

DRAFT
CANTERWOOD DIVISION 12 STEP ASSOCIATION
ANNUAL MEETING
TUESDAY NOVEMBER 13, 2018
Canterwood Association Office
6:00 pm

The annual meeting of the Canterwood Division 12 STEP Association was held on November 13, 2018 at the Canterwood Association office. The meeting was called to order by President Lynn Singleton at 6:03 pm. In attendance at the meeting were Board members Lynn Singleton, Rick Meeder and John Soukup. Diamond Community Management (DCM) representative Lisa Dillon and members of 8 homes. Considering members present and received proxies, a quorum was represented.

President Singleton presented the meeting agenda and introduced the Board members.

A motion was made, seconded and unanimously approved to approve the minutes from the 2017 annual meeting of the Association.

President Singleton summarized the priorities for the Association Board during 2018 and reviewed the major accomplishments during 2018. The major accomplishments included:

A response was made to the Canterwood Emergency Planning and Preparedness Committee's request for information about Division 12 STEP Association's system's and plans in case of an emergency.

President Singleton and the Board of Directors reviewed and commented on Canterwood STEP Association's study of the level of corrosive chemicals in the outflow from the Canterwood STEP system and the Division 12 system and offered comments and corrections.

Advanced Septic Systems was contracted to locate, inspect and exercise valves. As the result of this work most of the valves were located and the locations marked. Advanced replace a broken lid on the system's vacuum release valve riser.

An update to the Association's reserve study was commissioned. The report was received, reviewed and approved by the Board of Directors. The report is compliant with new Washington State requirements that took effect on July 1, 2018 (WUCIOA).

President Singleton has been soliciting bids to replace the broken flow meter in the pump house which regulates the amount of bleach injected into the waste water. So far the bids received have been very high.

Treasurer Meeder presented the financial status for the Association. Mr. Meeder reported that the 2018 expenditures are projected to be slightly under budget. The financials projected for 2019 will be about the same as the 2018 expenditures. The 2019 budget includes a 3.5% increase in the cost for the discharge of wastewater into the Gig Harbor City sewage collection system. This increase will be offset by savings in other expense categories.

Mr. Meeder presented the results of the Reserve Fund Study and the status of the Association's reserves. The new Reserve Study calls for a reserve fund of \$73,351 for 2019. At present the Association has \$63,201 in the reserve fund which is 86% of the recommended amount. The short fall of \$10,150 will be mitigated by a transfer of the surplus in the Association's operating account to the reserve fund at year end.

President Singleton reported that he is up for election to a new term as director.

After counting ballots. DCM representative Lisa Dillon reported that Mr. Singleton had been elected to serve for another term. She also reported that the 2019 budget was ratified by the homeowners.

President Singleton discussed the major Board plans for 2019. They include:

- Purchase and install a new flow meter to replace non-functioning unit – implement flow-paced treatment per City agreement.

- Continue infrastructure identification and preventative maintenance; bring selected valves to the surface.

- Replace chlorine tank valves.

- Evaluate service contract with Aadvanced Septic.

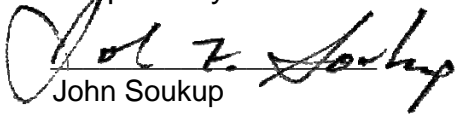
- Increase the 2019 Reserve Account levels

President Singleton then presented the Association's Website and gave a tour of the site to those present.

President Singleton opened up the meeting for questions by the homeowners. The Directors responded to the various questions to the satisfaction of the members.

There being no further questions the meeting was adjourned at 7:26 pm.

Respectfully submitted:

A handwritten signature in black ink, appearing to read "John Soukup". The signature is written in a cursive style with a large initial "J" and "S".

John Soukup
Secretary