

MINUTES OF REGULAR BOARD MEETING
SURFSIDE HOMEOWNERS ASSOCIATION
August 16, 2008

B.O.T Present: **Gene Bowen, Jim Flood, Chris Hanson, Cathy Gabrielson, Larry Nelsen, Warren Olson, Walt Platt, Gary Williams, Grant Murrell (Attended by telephone.)**

Those Absent: None

The meeting began with Warren Olson, President, explaining the process for reviewing the budget at different budget stations. Members were encouraged to meet with individuals who are responsible for the portions of the budget.

President Warren Olson called the meeting to order at 9:12 A.M.

Floor Comments:

Olson requested that each committee report on members concerns, which were derived from the different budget stations. Brief comments requested from Budget Committee. Claudia Justice, the new Budget Committee member, was introduced. She has 25 years experience as college administrator working in finance and was also a social worker. Stan Jackson spoke on behalf of the budget committee, stating that large concern from members regarding increasing dues and how that will affect people with limited incomes. Another area in the form of a request was brought up with regard to having a nine to 12 months extended payment plan for dues. Currently members are allowed to extend out five months. Olson stated this will be addressed by the board however, extended payment plans do affect operational reserve funds which allows for readily available funds for necessary expenditures. Bowen offered that 190 people opted to use the extended payment plan last year. Stephens also stated that members raised concerns about Skating Lake's flooding problems; however, as this issue is not really a budget issue, this concern was referred to Bud Coffel, County Commissioner. Olson also stated that the second outflow, which is planned for late September, would likely solve the issue.

Bob Haskins shared regarding maintenance and water budget concerns of members, which presented mostly regarding the progress of continuing upgrading of Parks and cabanas. It was explained that money is budgeted for the other cabanas as it was for the Twin Lakes Cabana. Bob stated his budget projection for maintenance has been reduced mainly due to the large amount of work that was done this year resulting in being ahead of the game for next year.

Jane Bowen stated that no budget concerns were brought to the Community Relations Table at this hearing.

John Reichenbach addressed the board, with a question as to why Surfside is paying for Centurytel service as well as cell phone service. He stated that it would appear to be more cost effective to use a company such as Nextel that could provide all of our services at a discount. Haskin explained Nextel doesn't work in this area. He added that two-way VHS radios are used in addition to cell phones, which also cut down on costs.

Adopt Agenda:

Olson asked for changes and additions to the agenda. He added an explanation of agenda item #11D, which will include a conversation with Randy Lavold the manager of the water system in Ilwaco, who is currently in the process of replacing/upgrading their own water meters. He agreed to come to the meeting in an effort to help Surfside better understand the process by sharing what their experience has been. They have been replacing meters for over a year now.

It was explained that blue books on tables include agenda and handouts regarding rest of meeting.

OLSON STATED THAT IF THERE ARE NO FURTHER ADDITIONS TO THE AGENDA OR CHANGES, THEN THE AGENDA STANDS AS ADOPTED. THERE WERE NO OBJECTIONS AND THE AGENDA WAS ADOPTED.

Minutes

BOWEN MOVED TO ADOPT THE MINUTES OF THE JUNE 6, 2008 SPECIAL BOARD MEETING AS WRITTEN. SECONDED BY WILLIAMS. 9-0.

HANSON MOVED TO ADOPT THE MINUTES OF THE JUNE 21, 2008 REGULAR BOARD MEETING AS WRITTEN. WILLIAMS SECONDED. 9-0.
Williams seconded. 8-0.

WILLIAMS MOVED TO ADOPT THE MINUTES OF THE JULY 12, 2008 SPECIAL BOARD MEETING AS WRITTEN. HANSON SECONDED. 9-0.

HANSON MOVED TO ADOPT THE MINUTES OF THE JULY 19, 2008 REGULAR BOARD MEETING AS WRITTEN. BOWEN SECONDED. 9-0.

GABRIELSON MOVED TO ADOPT THE MINUTES OF THE AUGUST 9, 2008 EXECUTIVE COMMITTEE MEETING AS WRITTEN. WILLIAMS SECONDED. 9-0.

