



Sunlight Waters Country Club

Sunlight Waters 2023 Special Membership Meeting Minutes

May 13, 2023

Call to Order

The May 13, 2023, the annual meeting of the Sunlight Waters Country Club membership was held in the Clubhouse, with a Zoom option for remote attendees.

Call to order by President Dave Korpi at 2:09 PM, followed by the Pledge of Allegiance.

Attendees

Roll call (Board)

Dave Korpi (President), Brandy Lobdell (Vice-President), Donna Mayo (Treasurer), Jeannine Takaki (Secretary), Doyle Beekley (Trustee), Mike Josenhans (Trustee), Bill Porter (Trustee), Doyle Beekley (remote)

Guests

Rose from DNR, and Wendy Mee from Kittitas Conservation District

Agenda Approval

No changes

Quorum

Tally of people in room and submitting proxies was 73.

Approval of 2022 Minutes

Kami read aloud the minutes from the previous year. Motion to approve the minutes was seconded and approved.

Treasurer's Report

Secretary Donna Mayo presented the report for the year:

- Checking: \$29,624.06
- Checking debit: \$15,053.75
- Savings: \$84,371.35
- Reserve: \$83,019.62

Total: \$198,568.78



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Unfinished (Old) Business

Facilities Manager Reports

Shortfall of **\$224,350.**

Accounts in Arrears

Of all accounts, 80% were paid by the deadline for this year. There are 55 Past due accounts owing a total \$91 93,571.

For past due accounts, we are adding a finance charge of 1% and a statement mailing charge of \$3. Previously past due accounts received no notice; now we send statements monthly with accruing charges. We also contacted an attorney to pursue collections on any property overdue by more than year

Enforcement of CCRs and Bylaws

Several letters were sent out and two hearings have been requested.

Bridge Report

History: The bridge was originally built in 1927; almost 100 years. It was built when the canal was built. Sunlight Waters has been using the canal bridge since the Plat 3 subdivision was created in 1967.

Ownership: The bridge is owned by KRD and the US Bureau of Reclamation. However, last year they informed us that they no longer need the bridge and asked that we assume ownership. This would require insuring the bridge for 1 million dollars and assuming maintenance. We will be receiving ownership of the bridge sometime this year from the U.S. Bureau of Reclamation.

Load capacity: KRD posted a sign restricting loads to 5 tons. After an engineering review, they agreed to increase the posted limit to 14 tons, which still is inadequate for any kind of delivery. We hired an engineer to examine the bridge and also studied replacement costs (all very expensive).

Because the Fire Department could not get its equipment across the bridge at the posted capacity, we hired a firm to perform material testing of the bridge steel and demonstrated that the bridge should support fire trucks. As a result, currently the posted capacity maximum is 23 tons for a single axle and 29 tons for a 7-axle truck.

Anyone with loads exceeding this limit must apply for a **special loading permit** which requires review by an engineer.

Maintenance: The wooden sections of the bridge need constant maintenance.

- Wearing boards on the deck are good for 4-5 years.
- Deck and stringers are timber. We need to do a project on it this coming winter to replace sill plates and stringers.

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Insurance: Liability insurance is required and was purchased. We wanted to insure for property damage and replacement cost, but this type of insurance is too expensive (\$40,000 per year) so the Board voted to create a bridge replacement fund instead.

Reserve Study Findings

Inclusions and changes: The reserve study previously performed needed to be updated to reflect current assets. These changes affected the required reserve amount.

- Roads were always included in the study
- The Baker building was previously listed as a shed so had to be added.
- The bridge was added.
- Added items for maintenance on the pool (boiler, heater, etc.). When we added those items, it change numbers on reserve study.

Collection of reserve funds: Last year money was transferred from savings to the reserve account, but this is not sustainable. We need to collect money, rather than drain the savings.

A reserve should be managed as a “pay as you go” account. What this means is, because no reserve account was put in place, replacement costs were paid by residents as they became necessary. This puts an undue burden on new residents who were not using the pool or clubhouse when the wear was accumulated.

