

PARADISE COMMUNITY CLUB
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An Equal Opportunity Employer and Service

PCC Board Meeting Minutes
November 8, 2015

The meeting of the Paradise Community Club Board was called to order at 1:02 PM at the PCC Office – 151 Nisqually Way, Ashford, WA - PCC President, Bill Balcom presiding.

All guests were asked to sign the guest sign-in sheet. Bill also welcomed Julie Caldwell as a new Board member.

Board Members Attendance:

Bill Balcom (President)	Bill Krause (Vice President)	Sonja Maddux (Treasurer)	Brett Anderson (Secretary)
Joan Williams	Beth Marzano	Steve Olson	Julie Caldwell

Staff Attendance:

Cecile Roy (Office Clerk)	Alvie Whitlock (Water Manager)
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The guests in attendance included: Dorothy Forsythe, Mark Temple, Jessica Ginger, Paul Nerge, Darlene Krause, Erika Broska, Byron & Nancy Baydo, Greg Greer, Andrew Rath, Peggy McNamara, Chuck & Joyce Mitchell, Erika Broska and Jean Roy.

OLD BUSINESS

Bill Balcom asked the Board to review the revised minutes of the September 13, 2015 Board Meeting. After review, Bill Krause motioned that the minutes be accepted as written. The motion was seconded by Julie Caldwell and there were none opposed. Motion carried.

UPDATES on ACTION ITEMS

1-Bavarian Village Lake Use – Bill Balcom
 Bill spoke with Luke Osterhaus and Luke stated that the two associations agreed that both could use the big lake. He further stated that PCC had published this decision in a newsletter many years ago. Bill stated that, for the time being, we should honor this purported agreement, Cecile will look through the office records to see what specific details surround this “agreement”.

NEW BUSINESS

FIRE DEPARTMENT REPORT – Beth Marzano

Beth Marzano reported that the Fire Department was operating fine and there was nothing of significance to report at this time.

TREASURER’S REPORT

The Treasurer’s Report was read by Sonja Maddux and stated account activity and balances for the period ending 10/31/2015 as follows:

PARADISE COMMUNITY CLUB, INC
MONTHLY TREASURER REPORTS
PERIOD ENDING: October 31, 2015

Savings Account Balances as of October 31, 2015

CD - Timberland	\$5,939.29
CD – First Citizens	\$31,931.45
Savings	\$34,883.96
Total	\$72,754.70

Checking Balance as of August 31, 2015 **\$29,014.56**

Deposits for the months of Sep-Oct 2015	+\$26,441.45
Expenses for the months of Sep-Oct 2015	- \$52,568.65

Check book balance as of October 31, 2015 **\$ 2,887.36**

Total Financial Assets **\$75,642.06**

A motion was made by Brett Anderson to accept the Treasurer’s Report as reported. The motion was seconded by Bill Krause. None Opposed – motion carried.

A guest asked what our loans were for and what interest rates were being charged. Brett explained that the loans were for the water system upgrade, which was required by the State. He also quoted the specific interest rate for each loan.

WATER SYSTEM REPORT – Alvie Whitlock

Oral summary provided per the below:

1. Bottom line up front: Our water system is in Green Status with the Washington State Department of Health. Our water is safe and we are in full compliance with all State and Federal regulations. We have completed and passed, all required water chemical and biological testing for the first eleven months of 2015.
2. All water meters in PCC were read on August 21st for billing. We had no problems with billing. Three meters were locked during the last billing cycle for lack of payment. The water bills have now been paid and all three meters have been unlocked.
3. We had no discovered water leaks during the last two-month reporting period.
4. The water system is in good condition and we are continuing with our Winter Maintenance

program. As part of our system maintenance we have replaced 16 water meters this year. Our water meters contain non-replaceable 10-year batteries, which are now starting to fail in increasing numbers. We can replace the registers in our current meters with a new one with a 20-year battery for approximately \$164 per meter. We had 40 meters that would not read on the last System Read. The Board is being asked to approve the purchase of 30 new registers for approximately \$5,000 dollars. We will need to budget \$15,000 dollars a year for at least the next 3 years to replace all of the old failing meter registers.

Alvie also stated that the old meter registers are failing (dying batteries) at an increasing rate. He would like approval to purchase at least 27 more registers so that he and Ben can get them replaced before the freezing weather hits. He and Brett had been pursuing the option of replacing the meter registers vs. the entire meter and are currently awaiting a final price for our specific model. Alvie will finalize/clarify the price quote early next week before requesting approval to order. The new meters will come with 20-year batteries. The hope is that, by leveraging our in-house resources to replace just the meter registers, PCC will be able to save roughly \$15,000 over the next 3-4 years.

Alvie also publicly thanked Ben Pacatte for his help during the past several months. He then explained to the attendees that, while he will always be available to us, he needs to spend more time at home to care for his wife. He followed this with a formal request to switch positions with Ben Pacatte, effective 1/1/2016. Under this proposal, Ben would serve as the Water Distribution Manager and Alvie would serve as his assistant. This transition of roles would benefit greatly by Alvie's continued presence. The Board discussed the proposal and verified that Ben is on track to take his certification exam in the near future. This personnel change will actually reduce PCC expenses by an estimated \$6,000 in 2016.

After the discussion, Brett motioned that we accept Alvie's proposed transition at year end. The motion was seconded by Beth Marzano and there were none opposed. Motion carried.

OFFICE ISSUES

1-Accounts in Arrears – Sonja / Cecile

There remain three members with liens in place. Collectively these properties owe a total of \$1,903.04 and the property with the highest amount owed is making payments in an effort to get caught up.

