

PARADISE SERVICE ASSOCIATES (PSA) BOARD OF DIRECTORS MEETING

DATE: Saturday January 21, 2017 TIME: 10:00 A.M. LOCATION: Mason Benson Community Center

PRESENT OFFICERS AND DIRECTORS: Officers President Velinda Brown, Secretary Maureen Allen, Treasurer Lori Gross, Directors Bob Hay, Jan Moon, Rick Galvin, Darlene Dennewith, Blair Harter

ABSENT OFFICER: Vice President Tom Moore (excused prior to meeting)

COMMUNITY ATTENDEES: Stan Eberhard P2-58, Ron Moon P2-242,243, Merrisue Steinman P2-203, Stacey Harter P1-009, Larry Pazaski P1-023

President Velinda announced that the meeting will be recorded and if any attendee does not want their statement to be recorded, please advise the board now. No objections to the recording were stated by the attendees. Also a request was made of all attendees who wish to make a statement to stand, and state their name and lot number and speak loud enough for the recorder to pick up their comments or questions. At the end of the meeting all attendees will have the opportunity to have 2 minutes to speak to the board. However in the future it is requested that an email be sent to the President so the board can be prepared to address all attendees concerns.

AGENDA ITEMS TO FOLLOW:

ITEM 1: CALL THE MEETING TO ORDER: The meeting was called to order at 10:05 A.M.

ITEM 2: PRESIDENTS REPORT

- a. Looking forward to seeing the completion of 2017 projects proposed by the committees to make Paradise Shores the best it can be. I am excited that the committees are meeting regularly to prepare a 2018 budget we can all live with. I have heard there may even be some social events.
- b. I/we will be focused on hiring a caretaker(s) for the PSA Park in time for the PSA Park opening on April 1st.
- c. I am already planning for the PSA Annual Meeting on June 3rd.
- d. Thanks to all of the board members and member volunteers for their dedication to completing our 2016 projects.

ITEM 3: APPROVE THE NOVEMBER 19, 2016 BOD MINUTES (sent via email to BOD for prior review)

Jan Moon moved to approve the minutes as written. Darlene Dennewith 2nd the motion. Motion approved unanimously.

ITEM 4: READ CANDIDATES LETTERS OF INTEREST, VOTE BY SECRET BALLOT AND APPOINT REPLACEMENT FOR BOARD POSITION HELD PREVIOUSLY BY SUZY ZEITELHACK. THIS BOARD POSITION TERM ENDS JUNE 2016.

Candidates: Larry Pazaski, Blair Harter, Brenda Bamford (unable to attend because of business out of town) Their letters were read by President Brown and then ballots were distributed for voting. Counting of the ballots was conducted by 2 board members and 2 meeting attendees who are in good standing. The elected nominee for the vacant board position ending June 2016 is Blair Harter. Blair immediately assumed his position on the board. President Brown noted that there will be 3 open board positions at the June PSA Annual Board Meeting. Open positions are currently held by Lori Gross, Darlene Dennewith and Blair Harter.

ITEM 5: OLD BUSINESS

- a. Newsletter was sent to NWS 1/3/2017. Letter sent with water bill. Because of cost, \$159.00 charged by NWS it is being considered to reduce the newsletter to a quarterly distribution.
- b. PSA Board participants Maureen, Darlene and Velinda, attended the Regional Mason County HOA Group meeting on October 29, 2016. The next scheduled meeting is hosted by Harstein Island HOA. The meeting is at their office on January 28, 2017 at 10 a.m. All board members (only) are invited to attend.
- c. Web Site and Access: Rick Galvin has scheduled a meeting on January 21 at 1 p.m. after the PSA Board Meeting and has invited Roger Biggs, MBCC Webmaster to attend. Committee members are Rick Galvin, Susan Koenig, Merrisue Steinman and Velinda Brown. Maureen Allen moved that if we do not get the PSA webpage username and password by January 31 that we move forward to create a new web page, select a web master and contact our attorney to advise us on what legal action can be taken against Susan Koenig for failure to provide our current username and password which belongs to the PSA Association. Jan Moon 2nd the motion passed unanimously.
- d. Sayan Cross Contamination: On 11/18/2016 a letter was sent to Patrick McDonald requesting legal guidance to deal with a cross connection issue and asking if we can send a letter to the bankruptcy court or state, shut off water, install RP devices and charge cost to Sayan account. Reply from lawyer is he feels water cannot be shut off on property in bankruptcy. He suggests to go forward with foreclosure. Blair moved to have the PSA Lawyer generate a letter to Mr. Sayan and the Sayan Bankruptcy Court advising them of the Sayan violation of PSA's Governing Documents pertaining to the distribution of water from one Sayan owned property to another through a garden hose and the possibility of cross contamination which could affect the entire community. 2nd by Maureen Allen, passed unanimously. The subject of foreclosure and bankruptcy cost review of the Sayan property was deferred to the Finance Committee.
- e. Property Liability and Directors/Officers Insurance (expires 1/14/2017): A bid from Duncan Insurance (current carrier) and Arnold Smith were obtained. Seven of Eight board members approved the bid from Arnold Smith which now includes coverage for the directors, liability and an umbrella which covers all buildings as well as the pump house and wells. The fee will be \$5,853.00. The previous coverage thru Duncan Insurance did not include directors insurance and the fee was \$8,649.00. A question regarding a waterway coverage and commercial water system arose and Velinda will address that issue with Missy Lawson.

