion followed on the best course of action and will be discussed at future meetings when the project is completely funded. Although the membership approved use of \$30,000 from the Special Capital Reserve account for the Well #4 Project, the board will only transfer funds as needed during the completion of the project.

***Mr. Wheeler motioned to move up to \$150,000 from the Water Loan Repayment Fund into the Water Reserve account for progress payments to Pipkin Construction as needed. Mr. Nelson seconded and the motion carried unanimously.***

## TRAIL UPDATE

Mr. Richards shared correspondence recently received from the United States Department of Interior regarding Phase 2 of the Sun Cove community trail system. After initial review of our application, they found our application appropriate for further processing. They are now requesting professionally-engineered trail construction plans and a \$4,000 administrative fee before approval/license will be considered. We have until the end of July to submit the requested items or the file will be closed.

The board requested an estimate budget for the project to be reviewed at the next board meeting.

Since Phase 4 of the trail system, along Sun Cove Road, was the highest priority of the members present at the Annual Membership meeting in April, the board requested that this Phase also be researched. Mr. Richards shared that a planner will be onsite with a representative from Pipkin Construction on May 20<sup>th</sup> to review options for Phase 4 as well as the other phases.

## ELECTION OF OFFICERS

***Mr. Nelson nominated and motioned that Mr. Russell remain as President. Mr. Richards seconded and the motion carried unanimously.***

***Mr. Richards nominated and motioned that Mr. Nelson remain as Vice President. Mr. Wheeler seconded and the motion carried unanimously.***

## **NEW BUSINESS**

**Security check-** The Sheriff office recently notified the association that they have reinstated the "Request for Residential Security Check" program. Owners can find the form on the [www.suncove.net](http://www.suncove.net) website under the Document/Misc. tabs.

**Management Transition-** A few years ago, the board of directors began discussing the feasibility of transitioning from Schuchart Services Management Company to onsite/self-management. Hiring a Site Manager was one of the first steps in this process. With Property Manager, Mr. Osenbach, retiring in December 2013, the board decided that planning needs to take place for this transition. Mr. Russell, Mr. Sass, Mr. Nelson, Mr. Anderson, Mr. Wheeler and Mr. Richards all volunteered to be part of this planning committee and a preliminary meeting date was set for May 25<sup>th</sup>.

## **COMMITTEE UPDATES**

**Architectural Review-** The committee shared the concerns of some homeowners regarding a home recently constructed being painted a bright red. Currently our covenants do not provide for enforcement and as such the covenants would need to be changed. We would ask all members to please choose exterior colors that are compatible and harmonious with the desert color scheme currently being used on most new homes within the community.

### **Facilities/Maintenance/Staff-**

- **Landscaping-** Mr. Richards shared his thanks for the Landscaping Committee's hard work with the plantings this spring. The planting were completed by; Carol Sass, Karen Nelson & Charlene Anderson.
- **Storage issue-** Mr. Nelson and Mr. Richards shared that they would like to see storage containers purchased. We do not have room in the maintenance shop for the equipment and patio furniture. It was discussed that the containers could be placed off site for easy access and prices will be presented at the next meeting.
- **Volleyball-** Mr. Nelson shared the idea of a sand volleyball downriver area next to the boat launch parking area, brought on by a request made by Ms. Dowdle at the Annual Meeting. The board agreed that the project could move forward up to \$2,500.
- **Pool furniture-** Rather than replace a few pieces each year and have mismatched furniture, it has been decided to wait and replace it all in 2 years. We will then have the furniture on a replacement schedule every 8-10 years.
- **Meter Reading-** Meter reading equipment will be researched and current meters will be surveyed for remaining life. The goal is to have regular meter reading by 2014.

**Social-** Mr. Sass went over the Community Garage Sale taking place May 25<sup>th</sup>. The temporary dumpster will be placed for spring cleanup through Memorial weekend.

**Communications-** Mr. Fix shared a proposal for distribution of communication within the association. Mr. Russell requested to join the Communication Committee. Mr. Fix created a calendar and storage folders for the board and staff to share in Google Drive. This will help future board members to locate past information.

