

White Water Estates General Membership Meeting Apr 23, 2022

Guy Engelbart/Vice President – present
Steve Braegelmann/Secretary/Treasurer – present
Allen Damberger – present
Audry Henning – present

Ron Lunderville/President – absent
Larry Anderson – present
Bill Russell – present
Brian Kainu – absent

Meeting called to order by Guy Engelbart at 10:06 am.

17 lots represented

Committee Reports

Architectural (Larry Anderson)

-Larry requested that Architectural Committee (AC) requests be sent to himself and/or Guy Engelbart via email as the response will be quicker than regular mail. If you plan to paint, install fencing or do other improvements be sure to complete an AC Form and send the Committee your plans for approval prior to starting your project. Larry will be happy to assist with any questions that may arise.

-The Committee is currently working on a letter to better clarify the requirements for outbuilding construction.

Covenant Enforcement (Ron Lunderville) absent

-Several letters have been sent for carport/RV port type structures that are not in compliance with our CC&Rs.

-It was brought to the attention of all that many lots have garbage cans that are visible from the street. Our CC&Rs, Article II, Section 12 state that "No garbage or refuse shall be deposited on a lot but shall be kept in suitable containers within screened enclosures protected from dogs and other animals."

Gate, Park, Arena and Trail Maintenance (Steve Braegelmann)

-On November 29th the out gate was forced open by a vehicle causing considerable damage to the hydraulic actuator. The damaged actuator was replaced by a used one that was on hand and the gates were back in operation within hours at no cost. The broken actuator was rebuilt with parts on hand and reinstalled in mid December due to sluggishness in below freezing temperatures with the used actuator that was installed in November. Then on December 31st the out gate was again struck by a vehicle, causing similar damage to the actuator. The actuator that was removed a couple weeks earlier was reinstalled and the gates were again back in operation within hours at no cost. Both of these repairs would have been \$2,500 to \$3,000 each on a service call.

-The in gate stop bracket mount bolts that were loose in the brick column have been replaced. There was a \$100 charge for a mason to remove and install a brick to gain access for this repair.

-Our goal for the past six months has been to keep the cost of maintaining our old gates and operating system to a minimum and minimize the down time during the change over to the new gates, knowing that they would be replaced soon. That goal was met. There was no money spent on the old system since our last General Membership Meeting and although the plan was for a three to four day shutdown during replacement it extended to nine days due to unforeseen problems.

-The park mowing contract with Diamond Lawn Service has been renewed and mowing has begun. The cost per mowing has increased from \$192.50 to \$222.50 due to the high cost of fuel.

-The entrance to the park parking lot that had some large potholes was repaired recently. Cost for a couple yards of crushed rock was \$42.

-The arena is in good usable condition at this time. The BOD has approved a weed control spraying schedule of two applications a year to coincide with the road shoulder weed control applications in the spring and fall.

-The trails are in good condition. The annual flooding in the wooded area in WW-II has subsided and the trails are usable again.

-There was some serious damage to the north boundary fence in WW-I caused by a windblown fallen tree in December. The fence has been repaired using material left over from our recent fencing project. There was a \$300 labor cost for this repair. It was also noted at that time that there are a number of rotted posts on that fence line.

-There were two mailbox stand posts replaced recently; one in WW-I and one in WW-II. Cost of the posts was \$57 per post.

-The white fence along highway 507 was struck by a vehicle on November 17th. The driver did not stop but a witness stopped by with information on the incident. The damage was very minor and repaired at no cost so there was no follow-up on the driver.

-Road shoulder weed control spraying is scheduled as soon as weather permits. Cost of the spraying should be the same as last year which was \$820. The arena will be sprayed in conjunction with the road shoulders.

-Asphalt Patch Systems completed the scheduled road patching last October at a cost of \$4,374.

-Asphalt Sealing & Protection LLC completed the crack sealing October 6th at a cost of \$0.95 per foot for a total cost of \$5,540.