Olson explained that there have been a lot of minutes generated due to the necessity of meeting often in the absence of a General Manager. He is looking forward to Barbara Robinson, the new General Manager, coming on board.

OLD BUSINESS

SIX YEAR WATER PLAN

Olson brought the boards attention to the Revised Water Plan books on the board table and encouraged B.O.T. members to review the revised plans, noting the "track changes", which show the areas which have been revised. Following this revision, it appears that the plan is ready to be forward to the state.

BOWEN MOVED TO ACCEPT THE SIX YEAR WATER PLAN AS PRESENTED AND AUTHORIZE IT TO BE FORWARDED TO THE STATE FOR REVIEW AND ACCEPTANCE. HANSON SECONDED. MOTION CARRIED UNANIMOUSLY 9-0.

Grant Murrell entered the board meeting by telephone speaker call at 9:30 A.M.

357 STREET BERM – INFORMATION ITEM ONLY

Olson explained that renewed interest in the 357 Street Berm flooding area, legal action had been pursued against the county, and although Surfside has not been subpoenaed at this point and time due to our limited knowledge, we have been asked to provide the parties with whatever information we can glean from the files. We did find a picture in our files and this is provided to the board. We believe the picture, dated April of 89, shows the corner of G and 357th and the condominiums as well as a lot of water and flooding around that area. The berm has been mentioned in the I Lane agreement. Some information was discussed in the meeting, but all appears to be hearsay and therefore, not necessarily evidence.

NEW BUSINESS

APPOINT BUDGET COMMITTEE

Olson stated that the Budget Committee is limited to five people. The committee starts with two people, Ginger and the treasurer. And three members must be picked to add to the committee. These members will be, Stan Jackson, Glen Stephens and Claudia Justice. Additionally because this is Bowen's first year as treasurer, Walt Platt has agreed to serve as ex-officio to advise. It was also identified that Dan Maryott cannot serve on the Budget Committee and therefore,

BOWEN MOVED TO CONFIRM THE FIVE MEMBERS OF THE 2008 BUDGET COMMITTEE TO BE TREASURER, GENE BOWEN, FINANCIAL

ADMINISTRATOR, GINGER BYRD, STAN JACKSON, GLEN STEPHEN AND CLAUDIA JUSTICE. PAST TREASURER WALT PLATT WILL SERVE EX-OFFICIO. GABRIELSON SECONDED. MOTION CARRIED 9-0.

Platt commented that Glen Stephen and Stan Jackson have served on this committee for the third year now and are both very valuable members on this committee. Bowen agreed. Budget Committee Meeting will be scheduled and announced and is always open to members. Glen is administrator in Clark County with County budgeting experience and this will likely be a good fit with Barbara Robinson who comes from Mason County with budgeting experience. Additionally, Claudia's experience discussed earlier and Stan's experience as a General Manager of a tractor company and Platt stated that he saved Surfside a lot of money on equipment alone in the past. Olson stated this committee is staffed with a very well rounded group of people with an extraordinarily high level of expertise in budgeting and Surfside is very fortunate to have people of that caliber. Additionally, Platt will serve as ex-officio lending his many years of experience as well.

ADVICE ON BUDGET COMMITTEE REGARDING COLA:

Bowen stated that the new General Manager would likely determine salary administration versus budget, including cost of living increases. However, the board's function will be to create a pool of money, which will be looked at later on when Barbara is here to make specific decisions of salary wage scales and schedules. Certain specific wage issues should be heard in closed session and will be heard at the closed session this meeting. Due to the board's struggles at coming up with a salary wage scale/schedule, it is thought that perhaps an HR consultant will be necessary, however, Barbara Robinson should be consulted first and then this determination can be made if necessary, after Robinson is on board. At this point the pool number will be given to budget committee to work with to be reviewed in September and October. Flood recommended that this number be deferred to closed session. Platt concurred, as did other members, as this was how it was done in the past. Olson stated that once the conclusion is made, regarding the pool of money, it will be made public.