ITEM 6: NEW BUSINESS:

- a. New Committee:
BYLAWS/RULES: review and approve Committee Charter prepared by Tom Moore, Chairman. Tom will schedule a committee meeting when he returns March 25, 2017. Jan Moon moved to approve the Bylaws Committee Charter. Bob Hay 2nd the motion and Blair Harter and Rick Galvin abstained 6 approved, motion carried. Tom requests the help from members.
- b. Review and Approve 2017 Caretaker Contract:
Maureen Allen moved approve/accept the 2017 Caretaker Contract, Jan Moon 2nd Blair Harter abstained, motion passed by 8 votes. Tom Moore will post advertisement in Arizona for Caretakers. Blair Harter will help regarding drug testing of potential applicants. Caretakers will be subject to credit and criminal background checks.

- c. Budget 2018: Committees will be asked to submit projects and budgets to Finance Committee by March 11th for inclusion in 2018 budget. Velinda will provide financial information from Quick Books for Rick Galvin.
- d. Approve 2017 Board and Annual Meeting Dates as Revised :
Blair moved to accept the revised/corrected time and date of 2017 Board and Annual Meeting Dates that will be posted at end of minutes. 2nd by Rick Galvin, passed unanimously. Velinda will repost the new dates.
- e. Legal Issues From Members:
Does board have right to set moorage and launch fees? Answer YES from Attorney. Also special events.
Is PSA prepared to provide for persons with disabilities? Answer YES from Attorney and the request has to be specific.

ITEM 7: COMMITTEE REPORTS (DUE WEDNESDAY PRIOR TO THE BOARD MEETING)

- a. Facilities (Chairperson Bob Hay)
January 14, 2017 Facility Meeting Minutes will be attached and available for posting at end of BOD Meeting Minutes. Committee Chair Bob Hay has requested that a pro come and inspect the hut and submit opinion as to structure integrity, bid on fee to repair or replace. A suggestion has been made for a bid on a steel structure. Maureen Allen volunteered to take on that action item and get a bid from All Steel NW located in Belfair, WA. Blair also offered to help with the hut project. The next Facilities Meeting is February 18th, 11am at Pazaski Garage.
- b. Finance (Chairperson Lori Gross)
Committee recommends transferring year end funds to reserve accounts (savings and park reserve) maintaining a reserve in the general checking for expenditures during January and February.
Balance Sheet, 2016 variance profit/loss (copies provided at meeting). The failure to file the IRS documents for the first quarter of 2012 and 2014 is still being worked. The next Finance Meeting will be January 27 at Jan Moon's between 4-7 pm to go over general operating expenses and looking at the 2018 budget. Lori asked for each committee chairperson to submit a requested budget by March 11th to the President and Treasurer. Another meeting on March 18th from 11pm-3pm at Jan Moon's to add in all the submitted costs to the 2018 budget. A completed budget is targeted for March 20th for a review by all board members before the March board meeting. A motion was made by Blair Harter to move year end 2016 funds to reserve accounts (savings and park) in the amount of \$5,730.00 each account and retaining \$15,000.00 in checking and future yearly transfer amounts to be determined at future years end. Darlene Dennewith 2nd the motion and the motion passed unanimously. Rick Galvin moved that the Treasurer disclose full detailed A/R financials only to the board and also include the accounts receivable Blair Harter 2nd and the motion passed unanimously. The current in-arrears amounts are: Dues \$1,700 and Water \$10,500 as of January 10, 2017.
- c. Marina (Chairperson Jan Moon)
Plan and budget for Marina renovation. AquaTechnex contract to remove lagoon weeds in 2017 awaiting for a quote. The next meeting is on February 6, 2017 at 5 P.M. at Pazaski's garage for the committee meeting. Revote to correct previously voted upon and approved 2017 Marina Fees: Jan Moon moved on 2017 Moorage fees as Single moorage fee \$200.00 oversized/double slip fee is double the single moorage fee as required per PSA's Rules/Guidelines daily moorage fee is \$15.00. All moorage fees include a \$25.00

launch fee. 2nd by Lori Gross, 8 votes yes, Darlene Dennewith abstained. Note: A \$25.00 seasonal launch fee with no moorage was approved at the November 19, 2016 BOD Meeting and remains as approved.

- d. Water (Chairperson Rick Galvin) Generator update: Generator and propane tank installed with 99% of electrical complete. Project is under budget. Electrical bid \$10,443, billing \$12,622 and overage will be addressed and if final is over 10% then it will need to be approved by the BOD however a final bill has not yet been received. The project was a clean installation. Rick will be providing budget requests to the finance committee. Velinda read and will provide email letter regarding water sharing issue to Rick. Next Water Committee meeting will be determined later and information emailed to President Velinda.
- e. Newsletter: Due March 1 and Velinda is requesting suggestions.
- f. New Owner Packet: Darlene Dennewith moved to accept the new owner welcome letter and survey, Jan Moon 2nd 8 approved, Rick Galvin abstained. The packet will include BOD contacts, park/marina rules, moorage application, Hut reservation form, survey w/return envelope, landlord/tenant form and Mason Benson Community Club Brochure.

Item 8: Other matters that may properly come before the PSA Board.

No attending member requested to come before the board for their allotted 2 minutes.

2017 MEETING DATES:

Annual Meeting (1st Saturday following Memorial Day)

June 3, 2017 (The Hut) 2 P.M.

Board Meetings (3rd Saturday of the month at 10:00 A.M.)

January 21 (MBCC)

March 18 (MBCC) Rescheduled to March 25th

May 20 (THE HUT)

July 15 (THE HUT)

September 16 (THE HUT)

November 18 (MBCC)

Lori Gross moved to adjourn the meeting Darlene Dennewith 2nd the motion, motion accepted unanimously.

Meeting adjourned at 12:40 P. M.

Minutes respectfully submitted by PSA Secretary Maureen Allen