Instead, we collect money on a regular basis and place the funds in an account to amortize all equipment and facilities costs on a yearly basis. In essence, if live here for 1 year, you pay for one year of maintenance. If you live here for 30 years, you will pay 30 times.

Plans: We are due for another level 1 study, which is where the company does a site visit. We might use another company, which did the reserve for a comparable community, Pine Loch Sun. Please check their web site to see an example of their reserve study.

Summary: Terry Clinton initiated when he was treasurer and it is a good thing so we are continuing.

Committee Reports

Architectural Committee

We met a very few times. Thanks to Reza and Mike and Kyle for their time and contributions. What did we do?

- Replied to questions from new residents and property owners.
- Updated the charter to reduce scope—requires Board review and approval.
- Created a “new residents” tip sheet—requires Board review and approval.

Governance Committee

We had a busy year. We met twice a month, which is a lot of meetings. Thanks to everyone who contributed their time.

Achievements:

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- Wrote up process of how to submit a change to the by-laws at the annual meeting.
- Began reviewing and updating policies. (Note: The Committee only reads and suggest changes; policies must be reviewed by the Board.)
- Reviewed extensive list of by-laws changes submitted by Dave Korpi and approved a subset for presentation to the community. Thanks to Amy Hopkins for creating an easy to understand “before and after” format.
- Set up a shared, secure cloud storage system with emails for Bord members. Migrated to the cloud many document previously unavailable to Board or floating around in individual trustee’s personal computers. Thanks to Jason Ihrke for handling all the setup woes. Plans to migrate to Office 365 next year.
- Created a Handbook for New Trustees. Thanks to Amy Hopkins for the neat, professional look.
- Web site: Many improvements planned in navigation and content. Amy Hopkins will update the web site. Jason Ihrke will migrate the site to a new hosting platform.

Community Committee

Achievements: This year the Committee hosted six events:

- Halloween trick or trunk
- pancake breakfast
- community holiday movie, and a Santa touring the community on an ATV
- community garage sale
- two Firewise events in April and May.

Created a “New Member Welcome Packet” that explains some basics information about the community. This will be available online (Facebook and web site).

Walked the community and got 122 email addresses to cut costs of mailing. Contact the Office to opt into email communication.

Future plans: Next year we plan one event each quarter and will definitely repeat the Halloween events!

We need volunteers!! Please sign up or contact Brandy to help at events, do grant writing, and open and close the pool. You don’t have to live here to do volunteer work. Even 5 hours a year will help us.

We want to bring back the quarterly newsletter but need help. Contact us.

We want to create a welcome wagon committee. See Brandy to volunteer.

Roads Committee

Finished under budget for plowing.

2023 season is out to bid. Hope to get road bids by spring

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Firewise

Achievements: Wendy and Rose walked around assessing our needs and helped us get grants. The Fire Chief also did a lot of limbing.

Your Firewise work is important!

Turn in your hours! There is an online form you can use, or printed forms available at the Office. Recording these hours is important for getting our Firewise certification.

We have spent about half of our \$3000 grant. The Fire Department also burned a huge pile of slash for us. Everything else was chipped and went to the goat farmer.

Thanks to everyone who volunteered to help at the two Firewise events, and thanks to everyone who put their wood and brush out for collection. Those events logged 75 hours of work with 15 volunteers. We are becoming a good Firewise community.

Future plans: We need to do something on upper lake. Perhaps we can get the state to help us make it a usable space and reduce fuel.

Please register for an evaluation with the County Conservation District. They will come out and assess your property for fire risk.

Another chipping program is coming up – sign up with Kittitas County Conservation District.

Pool Committee

Plans are for the pool to open on Memorial Day weekend.

Jerry needs more volunteers for work on grinding, fixing water, etc. See the Facebook page for his contact info.

Budget Presentation and Ratification

We began our budget last year underfunded by about \$56,000.

