

## Sky Meadows Annual Meeting Agenda

January 22, 2022

### Online meeting via Zoom

1. Call to order at 10:00 am- Board members present: Dave Bernardy, Scott Fox, Roberta Piercy, Lynn Coffey, and Judi Shellenbarger. Members present: Chuck Coffey, Dave Shellenbarger, Kristina Paulson, Jan Graham, Jim Cline, Susan Fox, Debra Paros, Richard Goldstein, Marsha Rowell, Howard Bledsoe, Sherrie McDaniel, John Bolte, Ron Henley, Andreas and Lisa Wurzainer, Chuck and Amy Garrett, Clay and Beverly Miller, Robert Roessler, Todd and Linda Albi, Jim and Ruth Seccombe, Rob and Christine Hill, Steve and Lucy Gorgas, Judy Good.
2. Introductions and thank you
  - a. 2021 Board-Dave Bernardy (president), Roberta Piercy (treasurer), Lynn Coffey (vice-president), Judi Shellenbarger (secretary) and Scott Fox (member-at-large)
  - b. Water Coordinator- Dave Shellenbarger
  - c. Architectural Control Committee (ACC)-Lucy Gorgas, Beverly Miller, Dick Graham, Fred Schmucker
  - d. Water Meter Reader- Debra Paros
  - e. Web Master-Marsha Rowell
3. King Water Report- Ron Bodamer- Multiple questions from community members
  - a. SMCA asked King water to set the pumps to alternate usage so that all pumps/Motors are used equally.
  - b. PFAs will be tested as now required by the State of Washington
  - c. Dave Shellenbarger presented a list of requests. Ron will schedule a work party to address those needs.
    - i. Identify 3 valves in front of doors
    - ii. Replace timer switch
    - iii. King Water to return/replace 5 bags of green sand
    - iv. Reset the in ground vault behind the well house
    - v. Confirm shipping costs of the 5 hp pump
    - vi. Install 5hp pump
    - vii. Rewire pump rotation so all pumps get some exercise
    - viii. Consider adding hour meters for the 3 pressure pumps.
  - d. Ron was asked about Reserve Funds and currently SMCA is the only water system/HOA/Community with out one.
  - e. Consumer Confidence Report; Not-official contaminate testing Gross Alpha and Radium 228 test have been taken but results are not back.
  - f. Did the test for conductivity and Nitrates in April and August . These tests of nitrates and bacteria have come in normal this year. **Refer to full King water report for complete test results.**
  - g. 3.2% Loss Rate on water is outstanding
  - h. Water Report-Dave Shellenbarger (summary). All is in working order with the following of interest
  - i. Reservoir has been cleaned, lines flushed (it will be done 3 times in future years Apr, Oct, Dec). The Emergency Generator will run during flushing so it will run under a load.

- j. Purchases: 5 hp pump, dehumidifier, security cameras, generator water hoses and coolant replaced, . Evaluation of the electrical components.
  - k. Small Water System Plan is being completed by Scott Fox ( J. Shellenbarger started this)
  - l. 68% of the system inventory is original to 1987
  - m. Residential meters responsibility of the homeowner and should be changed out every 15 year.
  - n. Presentation of Reserve Funds for the water system by Scott Fox. Our water system components were installed in 1987. 68% of the system are original. SMCA needs to set up a plan to anticipate the cost of replacement parts so that when a segment of the system fails there will be money to replace the parts. Recognizing that not all will need to be replaced at one time (unless there is a major catastrophe), there are ways to begin a savings plan, and one of them is a reserve fund as outlined by the state. This comes with regulations so that the funds are protected. See RCW 64.34.380. SMCA is the only King water system on Whidbey Island without a reserve fund. The start of planning a reserve fund is to set up a reserve study. Scott Fox has made a list of our water system components and the cost to replace them The state recommends that a six year budget is set up to bring awareness to the amount of money needed.
  - o. Comments
    - i. Lynn Coffey doesn't feel that our non-profit status falls under the umbrella of an HOA, so we can't have a surplus of money. RCW 64.38.010 Defines " homeowners' association means a corporation, unincorporated association, or other legal entity, each member of which is an owner of residential real property located within the association's jurisdiction , as described in the governing documents, and by virtue of membership or ownership of property is obligated to pay... insurance premiums, maintenance costs or for improvement of real property other than that which is owned by a member. In addition she would recommend a line item in the budget specifically for water system repairs.
    - ii. Steve Gorgas asked about the specific rules for reserve funds See RCW 64.34.380
    - iii. Howard Bledsoe was interested but didn't want the Board's hands tied by state regulations
    - iv. Chuck Coffey felt there was a need for a savings account'
    - v. Debra Paros doesn't want the Board to spend money on a reserve study
4. New Board Members -voting was held and ballots counted by Dave Bernardy and Judi Shellenbarger. Todd Albi won, Dave Shellenbarger and Jim Seccombe tied. Jim excused himself as he expects he will be needing to tend to aging parents. So new board members will be Todd Albi and Dave Shellenbarger; Dave Bernardy, Scott Fox and Roberta Piercy will be returning. There will be a short meeting of the new board members after the annual meeting.
5. Minutes from the 2021 Annual Meeting were approved. Motion by Howard Bledsoe 2nd by Clay Miller
6. President's Report
- a. Reminder of Sky Meadows website: [skymeadows.org](http://skymeadows.org) The password was sent out to membership
  - b. Annual Assessments will be mailed out by 2-28-2022
  - c. The roads were repaved and there will be a disbursement of money not spent by the road project.
  - d. The Insurance is to be renewed and reviewed so as to make sure the insurance reflects the needs of community.
  - e. Ditches were cleared and small trees and shrubs removed to facilitate the drainage of rainwater.
  - f. Well house was insulated.
  - g. A camera was added to outside the Well house for security
  - h. Gravel easements will be up-graded to five eighths minus gravel, graded, cleaned and compacted as needed.

