

## **CANTERWOOD DIVISION 12 STEP ASSOCIATION**

### **October 15, 2024 Board Meeting Minutes**

**Zoom Call to Order: 9:57 a.m.**

**Attendance:** Lynn Singleton, Megan Amherst, Chad Scialabba, Scott Lane, Dan Riley, and Carol Burton- Diamond Community Management (DCM)

**Homeowners Present:** None

**Email Decisions/Actions/Approvals:** The email decisions (since last board meeting) were noted:

- Postponed the June 18, 2024 Board Meeting, 6-10-2024
- Approved and distributed the 2024 Summer Newsletter, 8-21-2024
- Approved Request for Proposals for the new 2024-2025 Operations and Maintenance vendor, 9-3-2024
- Approved the purchase of 12.5% bleach from Orca, established account, and diluting to 5.25% per City Agreement, 9-6-2024
- Approved Communication Preparation Guidelines and Board Responsibilities document, 9-6-2024
- Approved Director Liability Indemnification Protection Policy to address the liability concerns noted earlier in the April Minutes, 9-6-2024
- Approved Chad Scialabba reimbursement for initial bleach purchase, 9-10-2024
- Agreed to reimburse Lynn Singleton for operation and maintenance supplies, 9-11-2024
- Agreed to give Larry Fleming a \$10/fill credit to his STEP bill for providing needed bleach dilution water, 9-11-2024
- Approved Reserve Fund 12-month CD renewal at 4.5%, 9-13-2024
- Scheduled next Board Meeting for October 15, 2024, 10-1-2024
- Approved April-September 2024 Financial Reports, 10-18-2024

**Financial Reports:** Approval of the April, May, June, July, August, and September, financials reports were tabled pending verification of fees from Advanced during this fiscal year. Our Advanced Services contract ended 6-30-2024.

#### **Old Business**

**Plan to Review City Sewer Charges:** The old terminal flow meter that was replaced earlier this year malfunctioned and over reported water flows for an undeterminable period in 2023. After discussion the Board decided not to pursue requesting a refund from the city for the over-reported flow rates as it is not clear how long the meter malfunctioned and a verifiable argument for over-payment would be very difficult.

**2024 Operations and Maintenance Plan-status and amendments:** Earlier this year Lynn Singleton developed a list of Operation and Maintenance items. Most items have been completed through volunteer work. The Board discussed two remaining items that are potentially problematic. First is the needed repair of broken concrete around the internal drain

in the terminal vault. This is causing soil erosion under the vault. Lynn Singleton recommended repairing the concrete in the vault with another Board volunteer. Erosion impacts are worsened by stormwater water inundation from the adjacent stormwater retention pond. At exceptionally high pond levels, stormwater backflows into the vault. The Board discussed closing the drain valve to the vault during the rainy season to prevent stormwater retention pond impacts. Lynn and another volunteer will evaluate the needed concrete patching to stop the erosion, make the repair, close the drain valve to prevent backflows into the vault from overly high rain events, and monitor the situation.

Second Issue is the potential failure of two corroding steel pipe sections inside the pumphouse. To make necessary repairs, it will be necessary to shut down the entire system, which impacts the community. Homeowners would need to be notified, and work scheduled during off-peak flow periods. The expected outage would last approximately 4-hours. The motion was made and passed to develop a scope of work for review, solicit bids from contractors to review the Board's repair plans and make necessary repairs to the pumphouse manifold. Contractors will be asked to make a site visit and complete an installation plan based on the accomplished preliminary work. Once a contractor is selected, plan developed, and parts acquired, schedule and service impacts will be communicated to the community.

**O&M Contract:** The request for proposals is ready for distribution and will be sent to the vendors receiving the Pumphouse repair request discussed above. The selected Operation and Maintenance (O&M) vendor may be different than the vendor selected for the manifold repair noted above.

### **New Business:**

**Board Member Elections:** Two Board Positions are available beginning in 2025. Lynn Singleton and Dan Riley are up for re-election. Lynn graciously agreed to run for again, and Dan will rotate off due to his partial year residency. Dan's service and contributions were appreciated and will be missed. Homeowner, Ben Stewart, expressed interest in joining the Board and he will be on the ballot. A request for other volunteers will be sent out. Ballots will be mailed to homeowners along with Annual Meeting information.

**Federal Reporting Requirements for Board Members:** there is a new Federal Law that requires all Homeowner Associations Board Members to file a Beneficial Owner Information report to comply with the Corporate Transparency Act by 12-31-2024. Lynn Singleton completed his report. The data entry system appears to have issues and other Board members who have tried, have not been successful. Also, Carol reported that there is ongoing litigation that would exempt Homeowners Associations, and she believes our Association is in compliance since Lynn successfully filed. It was recommended that other Board members wait to file until we get further clarification, and their system glitch issues are resolved.

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**2025 Annual Meeting, Draft Budget, Report and Schedule:** The 2024 year-end estimate and 2025 Proposed Budget are in process. Fortunately, replacement of the failing flow meter resulted in more accurate reporting of wastewater flows than we saw during the old meter's end of life period. We now know that the meter was over reporting flows in 2023. This over-reporting and resulting City costs caused the Board to raise fees in 2024. Since the meter's replacement, the flow costs are now at historical levels and within expectations. We now have a surplus of funds. Chad Scialabba (Treasurer) will evaluate budget and resources to make a final recommendation on the budget and reducing homeowner rates. The Board will review and finalize for Association member ratification.

**Engrossed Substitute Senate Bill 5796:** Earlier this year Governor Inslee signed into law Engrossed Senate Bill 5976 which will significantly change the creation and governance of all Homeowners Associations in WA State. While the Act goes into effect on January 1 , 2028, we will need to modify some of our business practices to be in compliance. The Board will rely in our management company, DCM, to help guide us through any needed future operational/reporting changes in 2025 and beyond.

**Next Meeting Date:** The next Zoom meeting will be held on 11-5-2024 at 10:00 a.m.

**Adjourn:** The meeting was adjourned at 11:30 a.m.

**Respectfully Submitted:** Dan Riley, Secretary