- We had to spend extra money due to the bridge acquisition. Extra costs incurred were for bridge engineering and legal issues.
- Last year's budget did not include pool maintenance costs. We approved \$15,000 for maintenance but Jerry spent only about \$6000.
- We did not have sufficient income to contribute to reserves. So that too has been added to the budget this year.

However, we achieved savings in some areas:

- Leased out Baker Building
- Reduced accounting costs by switching to a bookkeeper and using online QuickBooks.
- Pam was on sick leave for some time.
- Eliminated dumpster which has been unused for three years.
- Turned off cable TV and got Netflix instead (code is posted on TV).

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Expenses were on track, with some exceptions:

- Increases for bridge related costs
- Increase for reserve contributions
- New legal costs.

In short, we matched the previous years' budget except for the \$98,000 shortfall caused by reserve account and bridge expenses.

Future plans:

- Increase efforts on account collection using an attorney, assuming that about 10% of people won't pay.
- Recommend a one-time special assessment to make up the shortfall.
- Increase dues, so that we can start the year with a balanced budget.
- For each lot, apply \$50 a year from dues to the bridge fund.

Additions to budget:

- Add money for community events.
- Hire cleaner for clubhouse and a handyman. In long run would be better to hire professional handyman.
- Spend more money on heating the pool. Last couple years we got lucky with hot weather and the pool was warm'.
- Complete required work on shower room resulting from Fire Department inspection. Jerry is working with someone to get that done.
- Road repair: Last year we spent \$60,000, and this year will spend \$50,000 for Clubhouse Road and a few other roads that need more maintenance.
- Pool: Need a new pool and reel so that using the cover does not require two people. Put together a plan to collect money for a new pool since we can't afford a new pool for some time.
- Bridge: sill plate and stringer replacement.

Fee and dues changes:

- We propose a \$248 per lot special assessment
- We propose dues of \$568 per lot for next year (March 31) and probably \$578 for the following year.

Highlights:

We created a balanced budget that reflects the actual cost of running the community.

Costs have been increasing with inflation an average of 5% over the past year. So while we are aware the community has been reluctant to increase dues to match expenses, we have no choice.



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We have relied on volunteer labor and appreciate all our volunteers. In particular Jerry and Tom have done a huge amount of work on the pool. But it is getting harder to find volunteers than in the past. It is also harder to find contractors who are willing to come out here to bid on some small project. All these things affect our economics.

Q&A:

- Q: There are people not within the community who use our road system. Are they charged for it? A: Not generally. (Some contribute.) We are legally not allowed to charge for use of county roads. All other roads in the community are private.
- Q: The due date for payment of the special assessment is too soon (special assessment of \$248 on every lot, due June 30). A: Yes, but we are short on money and need income before March 31 of next year.
- Q: Request some consideration for people who own with multiple lots. A: There are 315 lots in this community. Therefore, if you own 2 lots, you own 2/315 of this community. Your options are to sell that lot, or combine the lots. This is a multi-step process: (1) Combining the tax records at the County. This affects your property tax. (2) Combine your lots with Sunlight Waters by submitting a form and paying 10 years' dues in advance as documented in the by-laws, This affects your dues. (3) Optionally, combine lots with the Water District.
- Q: If we increase dues for inflation, won't we have the same problem next year? A: Correct. Therefore, we have proposed a by-law change that would impose a cost of living increase on the budget of a minimum of 2% a year. Note that the reserve study assumes an increase in the contribution to reserve study of 3% per year.

Discussion:

- Our dues are comparatively cheap. Sky Meadows pays \$900 a year plus water. Pine Loch Sun pays \$1200 a year 2 years ago.
- In order to vote on the budget, we need 158 votes, which represents half of the existing 315 lots. At the annual meeting, we have only 73 votes in the room, meaning we do not have the quorum needed to reject the budget. Hence, the budget is automatically approved. This rule is not specific to our Board, but is based on a law passed by Washington State some years ago. Because we do not have 158 votes to reject the budget; it is passed.
- For the proposed CCR revision, we need 150 votes present and 80 votes affirmative. We do not have enough votes to amend the CCR to explicitly prohibit short-term rentals. The CCR change would impose a restriction on the property which is added to the deed. However, our by-laws do forbid short-term rentals, because the community overwhelmingly voted against allowing short-term rentals.