TRUSTEE COMMITTEE ASSIGNMENTS

Olson referred the board to the new copy of the B.O.T. directory. Specifically the board should note co-trustee assignments as well as specific assignments, which were made with the trustee's background and experience in mind. Also BOT members were encouraged to begin to use the new emails addresses provided by Surfside if they are not already doing so

GABRIELSON MOVED THE TRUSTEE ASSIGNMENTS FOR 2008-2009 BE ADOPTED AS PRESENTED WITH CHANGES PRESENTED TO THE SECRETARY. FLOOD SECONDED. MOTION CARRIED UANIMOUSLY 9-0.

HEARINGS ON WATER PROJECTS:

Olson read the current procedure, which caused unnecessary delays in the past when trying to take action on approving work on the bridges. The effect of the procedure is that capital expenditures could be delayed up to 90 days, because the board only meets every 28 days. This creates a time constraint, which is very difficult to adhere to. The intent of the procedure was not to create such a delay in taking action on the budget but rather to allow for the notification of membership. Therefore, if the policy could be changed from 30 to 28 days this could solve the problem and avoid the need for special meetings, which also cost the membership additional monies.

Gabrielson explained that to her recollection, in the 80's, a section of the board was making decisions with large expenditures without the rest of the board's input and this created the intent of the new procedure for the 30-day delay.

Murrell said if you reduce it to 14 days then this cuts people short on notification. Better to waive it based on an emergency – in favor of reducing it to 28 days with the board given the leeway to determine when an emergency occurs to be able to make expenditures quickly. Murrell thinks that 14-day period is too short.

Discussion on stating number of days versus taking that out and simply notifying the membership without limiting the board decisions by a specific time period. The potential for abuse by board members without a date was discussed. Everyone agrees that decision should be same day as hearing. What is appropriate notification time period for membership is the issue.

FLOOD MOVED THE CONTROL OF ASSOCIATION FUNDS SECTION 8.1 BE AMENDED BY STRIKING ALL REQUIREMENTS OF A TIME DELAY REQUIRED FOR BOARD ACTION.

MURRELL MADE MOTION TO AMMEND FLOOD'S MOTION TO INCLUDE A TIME PERIOD OF NOTIFICATION THAT MUST GO OUT PRIOR TO HEARING AND BOT DECISION

Olson stated that discussion of the matter may be necessary prior to voting on the motions which were on the table and since the guest speaker; Randy Lavold had shown up, the board agreed to recess to hear him speak about water meters in Ilwaco. The Control of Association Funds issue would continue when Mr. Lavold completes his presentation.

WATER METERS

RANDY LAVOLD OF ILWACO WATER SYSTEM:

Lavold stated that Ilwaco Water System first began looking looking at touch read meters, which involve a very easy process, but takes longer to read with more staff usage. They then went to radio reads, meters installed and software unit is packed around and in time all meters can be read in 20 minutes. This type of meter can identify quickly when customer has a leak at any time during the month which helps with unnecessarily high bills. The meters are also basically tamper-free. In order to read the meters, someone with the appropriate software drives through town and downloads information from the vehicle. These meters are up to \$209.00 per meter. Master Meter was the provider chosen as they were the least expensive option. According to Lavold, most providers are good companies and they all produce the same product. The box will be part of the whole package increasing the individual meter box. Setters and connections must be included in cost as well.

Installation of the meters is reported to be very easy as all components are inside the unit which is wireless operating off of a 5 year guaranteed battery. Installation is being done by their own crew (4 men, 2 crews), can usually do 15-20 meters per day, replacing the meters already in the ground. To replace the entire saddle, which is what we will have to do, it will take ½ hour to 45 minutes per meter (Bob estimated about 1 hour per meter). Adjustments to waterline are done as needed and therefore can cause the job to take more time. Installation, once crew is trained, has been pretty smooth, but this is due to experience in reading meters, etc.

Maintenance of battery replacement will be necessary and is easily done in the field. Battery replacement units are about \$40.00. Maintenance regarding the meter itself is expected to be negligible as the meter does not have a lot of moving parts, other than a spinning wheel, inside of it. Life span of meter itself is 20-25 years. Lavold is replacing all Ilwaco meters at a rate of 200 per year. Meters must be maintained, etc. and the possibility of contracting with Ilwaco may be possible in order to share maintenance costs, etc. if we decide to use the same equipment. Software must be purchased to interact with the meters.

