

LAKE ENTIAT LODGE ASSOCIATED

Meeting of the Board of Directors

January 31, 2009

Time and Place

The Directors of Lake Entiat Lodge Associated met on Saturday, January 31, 2009. The meeting was held at the Clubhouse at Sun Cove, Orondo, Washington. The meeting was called to order by President Dan Lungren at 5:50 pm.

Present

The following Directors were present: Dan Lungren, Nick Nelson, Greg Zeller, and Todd Watson. Alex Osenbach was also in attendance representing the Association's management company. Also present was Association Treasurer Kevin Kalberg. Mr. Lungren acted as chairman and Alex Osenbach acted as secretary for the meeting.

Approve Board Meeting Minutes

The Board reviewed the minutes of the November 12, 2008 meeting of the Directors. Following a motion by Mr. Watson and seconded by Mr. Nelson, the minutes were approved as submitted.

Booth Residence

Mr. and Mrs. Booth were provided an opportunity to present to the Board their reasons why the \$25 per day penalty totaling \$2,800 should not be assessed and should be waived. Following a discussion the Board agreed that the penalty will stand and should be paid. Mr. Lungren offered to accept a reasonable repayment plan should the Booth's choose to do so; otherwise the account balance should be paid in full within 30 days.

Financial Statements

The Operating results and the 2009 budget were discussed in the Members meeting no additional Financial report was given. Detailed year-end Financial reports were included in the Board's meeting material.

Casteel Correspondence

The Association received a December 1, 2008 letter from an attorney, Robert A. Casteel, who stated that he represented a group of property owners in the Sun Cove development. However, he did not reply to the association request to disclose who he represented.

The three concerns were: 1) outbuildings encroaching upon the required setbacks, 2) recreational vehicles which exceed the allowed use or time limits, 3) properties (homes) that may exceed the required height limits.

Following the receipt of this letter our Site manager Michelle Richardson commenced a review of all the lots listed in Mr. Casteel's letter. A report of her investigation was provided to the Board.

Item 1: Outbuilding. (25 lots)

The report found that many of the lots listed in the letter had sheds on the property line and within the 5 foot setback requirement for structures in the Covenants. The Board will make a determination if a temporary movable shed smaller than 120 square feet meets the definition of a structure. Until the receipt of this letter the Association's position was that if the shed is movable and not on a foundation it is not considered a structure. The Board agreed to consider this issue in detail at their next meeting.

Item 2: Recreational Vehicles

Of the eight lots listed seven had homes on them. The Covenant has no restriction for the storage of a trailer on a lot after a home is built. At the time of the inspection there was no recreational vehicle on the remaining lot.

Item 3: Height Limit

There were three lots identified in the letter. Two had sloping lots with the height of the home much lower than 22 from the high point of the lot. These two homes were taller than 22 feet but when considered in relationship to the high point of the lot they were well within the limitation. There was one home listed that may be higher than the 22' restriction. However, a more detailed review of the home and the construction plans will be required. Plans will be provided to the Board for additional review. It was pointed out that the home in question is on Emerson Dr. and there is no other Sun Cove lot effected by this home even if it is above the 22 foot limitation.

The Board instructed the management company that no reply is necessary to Mr. Casteel's December 1st, letter until the Association receives a reply to their letter to him of December 4, 2008.

Capital Projects

Pool Fence: Kelly's Iron Works still needs to supply the flange framing to be connected to the lower part of the fence in order to bring the fence within code. They have stated that it is being worked on and will be completed soon.

Card Swipe: The Board was provided with two proposals for identification access card swipe entry lock systems for the clubhouse/pool. There is a big difference in the cost of the two systems. Additional, investigation is needed to ensure that the two systems are providing the same information. In theory the use of a card swipe entry will eliminate the requirement of issuing tags every other year and the system will be able to deny access to those owners who are not current with fees. This will be a savings in operation costs depending on the initial cost of the system.

Site Manager Office: The office space is close to being finished and was open following the meeting. The Site manager is expected to be fully operational in the new space in a week.

Water Meter Reading Equipment: The Board was provided with a water usage report for 2008. The association used approximately 97 million gallons in 2008 very close to the same amount as 2007. It was pointed out that the winter and spring 2008 was lower than the same period in 2007 however, the summer of 2008 reflect higher usage. At some point the Association at a minimum, needs to get back to reading the meters and reporting consumption.

Rental Forms

The Board discussed the information being requested on the Weekly Informational Occupancy Form. Samples of the completed forms provided by short-term renting owners were provided to the Board to identify the lack of or type of information provided. The Board agreed to review the form and will discuss adjustments to the form for use during 2009. It appears that a change in the information requested may help with obtaining information that is usable by the Association.

Correspondence

The Board took no additional action on the owner correspondence at this time. The questions raised in the letters were addressed earlier in the meeting and the owners were present or replies were mailed earlier.

Next Meeting

The Board set Tuesday February 24, 2009 as the date of the next meeting which will be in Seattle at 4 PM. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 8:10 PM.

Submitted by
Alex R. Osenbach
Managing Agent