CC Revision Vote

Quorum not achieved. (See Discussion, above.)

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Trustee and Officer Nominations

All members in good standing were provided with a blue ballot naming the slate of trustees, officers, and by-laws.

Took nominations from the floor.

Absentee voting is not allowed this year because there was not enough time to set it up. Board requests that anyone interested in working on this join the Governance Committee and being preparations.

Trustee Election

Candidates:

- Trustee 1: Lisa Raphael
- Trustee 3 Mike Josenhans
- Trustee 5: Brandy Lobdell
- Trustee 7: Jerry Ihrke
- Trustee 9: Doyle Beekley

Action: Motion made to vote entire ticket by a show of hands. Seconded and approved.

Action: Votes counted and all candidates approved.

Officer Positions

Candidates:

- Vice-President: incumbent Brandy Lobdell
- Treasurer: incumbent Donna Mayo
- Secretary: none

Action: Motion made to allow voice vote for all officer positions. Seconded and approved.

Action: All nominated officers approved. Secretary position to be filled later.

Bylaw Revisions Vote

Dave Korpi briefly explained some of the items.

1.1. General Purpose

Skipped.

2.2 Transfer of membership

Skipped.

3.1. Annual meeting

Allows corporation to change meeting date and time with proper notice.



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4.1. Number

Skipped.

4.2 Election and term of office

Restricts a corporation employee or relative of an employee from serving on the Board. Note that in the past, employees (such as office manager, handyman, etc.) were almost always community members.

Action: Motion made to replace the wording “immediate family member” with “family member as defined by statute (WAC 357-01-172)”.

Action: The amendment was accepted, and the amended proposal was seconded and approved.

4.4.1 Regular meetings

Sets a standard time for the Board meeting. The Board has had many meetings in addition to the regular meetings, but we can only make decisions in a public session, and for these we must provide notice.

4.4.3. Notice of Board meetings

Providing notice to everyone is difficult. Many communities have a bulletin board that everyone views regularly, but we don't, and many people don't live here.

We definitely cannot afford to send postal notices, plus the lead time for meetings is usually too short (as little as 48 hours in emergency situations).

This change would allow us to provide two days advance notice for any Board meeting. Posting notices online is the most effective

Discussion:

- Some people do not have Internet.
- Many people do not have a phone number listed with the Office.
- We have only about 40% coverage with email.
- Can we use the bulletin board at the community entrance? Perhaps a sandwich board near Smokey the Bear? But we would need a volunteer to do that.

Action: A motion was made to specifically add email as one of the approved methods.

Action: The amendment was accepted and the amended motion was seconded and approved.

5.1.3 Ratification of budget

Fixes wording to make it clear that Board creates the budget, while the membership ratifies or rejects it.

Discussion:



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- Suggested an amendment that any budget changes from the Board be required to remain within the bounds recommended by reserve study. For example, suppose the Board adds a new pool to the budget. A: Point taken, but the reserve study doesn't include capital projects, which a pool would be.

6.1 Designation

Skipped.

7.2 Authority

Skipped.

7.3 Budget

Our by-laws state that we adopt a two-year budget, but we invoice dues in January, pay dues by March, and hold our meeting to approve a budget in May, after we have already started the new fiscal year. And then last year we adopted a one-year budget. This is confusing.

The purpose of this amendment is to clarify the cycle of the calendar and how that relates to our invoicing.

7.3.2 Annual budget increase

The proposal specifies a minimum 2% increase in dues yearly, to account for inflation.

7.3.3. Balanced budget

The proposal specifies an annual assessment for each fiscal year sufficient to balance costs for that year, including the costs for the reserve account. Basically, it requires the Board adopt a balanced budget.

