

## TREASURE ISLAND COUNTRY CLUB

**MINUTES OF THE BOARD OF TRUSTEES MEETING held February 6, 2016**, at the Grapeview Firehall/Horton Community Center, 4350 East Grapeview Loop Road, Grapeview, WA. The meeting was opened at 9:00 AM by President David Madson and attended by Commissioners Larry Grumme and Roger Hansen, and Cheri Swettenam attended by conference telephone; Ken Sanberg and Morina Dustan were absent; member/employee Linda Pryor; and member Jody Grumme.

**MOTION** to approve the minutes of the [December 12, 2015 Regular Board meeting](#) was made by Roger Hansen, seconded by Larry Grumme and passed.

### SECRETARY/TREASURER REPORT

Secretary/Treasurer Roger Hansen presented an Engagement Letter from CPA Larry Hurley for the 2015 Financial Review and preparation of the 2015 federal income tax return. He noted he requested that the CPA expand on his standard financial report to correspond with the Club's record keeping that now separates water system expenses from all other operating expenses. The estimate for the CPA's services is \$6,800 for the Review and \$990 for the tax return. **MOTION** to authorize Roger to sign the Engagement Letter with Hurley Williams & Cook was made by Larry Grumme, seconded by Cheri Swettenam and passed. The Financial Review should be completed by the end of April for submittal to Mutual of Omaha as per the loan requirements.

Roger reported the Club's general liability and property damage insurance will automatically renew in March. He has had some discussion with the insurance representative regarding some modifications to the property damage coverage. Insured items that are worth less than the \$1,000 deductible will be removed from the listing of declared items. A list that includes pictures and valuations of all equipment and items stored in the well houses and storage shed is being compiled to support the declarations list.

Roger spoke with the CPA about changing the calendar tax reporting year to coincide with the fiscal budget year and this could be done through the IRS. Roger contacted Mutual of Omaha Bank regarding making this realignment and the bank is open to changing the Association's financial reporting year if/when this occurs. This topic was tabled for discussion at a later date.

### FINANCIAL REPORTS

The Trustees reviewed and discussed the Cash Flow Report. **MOTION** to accept the checks written as itemized in the Cash Flow Report for the period December 1, 2015, through January 31, 2016, was made by Larry Grumme, seconded by Cheri Swettenam and passed.

The Budget and Actual Expense Report for July 1, 2015 through January 31, 2016 was reviewed and discussed. **MOTION** to approve the Budget and Actual Expense Report as presented was made by Larry Grumme, seconded by Roger Hansen and passed.

### COMMISSIONER REPORTS

**WATER** - Commissioner Larry Grumme distributed and reviewed a written report prepared by the Water Operations Manager, Daryl Axelson. The coliform test for January was negative. ● Water usage in December was higher than last year with 620,342 gallons pumped; usage in January was also higher than last year with 499,381 gallons pumped. Both months were higher than the ten year average for the same periods. Total production for 2015 was 12,100,686 gallons or 37.1 acre feet. This is higher than both last year and the ten year average. ● The service meters were read on January 4th for the last quarter of 2015 and two leaks were found. One of the leaks was identified as a broken spigot; the other was more significant (254,642 gallons pumped during the past quarter), but no visible leak could be found. Both property owners' were notified that their water service was turned off at the meters. ● A total of 217 meters have been completed and seven meters remain to be installed. ● Sample station #2 was leaking due to a cracked cast iron collar; water was shut off at the valve and a new part is on order.

Larry Grumme reported Gray & Osborne has finished their preliminary design for the retrofit project and will soon be sending their preliminary sketches and cost ranges. They have requested a meeting during the third week of February to discuss what they've done so far and what the options are moving forward, after which they will prepare a complete draft of their pre-design report for the Board's review and comments.

Daryl met with Arcadia Drilling to obtain a proposal for providing pressurized water service during the time the tank would be off-line for retrofitting. He is expecting their proposal soon. At the request of Warren Perkins of Gray & Osborne, TICC Water System is preparing a draft of piping modifications needed prior to installing a concrete foundation extension. Daryl is also drafting a list items that would bring the reservoir up to current safety codes so they can be considered for inclusion in the project.