The information from the meters is plugged in to the software and bills are generated. Ilwaco Water may also be able to contract with Surfside regarding billing. Randy will check in to this but he can see this happening. Sharing costs with Ilwaco should result in cost savings to the members. Ilwaco bills bi-monthly for personal and monthly for business. Billing was further explained that in Ilwaco, there is a flat rate established and when users go over this rate, the billing begins. The meters themselves can serve to restrict the flow of water if necessary.

Olson stated that the decision regarding which meters to purchase must be made by September and action must be taken in October. Request for proposal (RFP) must be made and we must get bids. To get the bids a request for proposal must occur this week. The RFP example was presented and changes will be made to

it to be sent out this week to be returned in time for a recommendation to the board by Bob Haskins at the September meeting. Gray & Osborne's, the engineering consultant and will provide information to include in RFP, which is currently produced to the board in concept only.

GABRIELSON MOVED THE REQUEST FOR PROPOSAL FOR WATER METERS BE ACCEPTED IN CONCEPT, SPECIFIC WORDING ADJUSTED PER ADVISORS, AND ADVERTISED TO VENDORS. WILLIAMS SECONDED. MOTION CARRIED UNANIMOUSLY. 9-0.

BOWEN MOVED THE BOARD OF TRUSTEES HOLD A CAPITAL PROJECTS HEARING AT 9 PM SEPTEMBER 20TH IN ADVANCE OF THE REGULAR SEPTEMBER BOARD MEETING FOR THE PURPOSE OF COLLECTING MEMBER INPUT REGARDING THE PROPOSED WATER PROJECTS. WILLIAMS SECONDED. MOTION CARRIED 9-0.

PLATT ASKED IF MOTION COULD BE AMENDED. PROPOSED WATER PROJECTS COULD BE DEFINED AND IT WAS DEFINED AS WATER METERS AND PIPING.

BOWEN AGREED AND SECONDER AGREED. MOTION CARRIED 9-0.

HEARING ON WATER PROJECTS RESUMED:

Olson resumed back to discussion on capital expenditure hearings and the Control of Association Funds by law, section 8.1. Discussion continued and Olson read the State Law RCW 64 to the board to aid in their decision.

FLOOD RECOMMENDED A CHANGE TO HIS ORIGINAL MOTION AND STATED HIS CHANGED MOTION WAS THE FOLLOWING "THE MOTION IS APPROVED AS STATED, REPLACING THE ENTIRE SECTION:

- 8.1 "Prior to a Board decision on a capital expenditure project exceeding 20% of the current operating budget, the Secretary of the Surfside Homeowners Association will notify the membership of a public hearing on the anticipated expenditure, and that this hearing be held at least 30 days before a Board decision."

AND REPLACING IT WITH THE FOLLOWING:

- 8.1 Prior to a Board decision on a capital expenditure project exceeding 20% of the current operating budget, the Board shall hold a hearing to take comments from members, regarding the anticipated expenditure. The announcement of this hearing shall be made at least 14 days in advance of the hearing by posting at the Surfside office or through regular Surfside publications. These provisions may be waived by the board in case of emergency.

NELSON SECONDED. UNANIMOUS VOTE 9-0.

TREE FINES

Jim Meyers presented a criterion for tree fines, which was derived in collaboration with the Tree Committee. The fine policy was read and discussion occurred regarding the need to continue to deal with these issues on a case by case basis, especially in view of non compliance making the fines retroactive according to the agreement. Additionally the matter of communication to the complainant is important to inform them that the situation is being attended to.

Murrell suggested that tree-cutting services should be sold on the Surfside newsletter, however, this could create the problem of selling advertising to disreputable tree service providers and appearing that Surfside endorsed them. Meyers explained that when letters go out a list of referral sources for tree cutting are sent out with it.