-There are several continuously sinking areas in section one of our roads that need to be addressed prior to an overlay of the roadway. It is surmised that these sunken areas are a result of rotting tree roots and stumps in the roadbed. For planning purposes a bid was solicited recently for these repairs. The proposal to cut out a 10 foot by 10 foot area to a depth of three feet, replace and compact the fill gravel and apply a three inch layer of asphalt was quoted at \$4,700 plus tax. Anything after that first 100 square feet, add \$33 per square foot. As discussed at our fall meeting we have approximately three miles of private roadway here in our community that are required to be maintained by the HOA. A potential schedule for asphalt overlay of our roads was also discussed. While none of the road is in immediate need of an overlay, the entire three miles will need to be overlaid within the next 10 to 12 years.

-Jim Herold and his Reserve Study Committee have spent considerable time and effort on our overall maintenance and upkeep cost projections for our community. Items requiring the most effort and funding are the gates, the three miles of roadway and the over two miles of arena and boundary fencing. These items will be discussed in Jim's Reserve Study Report later on our agenda.

Neighborhood Watch (Jim Herold) present

-There have been no reports of vandalism here in WWE since our fall GM Meeting. Jim reminded everyone to keep things locked up.

-There was a reported cougar sighting in WWE on a trail in the area near the entrance to our community in December. In the past we have had horses attacked by cougars. A suggestion has been made by one of our residents that horse owners keep a radio turned on in their barn as a deterrent. Jim indicated that according to the Fish, Game and Wildlife folks, if a person feels threatened by a cougar it is acceptable to defend oneself by shooting the cougar.

-Jim sent out a recent email requesting that anyone interested in keeping their name on his Neighborhood Watch email list contact him. Those not responding will have their name removed from the list.

Approval of Minutes of last GM Meeting

Minutes from the September 25, 2021 GM Meeting were approved as presented.

Treasurer's Report (Steve Braegelmann)

-The Balance Sheet review as of 31 March 2022 shows \$75,303.41 in checking/savings and \$252,150.84 in CDs at Key and Timberland banks with \$13,204.18 remaining in accounts receivable. Total current assets were \$340,658.43 with \$327,454.25 of that in total funds available.

-Total income for 2021 was \$53,456.74. Total expenses were \$45,315.45. Net income was \$8,141.29

-Our annual income from HOA dues is \$51,750.

-We are already over budget in common area maintenance due to our gate improvement project. A \$15,000 down payment check was written to Tacoma Iron Work December 15, 2021. A \$17,297.82 check was written to Tacoma Iron Work on March 10, 2022 and the final payment check of \$36,893.46 was written on April 18, 2022 to Tacoma Iron Work for the gate project.

-Telephone expenses are over budget due to the addition of long distance service added to the phone line for the gate entry control panel to accommodate entry by out of area cell phones.

-As of April 4, 2022 there were eight lots still owing full 2022 dues and 32 lots still owing half 2022 dues.

-The cost for our annual audit and federal tax prep has increased from \$2,350 to \$2,450 for 2021's audit and tax prep. Our 2021 audit is still in work by Newman CPA, PC. They have filed for a six month extension on our 2021 taxes since the audit is still in work. With the \$717 in prepaid taxes for 2021 there was no additional tax due with the extension filing.

-Our reserve fund had been divided into three separate funds for roads, fences and gates as reflected on our annual budget. These three funds have now been combined into a single reserve fund as suggested by our Reserve Study Committee.

-Our 2022 annual WWE liability and officers & directors insurance premium is \$1,974 which includes the increased coverage on the gates from \$56,000 to \$100,000.

-Normally early in the year we contribute \$33,500 to a new reserve fund CD. Instead of making this contribution now for 2021 we wrote a \$36,893.46 check as final payment on the gates. We also cashed out a \$27,000 CD in December to have funds on hand for gate payments.

Unfinished Business

-The following is an update on our gate project that was approved at the fall GM Meeting. A proposal by Tacoma Iron Work (TIW) to build, paint and install the new gates, to include providing high voltage AC power to both gate operator mount pads, prepare for and pour two concrete operator mount pads, install two CSW 24UL operators, saw cut and install seven safety and free exit loops and detectors, including all labor required to bring the entire gate system to fully operational status was accepted by the BOD at the December 4th BOD Meeting. A contract with TIW was signed December 16th with a down payment on \$15,000. Our goal was to keep our existing gates operational with minimum expense and have minimum down time during the transition to the new system. This was no small task. On February 9th the electricians came out to provide high voltage power to the operator pad locations. On February 17th Guardian Gate and TIW came out to prep for the concrete operator mount pads and the pads were poured the next day. The gate fabrication process was also in work at this time. On March 10th a second payment of \$17,297.82 was made to TIW. March 25th Guardian Gate cut and installed the seven loops. The gates were scheduled for installation on April 6th and 7th so on April 5th the old gates were shut down and prepped for removal. The plan was to have a three day transition period. On April 6th TIW installed the two gates and on the following day they installed the walk through gate and made final adjustments. Guardian Gate came out on the 7th and installed the gate operators. On the 8th they completed installation and connected the safety loops. The free exit loop for the out gate failed to open the gate so the gates remained open over the weekend. Guardian came out again on the 12th to troubleshoot the malfunctioning loop and complete hookup of the SOS and LOS.

