

**CANTERWOOD DIVISION 12 STEP ASSOCIATION BOARD MEETING  
MINUTES OF AUGUST 16, 2016**

A meeting of the Canterwood Division 12 STEP Association Board of Directors was held at the Diamond Community conference room on August 16, 2016. The meeting was called to order by President Lynn Singleton at 9:30 AM. Those Board members in attendance at the meeting were Lynn Singleton, Steve Tyson, Larry Fleming, Greg Piacitelli and Bruce Schmitz. Also in attendance was Lisa Dillon of Diamond Community Management (DCM).

President Singleton requested that all Board minutes be sent to all association members by both e-mail and regular mail until members preference is established.

The board reviewed the financials for the month of July 2016. Two association members are behind on their monthly payments and DCM is taking action to bring those homeowners up-to-date on their payments. It was also requested that DCM verify the correct owner of Lot 8. The financial report was approved as submitted by DCM. A summary of the financials for the association through the month of July 2016 is as follows:

**Assets**

Division 12 STEP Association Operating Account— —	\$16,269.71
Division 12 STEP Association Reserve Account— — —	\$58,037.36

**Liabilities and Capital**

Prepaid Assessments— — — — —	-\$3,154
Total Liabilities— — — — —	-\$3,154
Retained Earnings— — — — —	\$61,980.83
Current Year Earnings/Loss— — — — —	-\$9,172.74
Total Capital— — — — —	\$71,153.07

**Total Liabilities and Capital— — — — —** align="right">**-\$74,307.07**

The board reviewed the administrative fee being charged for undeveloped lots within Division 12. It concluded that the administrative fee being charged for undeveloped lots was not appropriate and that no payment should be made by these lot owners until a dwelling unit is built on the lot and it is connected to the STEP system. Bruce Schmitz was requested to draft a letter to go to the undeveloped lot owners informing them of this board action. After review and approval of the letter by the board, Lisa Dillon will send it to the affected lot owners.

The Board reviewed the two contracts that the board has with outside firms. The contract with DrainPro is for providing STEP system vault screen cleaning and chlorination house maintenance. It was concluded that this contract is out of date and

Lynn Singleton took an action item to contact DrainPro to discuss the scope of work and update the contract as may be appropriate. The DCM contract was briefly reviewed. It was entered into on May 1, 2013 with a one year term after which it continues on a month-to-month basis. The Board will review this contract in more detail in the future.

The board reviewed and discussed a spread sheet prepared by Steve Tyson on the charges by the City of Gig Harbor for sewer services. No action was taken as a result of this review.

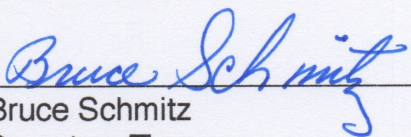
The board discussed the need for a welcome package for each new member and the materials that might be included. This will be discussed in more detail at the next meeting. Larry Fleming agreed to compile a list to facilitate future discussion.

The board discussed the potential need for STEP system maintenance and inspection to insure operational integrity. Pierce County generally requires such inspections but STEP systems are not included in this best practice because of jurisdictional boundaries. Lynn Singleton volunteered to call the other Canterwood STEP system to see what they have in place and report back at the next meeting.

The next meeting of the Board is scheduled for Tuesday, September 20, 2016 at 9:30 AM in the DCM conference room.

The meeting was adjourned at 11:50.

Respectfully submitted:



Bruce Schmitz  
Secretary/Treasurer