Nelsen stated that tree covenants changes have appeared to create many problems in the community. He questioned methods of measurement of trees, as they do not appear to be accurate. Meyers determined that trees are measured from center of lot to center of street, and someone stands at a higher elevation to determine the height of tree as compared to the measuring pole. However, Meyers stated he would prefer to use a laser measurer, especially since you can't go on someone's property without permission and a laser measurer can be used from a distance. Discussion occurred and it was explained that although the trees may not appear to be a view obstruction today, the trees will grow and someday will become an obstruction if there isn't consistency in tree height covenant compliance. Meyers stated that until covenants are changed enforcement of the covenants as written must stay the same.

Nelson also suggested that complaints should be charged to the member unless they are valid complaints and that the money can be refunded once the complaint has been determined to be valid.

Olson advised Nelsen to meet with tree committee and determine whether or not he would like to address covenant changes. Nelson also requested that a laser measurer be obtained and he was given a budget form for this purpose.

Goal Setting for the Board

Olson discussed the nine line items on the table provided and this will be deferred until September meeting when the new GM is on board. It is important that goals be set which are achievable and not too numerous to actually perform realistically. Additionally closed session will include discussion of this matter.

Procedure for Cabana and Park Usage

New procedures and rules were addressed. The rules were determined to protect the cabanas, etc. in order to maintain the hard work that has already occurred and yet the members want to reserve them and use them. The rules should be posted at each Cabana. Additionally there will be a procedure involved with the office staff as well. Signs were minimally discussed. Olson asked is the policy acceptable to the board including the hours of closure, which won't necessarily coincide with sunset as seasons change. Jane Bowen explained that closing hours were determined for the homeowners nearby to have peace and quiet after a certain hour and therefore were determined to be appropriate and should stay the same.

GABRIELSON MOVED TO ADOPT THE POLICY ON PARK USE AND CABANA USE AS PRESENTED (AMENDED) AND THAT THE FORM OR ONE SIMILAR IS COMPLETED BY MEMBERS WISHING TO USE CABANAS. FLOOD SECONDED. MOTION CARRIED 8-0.

COMMUNICATIONS

Olson recommended that all review the communications between Western Woods and Surfside regarding the conflict about the bridge construction and approaches. Flood addressed these issues, stating they are unresolved at this point, including materials and methods used. But Surfside wants to make sure the bridges are safe and that approaches are maintained with the ability to stay that way for the future. 10% retainage of Western Woods payment will occur until the issues are resolved. Also the last payment can be used as negotiating leverage as well. Sam Jacobs, Surfside attorney, is advising us on retainage, etc.

FIELD MANAGER REPORT BY BOB HASKINS

Bob explained they are dealing with the issue of water flow problems in a certain area of Surfside and unfortunately at this point and time Bob has had no way of measuring this problem. Therefore, Bob has purchased measuring devices. He has determined that pump control may be the culprit relating to water pressure/flow but he is still analyzing data to more conclusively determine this, using engineering solutions. This will help him make decisions for the future regarding adding to the existing infrastructure.

Flood requested where we are on the warranty issue of the new components of filters, pumps and controls. Haskins responded that Karl has put this all together and sent it to the correct parties at Gray and Osborne, but they have not responded as yet, other than to provide the incorrect response that we were out of warranty. We were clearly not out of warranty the first time this problem was presented to them.

Bob stated he did a thorough investigation of the generator warranty and he has not been able to locate any written commitment on the part of the seller that this generator would withstand for a certain amount of time.

Flood pointed out that the water system ran when everyone else didn't have power this winter, which was accomplished by the use of the generator.

ARCHITECTURAL COMMITTEE – VARIANCE OF PACIFIC COUNTY FIRE DISTRICT #1

Meyerss explained the variance request, which includes a 16 inch in elevation in maximum height for the building which will house Fire Equipment used for safety of Surfside Community. There are 46 houses within 300 feet of the property. Our policy states we should contact these people and allow them comment. However, discussion ensued that this requirement can be waived along with the variance fee. Or the decision regarding the variance can be postponed until we have provided notification. Discussion revealed that the board agrees that 16 inches isn't enough of a variance to cause anyone alarm and would likely not impact most people in the area. It was determined that the expedient adding of the two bays which would house needed fire equipment as well as an emergency response unit for the community outweighs the need for notification which would cause an unnecessary delay.

