

PARADISE SERVICE ASSOCIATES (PSA)
BOARD OF DIRECTORS BOARD MEETING

DATE: September 17, 2016

TIME: 10:00 A.M.

LOCATION: PSA Park Hut

PRESENT OFFICERS AND DIRECTORS: President Velinda Brown, Vice President Tom Moore, Secretary Maureen Allen, Treasurer Lori Gross, Directors Darlene Dennewith, Suzy Zeitelhack, Rick Galvin

ABSENT DIRECTOR: Bob Hay (excused prior to meeting)

COMMUNITY ATTENDEES: Warren Zeitelhack, Rob Koenig, Ron Moon, Jan Moon, Stan Eberhard, Jim Baggerly, Merrisue Steinman

President Velinda Brown 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. Introductions were made by the seated board and also by the attendees.

AGENDA ITEMS TO FOLLOW:

ITEM 1: CALL THE MEETING TO ORDER

Meeting was called to order at 10:08 A.M.

ITEM 2: PRESIDENTS REPORT

1. PSA Newsletter was included in the September NW Water Billing.
2. Revised Hut/Park Reservation Form is completed and sent to caretakers.
3. Community Bulletin Board is in full swing with announcements being posted weekly by Bill and Sally. I have received great positive feedback from PSA Members.
4. I am impressed with the progress of the generator project by the Water Committee.
5. New Member Packet: There is a plan for Darlene and I, in the next 2 weeks, to work on an intro letter and finalize the Landlord/Tenant Form and then the packets will be ready to send to new members.
6. Tina Simms has volunteered to be the PSA Webmaster. She has arranged to meet with Susan Koenig to get password and instructions on updating the site. All postings will be approved by the president for content accuracy.
7. Bylaws/Rules Committee still in the planning stage. E mail will be required of committee members so the communication can be continued over the winter months. Charter is in process.
8. Marina Committee is up and running with a new Chairman, Suzie Zeitelhack. A charter is drafted and should be approved at the next meeting. Committee completed their first project by having Aquateck spray/kill aquatic weeds in the marina and along the channel. Reports indicate it is working. Next meeting is already scheduled for noon at the PSA Hut, September 24, 2016.
9. Mason County Health is not going to help with the Sayan cross contamination issue so I have contacted the PSA Attorney and I am awaiting his recommendation.
10. Maureen, Tom and I met with rusty Duncan of Liberty Insurance to review/discuss PSA liability

Item 10 continued:

insurance and directors/officers insurance. Rusty is looking into D/O coverage and cost. We may be able to wrap both insurances into one policy with a new company next year.

Directors/Officers currently are not covered by insurance in case of a lawsuit. Previous coverage was for \$5,250 million dollar coverage with a \$25,000 deductible and was cancelled May 2012. The board at that time determined that it was too expensive and couldn't afford it. A resignation has been received by Director Phil Grabicki because of his failing health. Velinda stated that she will continue to contact him for guidance because of his experience. Looking for BIOs from interested PSA Members who would be interested in serving on the board and who are in good standing. Velinda was contacted by the secretary of the Shore Crest HOA to join a group of other HOA communities to discuss as an example insurance issues, how to handle hostile members, county rules, just general information from other HOA's as to how issues have been successfully handled. Question from floor: Will the request for BIO's be posted on the bulletin board? Velinda's answer, yes, it can be but Velinda wants all BIO's to be given directly to her.

ITEM 3: APPROVE THE JULY 16, 2016 BOD MEETING MINUTES

Secretary Maureen Allen read the minutes and asked for a vote to accept the minutes as read. Rick Galvin moved to accept the minutes, Velinda Brown seconded the motion and the minutes were unanimously accepted by all qualified voting board members. Note: Tom Moore abstained from voting due to mail theft which caused a temporary delinquency in a water payment.

ITEM 4: BUDGET

Treasurer Lori Gross reported that the Balance Sheet as of September 14, 2016 is possibly not accurate due to not crediting or debiting the correct accounts by the bookkeeper at NW Water. The new reimbursement/invoice form created by Velinda actually instructs from which account all checks for reimbursements and invoices should be removed. That should help remove confusion with that issue. It was also noted that Quick Books needs to be addressed and it has been an issue to receive information from the bookkeeper in a timely manner which eliminates enough time for review before a report out. Velinda offered to go back to NW Water and again discuss any and all issues pertaining to the proper bookkeeping procedures regarding PSA accounts. It was stated that there have been suggestions to look for another bookkeeping service. The presented Balance Sheet is as close as possible at this time.

