

**CANTERWOOD DIVISION 12 STEP ASSOCIATION BOARD MEETING MINUTES OF
DECEMBER 14, 2016**

A meeting of the Canterwood Division 12 STEP Association Board of Directors was held at the Diamond Community conference room on December 14, 2016. The meeting was called to order by President Lynn Singleton at 9:30 AM. The Board members in attendance at the meeting were Lynn Singleton, Steve Tyson, Larry Fleming, Greg Piacitelli and Bruce Schmitz. Also in attendance were Lisa Dillon and Carol Burton of Diamond Community Management (DCM).

The minutes from the annual meeting of the association held on November 15, 2016 were reviewed and approved with changes noted by board members and DCM. The minutes will be sent to all homeowners after final changes are made. They will require homeowner approval at the next annual meeting in 2017.

Secretary/treasurer Schmitz presented the financials for the month of November 2016. Several homeowners had not made their November payment by the end of the month but most had paid prior to the meeting. Two homeowners have been consistently late on their payments and are currently several months in delinquency. Lisa Dillon is to draft a letter to each and submit to Bruce Schmitz for approval. The financial report was approved as submitted by DCM. A summary of the financials for the association through the month of November 2016 is as follows:

Assets

Division 12 STEP Association Operating Account	\$18,637.90
Division 12 STEP Association Reserve Account	\$62,879.26

Liabilities and Capital

Prepaid Assessments	\$2,921
Total Liabilities	\$2,921
Retained Earnings	\$61,980.83
Current Year Earnings/Loss	\$16,615.33
Total Capital	\$78,596.16

Total Liabilities and Capital **\$81,517.16**

Since the reserve fund is fully funded and is predicted to be so for the next two years, the board recommended, and the homeowners approved at the annual meeting, the elimination of the monthly payment for reserves for 2017. Thus, the monthly dues will be reduced from \$101 to \$90 for 2017.

Lisa Dillon presented the DCM recommendation that the bank to be used for the association be changed to US Bank since the current First Citizens Bank is charging fees for many of the bank services. US Bank has a division specifically setup to serve HOA's, will have no fees, will offer more services, and will pay a higher rate on the association savings. The Board approved the change to move all association accounts to US Bank. The bank branch is on Pioneer St and the interface is with Keith Page.

Treasurer Schmitz will sign the papers necessary to make the funds transfer and will sign an authorization card for him to be a second signature on checks.

The Board discussed the meeting with Jeremy Moore from DrainPro at the pump house on December 2, 2016 to discuss the maintenance requirements for the equipment located in the pump house. A Request for Proposal (RFP) was given to Jeremy to respond with a proposal for recurring maintenance of the equipment in accordance with the RFP. Subsequent to that meeting President Singleton cleaned up the pump house and did some repairs on equipment that was not working properly. The cost of parts for this repair was \$286.05 and Treasurer authorized DCM to reimburse Mr. Singleton for the costs of the parts. We also discussed the need to find and exercise all system valves in the future. This work should be investigated further and we will consider a RFP for this work with an option for the ongoing pump house monitoring and maintenance. In the interim, President Singleton volunteered to monitor the pump house and equipment. Larry Fleming turned over a copy of the STEP 12 system plans showing locations of all valves.

President Singleton indicated that he had met with the other Canterwood STEP Association and that they have a website which we may be able to use.

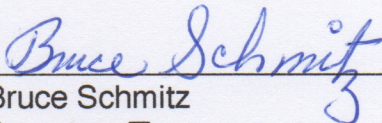
President Singleton indicated that he had received a letter from a consultant for Canterwood Development Company (CDC) asking that our association join in signing a letter requesting that the City of Gig Harbor take over responsibility for the sewer line that transmits sewage from a location at Canterwood Blvd/Baker Way across Tacoma Utilities property and connects to the city sewer line. The letter was discussed by the Board with many questions raised regarding the request. The Board indicated that it was not willing to sign the letter without answers to the many questions raised during the discussion. President Singleton was requested to send a copy of the letter to Rush Residential for clarification of several items in the letter. The Board will meet with CDC and the consultant after the holidays to discuss the letter and its implications for our association.

The board agreed that subsequent board meetings will be held on the second Tuesday of each quarter. The next meeting will be held on February 14, 2017 at the DCM conference room. A special meeting may be needed to respond to the CDC letter.

Lisa Dillon mentioned that she has some medical issues at home and will be taking a sabbatical from the office for several months but will be working from her home.

The term for board members Steve Tyson and Larry Fleming end on January 1, 2017. They were thanked for the several years of service on the board. The meeting was adjourned at 11:15.

Respectively submitted:



Bruce Schmitz
Secretary/Treasurer