FLOOD MOVED THAT THE HEIGHT VARIANCE OF 16 INCHES FOR FIRE DISTRICT 1 BUILDING AT DBL 09-04-09 BE GRANTED AND THAT THE REQUIREMENT FOR NOTIFICATION OF NEIGHBORS WITHIN 300 FEET AND THE FEES FOR THE VARIANCE BE WAIVED. PLATT SECONDED. MOTION CARRIED, 9-0.

GABRIELSON MOVED THAT A LETTER SHOULD GO OUT NOTIFYING THE 300 MEMBERS IN QUESTION OF THE BOARD'S DECISION. MURRELL SECONDED AND MOVED THAT NOTICE SHOULD GO IN NEWSLETTER GABRIELSON SECONDED. BOTH MOTIONS WERE CARRIED WITH A VOTE OF 8-0, AS MURRELL RECUSED HIMSELF AS A MEMBER OF THE FIRE DEPARTMENT.

COMMUNITY RELATIONS COMMITTEE

Jane Bowen stated there should be a policy regarding the use of the stove in the community room at the Surfside Office. This will be discussed with Barbara Robinson when she is here, in an effort to integrate office and operations into an emergency policy.

RV COMPLIANCE/STORAGE

Meyerss stated that someone wants to store a pickup truck in the RV storage facility and therefore, board decision would need to waive the requirement of only RV's being stored in the RV lot. Ginger Byrd spoke explaining that there are spaces which are too small for most RV's and could be used for a pickup for \$160.00 rather than sit empty.

NELSON MOVED THAT PICKUP BE ALLOWED ON RV LOT ON ONE TIME ONLY BASIS, FOR A SIX MONTH PERIOD ONLY, BUT NOT SETTING A PRECEDENCE FOR THE FUTURE, FOR A FEE OF \$80.00. WILLIAMS SECONDED. MOTION CARRIED 8-0.

Murrell stated they should meet certain requirements that vehicle is insured and mobile and leave a key to move it. Discussion occurred that we should not be responsible for moving any vehicles from storage.

Additionally, the incoming correspondence from a member requesting a refund from the storage facility was discussed due to special circumstances of paying and then never using the space at all.

BOWEN MOVED THAT REFUNDS OF UNUSED PORTIONS OF THE YEARLY RV STORAGE LEASE WILL BE ALLOWED WHEN THE SPACE CAN IMMEDIATELY BE FILLED BY A MEMBER ON THE WAITING LIST OR WHEN STAFF DETERMINES AN EXCEPTION SHOULD BE GRANTED, WITH THE AMMENDMENT OF A MINIMUM OF 20% OF FEE RETAINED AS ADMINISTRATIVE FEE. HE EXPLAINED THAT WE WOULD ONLY GET \$8.00 IT IS LIKELY THAT STAFF TIME WOULD AMOUNT TO MORE THAN \$8.00. FLOOD STATED PERHAPS IT SHOULD BE A FLAT FEE. FLOOD SECONDED.

BOWEN WITHDREW THE MOTION AND SECONDER DISAGREED AND MADE HIS OWN MOTION, REFUNDS OF UNUSED PORTIONS OF THE YEARLY RV STORAGE LEASE WILL BE ALLOWED WHEN THE SPACE CAN IMMEDIATELY BE FILLED BY A MEMBER ON THE WAITING LIST. A \$25 SERVICE FEE IS TO BE RETAINED FOR ADMINISTRATIVE COSTS. BOWEN SECONDED. MOTION CARRIED UNANIMOUSLY 9-0.

TREASURERS REPORT

Bowen went over treasurer's report. Olson requested clarification of operational reserves, identifying that actual operational reserve less unexpended budget should be viewed on the report.

Operating reserve is for the purpose of having funds available for emergencies. A policy regarding how much reserve can be spent will be determined later.

Platt stated they are on target at 58% of expenditure, regarding the budget.

SEE MOTIONS IN BOARD BOOK.