Discussion:

- Because it is so hard to reject a budget, are we giving the Board carte blanche to spend money? A: By State law, it is difficult to reject a budget that has been proposed by the Board. But that same RCW has a provision for removal of any member of the Board, by a majority of the members assembled.
- Recommend we create a by-law amendment (next year) that any capital improvement be subject to direct vote of the membership? For example, we don't want the Board to have power to decide to tear down the Clubhouse and build a new one.
- Can we impose a maximum on the cost of living increase? A: That would be difficult. Also, we should raise dues 2% every year.

7.4, 7.5 section split

Skipped.

7.4.1 Reserve account contribution rate

The reserve study done by professionals provides three possible funding rates:

- Fully funded: never fall below zero

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- Baseline: forgot exact definition
- Recommended funding level: in between the other levels of

This year we are using the recommended amount.

The proposal is that, at minimum, we should contribute to the reserve account using the **baseline amount**.

7.8 Special assessments

Restricts special assessments to a one-time payment, meaning they do not auto-repeat to following year.

Requires payment within 60 days unless otherwise recommended.

Action: A motion was made to amend the proposal to allow 120 days for payment instead of 60. The amendment was accepted.

Action: The amended proposal was seconded and approved.

7.9 Designated bridge fund

We cannot afford to pay \$40,000 a year to insure the bridge against property damage. A new bridge would cost over \$400,000.

Since we know we must eventually replace the bridge, this proposal would set aside \$15,733 per year, from dues, to a dedicated bridge fund.

This leaves us at some risk, if the bridge collapses tomorrow. However, since the only way to mitigate that risk is to get complete property coverage at the cost of \$40,000 a year, we recommend saving for replacement instead.

9.1, 9.2, 9.3 section split

Skipped.

10.5 Bridge load restrictions

Any truck that uses our bridge must obey the posted weight limits. If a truck that exceeds the weight limit uses the bridge and there is damage, it is the responsibility of the shipping company.

However, we will soon own the bridge, and we govern who can use it. So if you need to move a heavier load across the bridge, we recommend the following process:

You can apply for a one-time special load permit at the cost of \$200.

- A bridge engineer will review the truck and load specifications.
- If the engineer approves, you will be granted a permit.
- Trucks and loads of the same specification can re-use a previously issued permit.

Discussion:

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Q: How many yards is a standard load of concrete? A: This information has been hard to get.

Q: What is the margin of safety is on the bridge? A: That is not the way it works. If any load exceeds the posted limit on the sign, get a permit.

Q: Is the posted load for gross weight or per axle? A: Weights are for gross load. Strength of the bridge is based on the steel beams. If you have made an order with a concrete company, get them to provide information about their vehicle and the load.

Action: At 4:23, the Chair halted discussion of the by-laws, and recommended that the assembly vote. The Teller Committee members collected the paper ballots listing the by-law changes and commenced the tally.

New Business

Open Floor

At 4:26 PM., the floor was opened for general comment and questions.

Guest 1: Board member in violation

Would like to see a by-law that requires Board members be in compliance with the CCRs.

Guest 2: Change to short term rental restriction

Short term rentals are allowed if the rental period is one month or more. We recommend that this be amended to two months or more, or to disallow short-term rentals entirely. The problem is that people have interpreted the restriction as "one rental every 30 days". A: Please call the Office and explain the situation. We will issue a warning.

Guest 3: Less leniency for delinquent dues

Recommends liens be placed after delinquency of 30 days.

A: In the past, we invoiced once a year, in December, with payments due March 31. Overdue accounts were sent notice in September.

- We have instituted a new collection policy.
- If you don't pay by March 31, you will get a statement on April 30 stating that you are overdue.
- Each statement will incur a 1% finance changer plus statement fee for mailed statements.
- If you aren't paid up, you will get a bill every month.
- After 3 months, if you don't pay, a lien is placed on the property.
- We proceed to foreclosure on the worst offenders (currently 5 properties).

Status:

- 22 accounts are overdue more than one year.
- 29 accounts are overdue for this year.
- With more frequent invoicing, payment rates have increased to 80%.