BRIDGE – Commissioner Roger Hansen reported the Christmas lights were removed from the bridge last weekend and are in the storage shed. He thanked all the volunteers who donated towards and helped with the lighting project. Approximately \$2,000 was donated for the project and about \$400 remains in their fund to purchase replacement bulbs and tie wraps for next year. Roger noted they had a lot of problems with the timers and abandoned using them, but will try again to get them functioning next year. The electric utility to run the lights 24/7 was about \$250 per month.

ROADS – Commissioner Morina Dustan absent.

DOCK – Commissioner Ken Sanberg absent. David noted that Ken has been researching solar powered lights for the dock. It was noted that any changes/improvements to the dock facility need to be pre-approved by the Department of Natural Resources as per the Club's aquatic lease. There may be restrictions with regard to light spillage into the water. Larry will look into this.

BEACH – Commissioner Cheri Swettenam reported she and Tom had straightened the gate post at the top of the beach access so it now opens and closes easily. Roofing materials were purchased for the picnic shelter as budgeted.

SECURITY – Commissioner David Madson reported there have been problems with the security surveillance camera system and he has had to call Tyco several times for service. One of the service providers implied that the system is out of date. David plans on contacting a Tyco sales representative to come out and review the system and see what may be advised; a computer upgrade or software upgrade may alleviate the problems with the system. He will also contact the computer manufacturer, American Dynamics for their advisement. David noted the web cam (which operates separately from the security system) is also having problems and is currently offline.

## OLD BUSINESS

Roger Hansen noted a letter addressing a submitted complaint was sent to a member last month wherein a deadline was specified for a response or the matter would be considered closed. No response was received, so the Trustees shall consider the matter is closed.

## NEW BUSINESS

- It was noted that the Trustees had previously looked into the cost of contracting with a licensed company to provide a Security Guard on the island and the consensus was that the expense wasn't financially feasible. However, with consideration for continued inquiries from members regarding the lack of security, the Trustees agreed to present a Dues increase at the Annual Meeting for the purpose of providing contracted security services. The increase would be \$50 to \$300 per lot per year depending on the level of services to be provided. The Trustees agreed to schedule a workshop to discuss contracted services and other possible options for more security measures and to establish the related budget plan for a proposal.
- Roger Hansen notified the Trustees that he will be resigning from his position on the Board on April 15th; there are also three Board positions for which the terms expire this July. The Trustees discussed the need to make a concentrated effort to recruit members to fill the upcoming vacancies. **MOTION** to draft a letter that will be sent to all members regarding this need and requesting help in finding interested and qualified members who may be interested in serving on the Board was made by Roger Hansen, seconded by Larry Grumme and passed.
- Action to appoint a member to a position on the Board was Tabled as the interested member was not present.
- Two of the Trustees noted they would be unable to attend the Board Meeting scheduled for April 2nd. The Trustees agreed to reschedule the meeting for Saturday, April 16th.
- It was noted that the Commissioner Duties are posted on the web site and links to them are provided on the list of Board members. A request was made to provide links to the Officers' Duties outlined in the Bylaws as well. Linda will relay this request to the webmaster. (These links are now in place on the [Board page](#).) Employees' Duties are included in their Employment Agreements; these documents are not posted online, but may be requested from the Secretary.

- Larry reported that three proposals were received from Homeowner Management Companies. He noted two of the proposals were basically equivalent to each other with the third being twice the cost. A work session was recommended to analyze the proposals, review the services that would be provided and at what expense, and to determine the tasks that would continue to be performed by an Association employee and the Trustees. To follow up, a work session was recommended to interview the two most cost effective proposers. Development of a point system for the individual Trustees to use to evaluate the proposers during interviews was suggested.
- Larry distributed copies of the schedule from the Reserve Study that itemizes projected expenses to maintain and replace assets from 2016 through 2025 (as per the Cedcore Report). He asked that the Trustees review the expenses projected for 2017 and get back to him by email with any comments. Larry will be contacting Cedcore to initiate preparation of this year's Reserve Study Update.

#### ADJOURNMENT

David Madson adjourned the meeting at 10:40 AM.

Written by Linda Pryor/Executive Secretary

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