1. BOWEN MOVED TO APPROVE CHECK NUMBER 14716, IN THE AMOUNT OF \$1,940.40, PAYABLE TO B.K. HART FOR COMPLETION OF BUSINESS OFFICE ADDITION TO COME FROM ADMINISTRATION CONTINGENCY FUNDS, PLATT SECONDED. MOTION CARRIED, 9-0.
2. BOWEN MOVED TO APPROVE CHECK NUMBER 15676, IN THE AMOUNT OF \$467.85, PAYABLE TO EVERGREEN SEPTIC FOR SEPTIC TANK CLEANING AT 30511 L PLACE (JAMES MATLOCK), MURRELL SECONDED. CARRIED, 9-0.
3. BOWEN MOVED TO APPROVE PORTION OF CHECK NUMBERS 15727 AND 15787, PAYABLE TO H.D. FOWLER IN THE AMOUNTS OF \$37, 172.60 & \$13,090.86 RESPECTIVELY, FOR FIRE HYDRANT EXPENDITURES AND TRANSFER OF FUNDS FROM RESERVE FUND ACCOUNT. PLATT SECONDED. CARRIED 9-0.
4. BOWEN MOVED TO APPROVE CHECK NUMBER 15675, IN THE AMOUNT OF \$1,183.10, PAYABLE TO HILL & SON EXCAVATING, INC. FOR FOOTBRIDGE REMOVAL TO COME FROM FOOTBRIDGE REPLACEMENT PROJECT AND TRANSFER FROM RESERVE FUND ACCOUNT, WILLIAMS SECONDED. CARRIED 9-0.
5. BOWEN MOVED TO APPROVE CHECK NUMBER 15687, IN THE AMOUNT OF \$2,099.97, PAYABLE TO ROBERT HASKIN FOR REIMBURSEMENT FOR 3 NEW COMPUTERS FOR THE BUSINESS OFFICE. FLOOD SECONDED. CARRIED 9-0.
 - a. OLSON COMMENTED THAT NETWORKING WAS DISCUSSED BUT NO WORK STATIONS COULD BE NETWORKED. SOME PEOPLE WERE USING OWN HOME PERSONAL COMPUTERS AND THIS IS WHAT WE AS AN ORGANIZATION NEEDS TO HAVE IMPLEMENTED. PEOPLE WERE SITTING UNABLE TO WORK AND THEREFORE BOB WENT TO COSTCO AND PEOPLE WERE ABLE TO GET TO WORK THE NEXT DAY.
 - b. MURRELL WANTED TO KNOW HOW THIS HAPPENED. THIS IS EXECUTIVE SESSION QUESTION.
 - c. HASKINS REMINDED BOARD THAT THE NEW GENERAL MANAGER'S COMPUTER SHOULD BE SET UP PRIOR TO HER COMING.
6. BOWEN MOVED TO APPROVE CHECK NUMBER 15746, IN THE AMOUNT OF \$17.2, PAYABLE TO MERRIDETH JOHNSON FOR SUPPLIES FOR RETIREMENT PARTY FOR SHARON WHITE FROM CONTINGENCY, MURRELL SECONDED. CARRIED 9-0.
7. BOWEN MOVED TO APPROVE CHECK NUMBER 15758, IN THE AMOUNT OF \$250.00, PAYABLE TO PENINSULA SENIOR CENTER FOR DEPOSIT & RENTAL FOR VOLUNTEER APPRECIATION PARTY TO COME FROM CONTINGENCY, HANSON SECONDED. CARRIED 9-0.