- i. Debra Paros would like to see detailed information regarding easement project
    - ii. Chuck Coffey would like the bidding process for gravel work to be updated. New bid to include specific line-item details. Board should tell the contractor what is wanted. Each gravel easement should be treated individually
  - i. New Board's goal is to review and update CCRs that need clarification
  - j. A reminder to the community that disputes among community members should try to be resolved by the parties first. Then if no resolution then take the issue to the board.
7. Treasurer's report Roberta reported on 2021 finances and gave a presentation on the prospective budget. (See attached)
- a. The budget was made using actual amounts from 2021.
  - b. Gravel road project will run about \$11,800 (estimated based on last year's bids) It will be rebid
  - c. The board has the power to raise the annual dues by 10% (\$30)
  - d. Lynn Coffey reported that the second refund check was not enough; it should be increased by \$4. Dave Bernardy explained that using some of the road assessment was used to address the vegetation issues along the ditches. That \$4 per lot was used in road drainage improvements.
  - e. Clarification on the terms "Reserve Fund" a specific definition requiring a reserve study vs. "operating budget" a general term referring to Sky Meadows monies. In an operating budget the water bills money is to be used solely for the water system. Dues are used for non-water related expenses.
  - f. Lots of discussion regarding the budget
    - i. Jim Seccombe added that Water Service fee is to be used for any expenses
    - ii. Ron Henley indicated that the budget is a planning document...a working tool
    - iii. Budget needs to be ratified by the members...Dave Shellenbarger
    - iv. Gorgas wants everyone to do their own research on reserve funds
    - v. Roberta Piercy and Ron Henley support a long term budget plan...5 or 6 years
    - vi. Chuck Coffey reiterated the need for line item bids. Board had decided to hire Country Roads in 2021 based on a previous bid. It is the Board's decision on road maintenance.
8. Architectural Control Committee report
- a. There were 8 category B projects approved from house painting to concrete installations
9. Approved ByLaw XI for Maintenance of gravel roads -Lynn Coffee
- a. In order to provide owners of property abutting the gravel easements, a protocol is being developed. This will support the owners in requesting future repairs. Requests for gravel maintenance will be sent to the secretary and then shared with the board. Lynn thanked the Board.
10. Input from Sky Meadows residents
- a. Lynn Coffey asks if the \$11,800 bid for gravel easements is for recycled asphalt? No, bid is for 5/8ths minus gravel
  - b. Ron Henley reminds us that these are hard conversations in our community and we need to have these with a positive attitude. He is looking forward to face to face meetings
  - c. Robert Roessler wants to congratulate all involved as he no longer has a large puddle in front of his home.
  - d. Roberta Piercy thanked Ron Henley for his positive historical perspective.
  - e. Motion to adjourn the meeting
  - f. Roberta will provide a zoom link to the new Board and stop the recording.
  - g. Judi Shellenbarger asked if that is a new meeting of the Board or executive session? Roberta Piercy stated it was a new meeting, and the next Board would take their minutes. After this meeting, Judi is done with her responsibilities.

Meeting adjourned 12:24 pm  
Submitted by Judi Shellenbarger