ITEM 5: WEB SITE AND ACCESS

Tina Simms will be working with Susan Koenig. She is keeping Velinda informed as to what is happening and hopefully posting to the website will be happening soon.

ITEM 6: COMMITTEE REPORTS

FACILITIES: New project discussion for 2017/2018 needs item and costs to be submitted for review. The Caretakers Contract is expiring on October 31st and needs review. The 2016 contract needs clarifications and volunteers are needed to help with a new contract. Darlene Dennewith

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FACILITIES continued:

And Maureen Allen volunteered with that project. An electronic copy will be sent out to the board for their review and immediate response will be needed. Basically the same but more detailed. The petty cash total is a continual \$400.00 which has not been included in the budget. The total spent right now is \$1,592.88 which does not include large dollar items. That amount does not include paper products or cleaning products.

FINANCE:

Lori reported that at the meeting the current balance sheet, budget vs expenditures were reviewed and discussed the IRS discrepancy and are currently working on that. There are issues with Grimm Collection because of Grimm fees being charged for collection of water and dues. In the future only overdue billings for water will be sent to Grimm Collection and the overdue dues will be handled through notifications from the bookkeeping department within NW Water. At the Finance Meeting Lori was elected to become the current Finance Chair.

WATER:

At the July 30, 2016 meeting Rick Galvin reported that the generator will ship the first week in October with about a week for delivery. The full walk thru and scope of work was discussed with contractors, site work will start next week preparing for French drains, preparing slabs for the generator and propane tank. The goal is to have the pump house upgraded for electrical before the generator arrives. There will be a 4plus hour shut down of power while moving the meter box. Approximately the 3rd week in October that will occur. Rick suggested that the board obtain an updated and accurate community email listing so an easier way to communicate with the community can occur. Velinda is going to strongly suggest within the next newsletter that current email address be submitted back to the board or NW Water for better communication. Rick did elaborate on the Sayan ongoing issue with the supply of water through a hose to houses without an operating legal water supply system. Velinda read the letter sent to PSA's attorney for assistance in this matter as it is a huge possible contamination issue. Tom and Rick have not been able to meet with Fire Marshall Paddy, but hope to do that soon. There was a request to include Kevin Killinger with water business as he has expressed a desire to be involved. Tom Moore expressed a concern about the water loss goal of 10%. PSA needs to have legislative authority to establish the 10% goal we are trying to achieve for the water loss. When they ask for the proof of that we need to provide minutes of the meeting that we voted that 10% is our number. It will be asked for at the next Sanitary Survey. Rick Galvin moved to review and reestablish our goal as a small water system to get our water loss to 10% or less and have an accurate review of water conservation. 2nd by Suzy Zeitelhack, unanimously approved.

MARINA:

Suzy stated that she did contact Shoreline Management and renovation plans first need to be established before they can be involved. Marina moorage fees, daily rates, plan and budget for marina renovation are all a work in process. Aquateck has treated the marina and weeds are killed. The next Marina meeting will be September 24th at the hut at 12:00p.m.

ITEM 7: OLD BUSINESS

Received PUD reimbursement of \$4021.61

The Newsletter was sent to NW Water on September 1, 2016.

ITEM 8: NEW BUSINESS

New/Resurrected Committees:

a. Marina and includes water and back lot members.

Bylaws/Rules: Approve resolution for creation of this new committee. Notification of committee was included in Newsletter and asked if anyone would like to serve and required to have an email address. So far no response. A charter and resolution will be established for a new Bylaws/rules committee and a review and approval will be required for that. A charter has been established for the Marina Committee and the review and approving of the charter will occur at the next meeting.

b. Newsletter is due November 1.

c. Committee Bulletin Board: Caretakers have been asked to post board meetings, committee meetings, parties scheduled and any other notices that may be of interest to PSA members. The Caretakers have been doing an excellent job posting to the bulletin board.

d. Discussion regarding PSA foreclosure of Sayan properties. Pros/Cons were discussed regarding the 3 Sayan properties.

ITEM 9: OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE BOARD (EACH MEMBER IS LIMITED TO APPROXIMATELY 2 MINUTES) MEMBERS WILL NOTIFY BOD UPON SIGNING IN THAT THEY WISH TO BE HEARD.

Jim Baggerly asked if it is possible to force homeowners to replace substandard pipes/plumbing. He was informed that PSA does not have authority to go onto property and force homeowners to replumb.

Merrisue Steinman presented facts about PROP 1 which will be on the ballot for voting this fall.

Suzie Zeitelhack moved to adjourn the meeting, 2nd by Darlene Dennewith unanimously accepted. Meeting adjourned at 11:40 P.m.

Respectfully Submitted by
PSA Secretary Maureen Allen