- a. GABRIELSON STATED THAT THE COST CAN BE LESS DEPENDING ON HOW MANY MEMBERS WOULD ATTEND @ \$1.00 PER PERSON, IF BELOW A CERTAIN NUMBER. THIS HAS ALREADY BEEN RESEARCHED AND THE PRICE ON THE CHECK WAS DETERMINED TO BE CORRECT.
- 8. BOWEN MOVED TO APPROVE CHECKS #15780 & 15799, IN THE AMOUNTS OF \$192,366 AND \$16.00 PAYABLE TO WESTERN WOOD STRUCTURES AND GEORGIA MOURIKIS RESPECTIVELY, FOR FOOTBRIDGE REPLACEMENT EXPENDITURES AND TRANSFER OF FUNDS FROM RESERVE FUND ACCOUNT. HANSON SECONDED. MOTION CARRIED 9-0.
 - a. MURRELL REQUESTED WHAT IS THE \$192,366 FOR AND IT WAS DETERMINED IT IS FOR THE SECOND PAYMENT RETAINEMENT ACTION WAS REITERATED FOR MURRELL.
 - b. NELSON REQUESTED WHAT IS THE \$17.00 FOR AND IT WAS DETERMINED THIS WAS EXPENSES FOR RIBBON CUTTING CEREMONY.
- 9. BOWEN MOVED TO APPROVE OPERATIONAL FUNDS TRANSFERS FROM BANK OF THE PACIFIC IN THE AMOUNT OF \$75,000; FROM BANK OF AMERICA IN THE AMOUNT OF \$90,000; AND FROM RAYMOND FEDERAL SAVINGS BANK IN THE AMOUNT OF \$90,000 TO KEY BANK. HANSON SECONDED. MOTION CARRIED, 9-0.
 - a. MURRELL WONDERED WHY IT WAS MOVED AND BOWEN EXPLAINED IT WAS MOVED FROM STORAGE TO CHECKING TO KEEP BALANCES UNDER \$100,000 THRESHHOLD.

BUSINESS OFFICE

Dee Quillen resigned and office coverage is now an issue. This will be discussed in executive session. Otherwise, business is conducted by staff exceptionally well under extreme pressure.

FISH AND WATERWAYS

Williams stated Bob's report expands on his own report. There is a huge need for more volunteers, but much has been accomplished including water treatment and fish plant plan and will all be done in October. Bluegill goes in at end of August and two weeks later bass go in with Carp at the end of October. He had originally thought that bubblers and other expensive equipment may be required to maintain algae levels; however, this was not the case, which allowed them to use budget provisions for fish instead.

Flood commented that algae have been well controlled due to the Water Department's efforts and keeping the water levels higher along with cooler weather. Olson stated that of the twelve years he has lived here this is the best the water has ever looked. Bob plans to keep the water level up.

SHERRIF'S REPORT

Crime rate is negligible and Olson stated he continues to be impressed with the good job Clark is doing. Clark discussed the felony arrests briefly.

WILLIAMS MOVED THAT COMMITTEE REPORTS BE RECEIVED. FLOOD SECONDED. MOTION CARRIED UNANIMOUSLY 9-0.

CLOSING FLOOR COMMENTS:

Jo Wiley thanked board members for taking the members considerations and concerns seriously.

THE BOARD RECESSED TO EXECUTIVE SESSION FOR PERSONNEL AND CONTRACT ISSUES.

OPEN SESSION:

MOTION IS BUDGET COMMITTEE BE ADVISED TO USE A SALARY ADJUSTMENT POOL OF \$25,000 FOR THE 2009 BUDGET. NO ASSUMPTIONS REGARDING DISTRIBUTION OF WAGES ADJUSTMENTS ARE IMPLIED BY THIS BUDGET NUMBER.

Olson suggested that agenda items be moved to have operations to be reviewed first since this is the board's number one job and that the committees should be heard first. However, it was discussed that the decision to have committees report last was made in an effort to keep the meeting time shorter.

Nelsen presented a new Concerned Citizen's Committee, which would consist of a group that has previously met and existed for the purpose of bringing concerns of members with Debbie Richmond as the chair. Discussion involved recollection that this group has already been made a subcommittee to Community Relations. Nelson explained that the group did not agree with being a subcommittee to Community Relations and wanted to be a free standing committee on their own. Olson will research what has already been done with the Board Advisory Committee and this will be addressed at the next board meeting

GABRIELSON MOVED TO ADJOURN AT 4:34 PM. PLATT SECONDED. MOTION CARRIED UNANIMOUSLY 9-0.

Respectfully Submitted,

Warren Olson, President to the Board

Gary Williams, Exec. Committee Secretary

Dinah McCreddie, Recording Secretary