Five members' properties remain in the process of HOA foreclosure. Collectively these properties owe a total of \$38,439.75 to PCC.

Lots 221, 222, 223 & 224 – Are still accruing late payments and we continue to wait for the mortgage foreclosure to complete. The property remains under the management of Bank America Corporation Field Services (866) 515-9759. Brett called the property management firm recently as the grass was getting too long. They sent a crew to cut it immediately afterward.

Lot 135 – PCC has been notified by Lewis County that this property is currently subject to tax foreclosure in early 2016. Because tax foreclosure will shut out any claim by PCC, our attorney

has suspended the HOA foreclosure proceedings, so as not to waste legal expenses. Just prior to the Board meeting, our attorney was contacted by the owner's legal representative. She has provided that person the amounts owed and we are awaiting next steps at this time.

Lot 272 – Foreclosure action granted. This property is scheduled for Sheriff's Sale on 12/5/15.

Lot 307 – After working out a payment plan with the owner, and sending a letter that requires cleanup of the property, the owner has listed the property for sale through a real estate company.

Lot 35 – This foreclosure action has been suspended as the owner has sent two checks to pay off most of the debt and is now making payments on the remaining \$183.37.

2 – Dues System - Julie Caldwell

Julie reported that QuickBooks is being finalized for use in the 2016 billing of dues. Cecile distributed a draft of the invoice that will be used. Julie is working to finalize the format. Brett mentioned that the few people who may still owe dues as of 1/1/16 will not see those outstanding balances on the new invoice; they will instead be handled separately.

COMMUNITY WATCH – Paul Nerge

Paul Nerge reported that the last Community Watch Meeting was held in late October and that very few crime incidents were reported. The next Community Watch meeting is scheduled for 10:00AM on Saturday, 2/27/16 (at the PCC Office).

FINANCE COMMITTEE – Calvin Porter

In Calvin's absence, Steve Olson reported that the last Finance Committee Meeting was held on 10/21/15. There were no financial discrepancies identified. The next Finance Committee Meeting is scheduled for 10am on 12/16/15. As always, the meeting is open to anyone from the general membership or Board to attend.

COMMUNITY RELATIONS – Julie Caldwell

Julie said that 9 letters were sent lately and only 2 failed to reply, one of which still responded by starting cleanup. The one owner who failed to respond in any way was discussed further. Brett stated that the chimney, which is leaning further than ever, represents a potential life safety issue. Because the risk is significant, the Board requested Julie to author and send a certified letter to the owner that requires action within a 2-week period. Brett will take photos that can be printed and sent to the owner, who lives out of State.

The new owners of Lot 244, which is adjacent to the panhandle walkway from Nisqually Way to the (former) bridge, asked if we could show them where the property boundary was located as they would like to install a fence. Bill B., Bill K., and Brett agreed to show them after the meeting concluded.

Emergency Management – Steve Olson

Steve showed the attendees an informative Emergency Management booklet that is distributed by Pierce County. He then reminded the audience of the importance of keeping batteries, medicines and emergency supplies on hand, especially during the stormy winter months. Bill Krause asked Steve to ensure that the Pierce County Emergency Management team has the correct email addresses for our participating Board members as well.

Paul Nerge reminded the audience that there remains confusion regarding address numbers vs. lot numbers. He stated that the fire department can provide members (for a minor fee) with reflective address numbers that can be placed by the road, helping emergency vehicle find those in need sooner.

Brett Anderson read the text of Covenant 28 (Recreational Vehicles) and its supporting enforcement policy. The wording is simply confusing due to contradictions between the two sections. Brett stated that he would lead a team to revise and simplify the wording for Covenant 28 before the next annual meeting.

GROUNDS / MAINTENANCE REPORT – Julie Caldwell

1 - Memorial Benches – Brett reported that the last two memorial bricks have now been installed with help from Jean Roy. This project can be marked complete.

2 – Shipping Containers - The PCC office and Board members have fielded several complaints lately related to shipping containers. Brett mentioned that the Board is planning to author language (likely via a new proposed covenant that can be voted on at the Annual Meeting) that will ban shipping containers from the community. This is urgent as there are now 4 known shipping containers within Paradise Estates.

GOOD OF THE ORDER – Bill Balcom

A member asked if there had been any success in finding a replacement bridge to cross Big Creek to and from the big lake. Bill Balcom explained that our water meter upgrades are a higher priority and that, while we continue to keep our eyes open for a replacement bridge, it will likely be quite some time before we could afford such an expense, should one be approved.

Brett brought up the fact that PCC no longer has the old PTO brush hog but now has a new generator. He indicated that our insurance company should be made aware of this and our accountant may need to be consulted to determine appropriate depreciation for the latter. Brett will contact our insurance company.

Brett asked if anyone had any success in identifying someone who could plow the parking lot, should we receive sufficient snow. Steve Olson stated that he had contacted our mowing service, Jerry Iverson and another local resource and none of them are available to provide such a service. We will need to continue to look and accept the fact that the Board or employees may need to step into this role temporarily.

With no further issues reported, the meeting was adjourned at 2:36 PM (Motion Brett, Second Bill K.). Due to Board member schedule conflicts, the next regular PCC Board Meeting will be held on Sunday, 1/24/2016 at 1pm at the PCC Office.

Respectfully submitted,

Brett Anderson, Secretary _____ Date _____

Attest: Bill Balcom, President _____ Date _____