Rules- Mr. Wheeler proposed a rule change to allow golf carts to drive on the community park Discussion took place for the option to supply loading/dock carts for members use but no action was decided. After discussion, it was decided that loading can be accomplished at the launch dock and a loading zone will be marked at the end of the dock.

To help deter vehicles from entering the Chelan Co. PUD Wildlife area, downriver from Sun Cove, the board requested that poles and 3 additional signs be placed along the entire boat launch parking area. Staff will gather pricing for this work to be completed.

The Shed Resolution and the 2013 Shed and Other Structures Survey were discussed. A letter will be sent to all owners so a baseline can be established as well as to assist with grandfathering consideration for existing sheds and other structures not on permanent foundations.

Parking sticker replacement and 2<sup>nd</sup> boat sticker fee will be \$20 and as the stickers are for lifetime use, it will be charged only once rather than yearly.

Additional security was requested for Memorial weekends in the future. We will also have extra security on the 4<sup>th</sup> of July and Labor Day weekend.

### **OPEN FORUM**

Owner, Beth Arias, announced that 10 owners had volunteered to assist with a proposal for proxy voting to be considered. Mr. Sass and Mr. Wheeler will be available to work with this group. It was clarified that it will require 67% of the membership present to pass proxy voting and a Bylaw change at a regular or special membership meeting per our current Bylaws.

### **Owner Correspondence**

An owner had asked if she could use the Sun Cove logo. We have no trademark on our logo so we cannot restrict use of it.

The board reviewed letters received from 3 owners regarding private moorage buoys; Jim Tarrant, Mr. & Mrs. Martin Olsen (x3) and Ms. Wehmeyer.

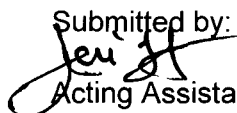
### **EXECUTIVE SESSION**

The board entered into an executive session at 11:50 am to discuss association members private moorage buoys off community property.

### **ADJOURNMENT**

***Mr. Sass made a motion to adjourn the meeting at 12:10 pm and Mr. Richards seconded. The motion passed unanimously.***

Submitted by:

  
Acting Assistant Secretary; Jeri Fifer

## Banking Resolution

RESOLVED That: North Cascades National Bank, Wells Fargo Bank, and Mutual of Omaha Bank are hereby selected as the bank of, and depository for funds of the Lake Entiat Lodge Associated which, may be drawn on check, drafts, or advice of debits given or signed in the Association's name by any one of the following for amounts less than \$4,000, and by any two of the following, one being an Officer of the Association for amounts in excess of \$4,000:

President	Dan Russell
Vice President	Nick Nelson
<del>Treasurer/Secretary</del>	<del>J Anderson</del> <i>Remove Jay</i>
Director	Brandon Fix
Director	Greg Zeller
Director	Darrell Richards
Director	Don Sass
Director	Walt Wheeler
Managing Agent	Alex Osenbach
Managing Agent	Jayne Severyns

each of whom is also authorized to draw and accept drafts and execute contracts and other agreements between the bank and the Association, and to make, collect, discount, negotiate, endorse and assign, in the Association's name, all checks, drafts, notes and other paper, signed as aforesaid, including checks payable to the order of any one or more of said persons or to bearer shall be honored by the bank and charged to the Association's account.

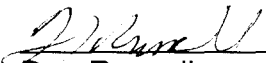
This authority shall continue in force until notice in writing of its revocation shall have been given to and received by the bank. All transactions aforesaid, which have taken place heretofore are hereby confirmed and ratified.

RESOLVED Further That: Bank of America, Wells Fargo, and Mutual of Omaha Bank are hereby selected as the institution of deposit for investment in Certificates of Deposit of this Association. At maturity, the certificates are to be reinvested in new certificates or deposited into the Association's accounts.


RESOLVED Further That: Alex Osenbach or Dan Russell is authorized to transfer Funds between these banks for the purpose of reconciling the cash balance with the

reserve fund balance. These transfers are to be made and drawn in the name of the Association.

This Resolution was made and adopted by the Board of Director on May 18, 2013 and certified by the Association President and Secretary with their signatures below.

  
\_\_\_\_\_  
Dan Russell  
President

5/18/2013  
Date

  
\_\_\_\_\_  
J Anderson  
Secretary

05/18/2013  
Date