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- Of the 55 accounts in arrears; 5 are very old and high amounts.
- All accounts are subject to a lien after 3 months. This costs \$400, which is added to the delinquent account.

In short, we want to collect owed dues, but attorney work is not cheap. If we recover the amount, we get the attorney fees back. But it costs a lot of money up front. So we are proceeding gradually and have not figured out the exact conditions that merit foreclosure, whether that might be a money threshold, or a time limit.

Guest 4: Unsightly excess vehicles in yard

Q: How many vehicles can you have at a house? How many snowmobiles?

A: Our CRRs do not say anything specific about vehicle hulks. However, you can send a complaint to the office, and we will fine them based on the nuisance. You might also approach the Fire Department or County about the hazard.

It is illegal to have a motor vehicle on a lot if the vehicle is not currently licensed.

Guest 4 and Guest 5: Complaint about road work; snow plowing

Q: Did not like the quality of the road work. Last year we did chip sealing on several roads but the gravel has come off.

A: Next year's work is out for bid.

A: Road condition is also by snow volume and type of snow plowing.

Guest 6: Budget for landscaping

Q: What is the "landscaping" item in budget?

A: For mowing the field, around the lake, and around the Clubhouse. Current bid is for three times mowing in the season.

Guest 7: Slow repair by water district of roads

Q: Why has it taken so long to get the road fixed after the water repair work?

A: It is hard to get bids. Work is out for bid now.

Announcements

Next board meeting is May 30, 2023, at 7 PM, via Zoom call

Election Results

By-laws voting results: All passed. A total of 63 votes were present. Because all passed, tallies are noted only for items with dissensions.

1.1 General Purpose	
2.2 Transfer of membership	
3.1 Annual meeting	
4.1 Number	

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4.2 election and term of office	
4.4.1 Regular meetings	
4.4.3 Notification of Board meetings	
5.1.3 Ratification of budget	8 dissensions
6.1 Designation	
7.2 Budget	
7.3.2 Annual budget increase	61 for 2 against
7.3.3 Balanced budget	38 for 25 against
7.4, 7.5 section split	
7.4.1 reserve account contribution rate	
7.8 Special assessment rate	
7.9 Designated bridge fund	41 for 22 against
9.1, 9.2, 9.3 section split	
10.5 Bridge load restrictions	43 for 20 against

Adjournment

At 4:45 PM a motion was made to adjourn the meeting. Seconded and approved.



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Revision History

Date	Revision
May 13, 2023	Source document created; added meeting agenda; copied to template
May 29, 2023	First round of edits. Added draft watermark. Rough draft sent to Board for review.
Mm/dd/yyyy	Revisions
Mm/dd/yyyy	Revisions
May 18, 2024	Minutes reviewed at Annual Meeting of membership
Mm/dd/yyyy	

Checklist For Review

- **Make sure the document title includes the date.** For regular Board meetings, you can just use the month and year. For special meetings, always include the date as well as month and year.
- File name conventions: please name the file to signify the draft status.
 - Notes taken at the meeting should have the suffix notes.
 - After edits have been made, use the suffix *draft 01*, *draft 02*, etc.
 - After the minutes are approved, change the suffix to *final*. The webmaster will change the name of the PDF that is posted to this format:
 - Regular meeting minutes: 2022-03_slwcc_board_minutes.pdf
 - Special meeting minutes: 2022-06-20_special_meeting.pdf
- Public review and publishing: Drafts sent to the Board to review or to the community should have the DRAFT watermark.
- Be sure to fill out the revisions table so people know what changes have been made and when.
- Drafts for Board review are published privately to Zoho (or other secured cloud storage that requires login). Approved versions are published on the web site.

Checklist for publishing

- Check for privacy. In the past, we have recorded names of open floor speakers in the notes, and then replaced them with Guest 1, Guest 2, etc. in the official version.
- Highlight any issues that were not resolved by Board review.
- **Delete this checklist when everything is cleaned up.**
- Remove watermarks.
- Export the final version to PDF.
- Ask the webmaster to post to website.