

Lake Entiat Lodge Associated
Meeting of the Board of Directors

August 21st, 2015

TIME AND PLACE

The Board of Directors of Lake Entiat Lodge Associated met Friday, August 21, 2015. The meeting was held at the Sun Cove clubhouse in Orondo, Washington and called to order by the Board President, Mr. Russell, at 6:10 pm.

PRESENT

The following directors were present: Dan Russell, Nick Nelson, Darrell Richards, Walt Wheeler, Greg Zeller and Treasurer J. Anderson. Staff members Jason Knight and Jessicah Curry were also in attendance, as well as two community members.

APPROVAL OF MEETING MINUTES

Mr. Russell presented the June 19, 2015 Board Meeting draft minutes and the April 25, 2015 Annual Membership Meeting draft minutes for approval and acceptance respectively.

Mr. Nelson made a motion to approve the June 19, 2015 meeting minutes as reviewed, including the addition of the executive session recap as reviewed by the Association attorneys. Mr. Zeller seconded and the motion carried unanimously.

Mr. Wheeler made a motion to accept the draft of the April 25, 2015 Annual Membership Meeting minutes as presented. Mr. Nelson seconded and the motion carried unanimously.

FINANCIALS

Mr. Anderson reported that the operating budget categories are performing within their expected ranges, excluding “Pool Supplies/Equipment” and “Grounds”. The Association is underspent in the operating budget by approximately \$7,000 to date.

Mr. Anderson shared that the balances of the reserve funds—Water Loan Repayment, Capital Improvements, Water System Improvements and Special Capital—show positive/adequate balances.

Mr. Anderson relayed that 2016 budgeting is currently underway and will be reviewed at upcoming meetings.

Banking Resolution

Mr. Russell presented the Banking Resolution to the Board for review and highlighted the changes to the existing policy, namely that the credit line would be extended to \$5,000.

After discussion, Mr. Nelson made a motion to accept the Banking Resolution as presented. Mr. Richards seconded and the motion passed unanimously.

OLD BUSINESS

Firewise Update

Mr. Russell reviewed the Association conference call with Lisa Graves, Chelan County PUD (CCPUD) representative, to discuss the FireWise clearing permit. This would allow the Association to perform FireWise clearing on the CCPUD property downriver from the association. Approval was given to the CCPUD and the Association is waiting on the permit to begin the clearing process. The Association will be clearing 30 feet into PUD property and thinning an additional 70 feet, leaving some brush and native grass. This clearing was recommended by fire specialist Bill Berrigan for the protection of community lives and property, as this area was identified as the highest fire threat.

Discussion followed regarding future financial negotiations with the CCPUD and how to ensure that the PUD will take responsibility for future maintenance of FireWise clearing identified on their land.

Additional discussion took place in regards to internal community-planned FireWise maintenance. Board consensus was to hire Guy's Tree Care, Inc., for several days of FireWise clearing of the area behind the shop in order to obtain an idea of what costs will entail.

Mr. Nelson made a motion to spend up to \$3,000 for FireWise clearing. Mr. Zeller seconded and the motion carried unanimously.

Electronic Voting/Attendance

The Association attorney's suggested changes to the Bylaws regarding electronic voting/attendance were reviewed.

After discussion, board consensus that the draft, as it stands, is too broad, including options such as proxy and mail voting when the intent was to be what was tested and took place at the 2015 Annual Membership Meeting. Board consensus was to have the bylaws re-drafted to reflect this singular change.

NEW BUSINESS

Community Mailboxes

Cluster Box Units (CBUs) options were reviewed. Discussion followed regarding the best way for the Association to fund the replacement of the community mailboxes as required by USPS.

Board consensus was to demonstrate the Association's progress and diligence to the Post Office by approving and developing an installation timeline.

Mr. Nelson made a motion to purchase and install Cluster Box Units and to develop an installation schedule, Mr. Anderson and Mr. Russell to determine the proper account to use for the expenditure. Mr. Zeller seconded and the motion passed unanimously.

It was determined that the Maintenance committee's next course of action is to define the project details and costs for discussion at the next board meeting.

Short-Term Lease Rental Cap

The Board discussed whether or not to decrease or increase the Association's maximum amount of Short-Term Lease Rental Declarations. Ms. Curry shared that the Association has 15 Short-Term Lease Rental Declarations for the year 2015, and that the current short-term rental cap is 21.

Mr. Richards made a motion to decrease the Association's Short-Term Lease Rental Cap to 19, as outlined in the Association Covenants. Mr. Zeller seconded and the motion passed unanimously.

COMMITTEE REPORTS

Capital Improvements/Long-Range Planning

Mr. Nelson reported that the next step in the Long-Range Planning process is to move ahead on the initial development of the spoils pile and design various layouts as needed. Costs for clearing, initial leveling, irrigation, hydroseeding and project timing will be reviewed at the next meeting.

Facilities & Maintenance

Mr. Nelson suggested that the Association begin research for the replacement of the docks in the center cove, as a recent engineering review identified that these older concrete docks are failing. He recommended that a vendor provide the Association with a quote for new docks, as well as a time frame of installation and costs so that plans can be developed. After discussion, it was determined that the Association will continue gathering information for the necessary planning.

Rules & Regulations

Mr. Wheeler reviewed his effort to re-write and condense the current Rules and Regulations. He shared that the best approach arrived at is to reduce certain respective sections in the Rules and Regulations to a reference line rather than multiple pages of the total content. These line-item rules and regulations would be either posted or submitted to members on a separate basis. He also recommended that all of the rules be labeled "community rules" for consistency and clarification.

Mr. Russell suggested that the next step is for the Rules and Regulations Committee to provide the Board with a Rules and Regulations draft.

It was asked what rule violations were an issue this year. Board and present Association members contributed that underage driving of golf carts continues to be a major concern. Also discussed were open-flame fires on Association property and surrounding beach areas. Discussion followed, reiterating that Association staff will pursue both these issues as either Association compliance issues or matters for the Douglas County Sheriff.

Lastly, Mr. Wheeler suggested that the Association consider putting up a cyclone fence around the water tower to deter any potential trespassers. Board consensus was to obtain quotes on the cost of fencing.

MEMBER CORRESPONDENCE

Mrs. Kindig expressed her gratitude toward those who attended the Fire District No. 4 meeting last Friday evening. She also wished to commend Mr. Knight and security staff member, Ryan Booth, for their diligence in alerting the community to the presence of impending fire danger from the Navarre Coulee area.

The Board went into an executive session at 8:08 pm.

Discussion took place regarding the lawsuit officially filed by Association members, the Wehmeyers, in regards to grandfathered tree height. After review and as outlined in the June meeting minutes, the Board consensus was that a violation of the Covenants shall always be pursued as such; the Covenants must be upheld, defended as the standard of the community, and, above all, enforced with full authority.

Accordingly, the Board of Directors will defend the Association, through the Association attorney, in upholding the Covenants. Costs are anticipated to be \$15,000.

The executive session ended at 8:24 pm.

STAFF REPORT

A letter from an Association member was brought to the Board's attention, in which the member asked for leniency regarding a fine levied against them for their 12-year-old daughter driving a golf cart. Board consensus was to enforce the Golf Cart Rules and Regulations and not to waive the immediate fine for underage driving, as requested by the member.

The meeting was adjourned at 8:33. Mr. Richards moved, Mr. Wheeler seconded and the motion carried unanimously.

Submitted by:

Jessicah Curry, Acting Secretary