The technician determined that, even though the loop ohmed out good, it was a bad loop and another loop would need to be cut in and installed. On the 14th a senior technician from Guardian came out to verify that the loop was bad prior to cutting in another loop. He verified the loop would need to be replaced. On April 15th Guardian came out and cut and installed another loop, made final connections and adjustments and the gates were put into service. We now have two free exit loops so there should be no more missing the loop to open the gate. The exit loop is closer to the gate than what we had previously due to having to replace the failed loop and the effect it would have on the integrity of the road pavement. The second exit loop is just before the gate. The old gate sensor marking has been removed and the two new sensors have been labeled. The final gate payment of \$36,893.46 was made on April 18th. Total cost of this project was \$69,191.28. The BOD decided at the December 4th BOD Meeting that the phone entry control portion of the upgrade project would not be included at this time since the maximum spent was not to exceed \$70,000 and the final bid would have put it well above that limit. The phone entry control system is completely functional at this time and long distance service has been added to accommodate out of area cell phone access. While the transition down time goal of three days was extended to ten days due to unexpected complications, the goal of keeping the old system up and running at minimal cost was met. Even with the two incidents of damage due to forced opening of the out gate in November and December there was no money spent on the old gates and operating system since our fall GM Meeting.

-Jim Herold presented the results of the Reserve Study compiled by his committee. This was a Level 2 study including a visual site inspection and meets the requirements of RCW 64.38.070 except that this study was performed without the assistance of a reserve study professional.

-Our reserve fund is currently 58% funded over the next 30 years. According to RCW 64.38.070, 30% is considered poorly funded and 70% is considered well funded.

-The committee projects that with planned expenditures the reserve fund will have a deficit of \$160,000 dollars beginning in 2034 unless there is an increase in annual dues, there is a special assessment, and/or projects are modified. There are three large road projects projected to be implemented from 2023 thru 2034 that will put a strain on WWE finances during that time.

-Following the presentation on the recent reserve study there was discussion on HOA dues. While we have funding to support the projected overlay of section one of our roads in 2023 and barring any unforeseen large expenditures we would be pretty well set to fund section two in 2029 with our current \$450 dues, we would likely need to call for a special assessment to fund the overlay of section three in 2034.

-The committee recommends increasing our annual HOA dues to \$550 in 2023 and reevaluating our financial status in five years to see if another increase will be required to keep our Reserve Fund properly funded, as required by Washington State RCWs governing HOAs.

-A decision was made to give residents some time to think about and share thoughts on this with neighbors not in attendance. A mailing will be sent to all WWE residents with recommendations from the Reserve Study Committee and reasons for the proposed dues increase prior to our fall GM Meeting. This will once again be a topic for discussion at the fall meeting followed by a vote by mail ballot in October.

New Business

-Head Teller Dan Tatro reported that all three of the candidates on the 2022 BOD ballot received sufficient votes and have been elected to the BOD. Larry Anderson and Allen Damberger were both reelected for another three year term and Brian Kainu has been elected to a three year term.

-It has once again come to the attention of the BOD that there are instances here in our community where the roadway overhead clearance requirements by both our CC&Rs and Pierce County are not being maintained. There is a requirement to maintain a minimum of 13 feet 6 inches clearance above the paved road extending a minimum of 5 feet to either edge of the paved surface.

-The WWE Notice dated 23 August 2008 on White Water Estates Roadway Clearance Requirements was available for all attendees. Please read and comply with these requirements.

Motion to adjourn at 12:01 pm by Audry Henning, seconded by Annikka Trabucco

Respectfully submitted by Steve Braegelmann