

LUMMI ISLAND SCENIC ESTATES COMMUNITY CLUB INC.

1211 Island Drive • Lummi Island, WA 98262-8684 • (360) 758-2699

MINUTES OF THE BOARD OF DIRECTORS' MEETING SEPTEMBER 20, 2015

(Subject to approval and correction at the Board of Directors' Meeting on October 18, 2015)

MEMBER CONCERNS: None

CALLED TO ORDER: by Mark Sexton at 10:40 a.m.

PRESENT: Mark Sexton, Doug Cash, Tim Slater, Bridged Lott & Ken Swanson

EXCUSED: None

STAFF PRESENT: John Graham & Glenda Peterson

VOTING STATUS: All board members present are in good standing. Quorum

APPROVAL OF MINUTES: Cash made a motion to approve the 8/22/15 minutes, Tim seconded. Passed. Ken Swanson abstained due to he was absent during the meeting.

COMMUNICATIONS: none

COMMITTEE REPORTS:

ADMINISTRATION – None, Tim stated he didn't think he was going to be able to attend the meeting so he had nothing prepared

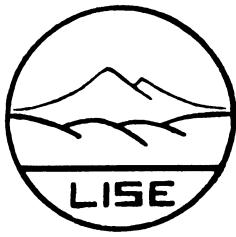
COMMUNICATIONS & PLANNING – None

FINANCE – Ken states we have 4 lots that have been sent prelien letters and we are forwarding them to the lawyer's office to get the lien process started. There are a few that haven't paid their August monthly dues and have been sent a friendly reminder. So far this year we are at 83% dues collected this year compared to 86% this time last year. Our expenses year to date are about 51% of our budget.

Cash made a **motion** to transfer \$1500 to the loan account from the operating account to cover the water loan payment that is due October 1st. Tim seconded the motion to have Mark transfer the money. All in favor. **Passed.** This is always short due to the fact the loan is due October 1st and some people pay their dues and loan repayment monthly with their last payment coming in December. Mark will get a check from Key Bank to make the Water Loan payment for \$27,680.85.

Ken also states that the Reserve Study is signed and the Reserve Consultants will have it completed in 4-6 weeks. This will cost \$1000 and is an off site recommended study.

Ken states that the office recommended sending out coupon books next year as a reminder for people to pay their monthly dues. This will save on postage and statement costs. Glenda will check into the cost of this.



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Mark states that the insurance company has issued the reimbursement for legal expenses for \$43,496.84. This money is setting in a trust account as a prepayment at Greg Thulin's office. There was discussion on how much to leave in the account since we are still occurring other legal expenses versus the small amount we would receive in interest.

Ken Swanson made a **motion** to leave the \$43,496.84 that we received in insurance reimbursement funds in a trust account at Greg Thulin's for potential future legal expenses. Doug Cash seconded. All in favor. **Passed.**

OPERATIONS & WATER – Cash stated we got the small docks out and the large docks are scheduled to be taken out October 2nd. The instrument that monitors the chlorine content is now 18 years old. We have received a sensor warning twice in the last week. A tech visit will cost about \$1,000 and a new instrument will cost about \$4000.00. We will continue to monitor this and might need to address this before the next board meeting. Cash stated he researched getting a dock ladder and they cost anywhere from \$75 to \$350.00. Since the docks are coming out we will wait until they are ready to be put back in. He also did some research on an aluminum ramp that will last 20-30 years and they have a rough estimate for \$5,000-\$7,000 based on our measurements. They can come out and give us a better estimate in the Spring time.

UNFINISHED BUSINESS: There was discussion regarding Patrick Warren's request for an easement on Scenic Estates property for a secondary drain field. There were concerns about Scenic Estates needs and limiting our future use of the property which belongs to all the members of Scenic Estates and if this would even satisfy the health department's requirements. The Board will draft a letter stating our reservations.

The next board meeting is scheduled for October 18, 2015 at 10:30 a.m.

Tim made a **motion** to go into Executive Session for 10-15 minutes to discuss the Treasurer position and legal litigation. Cash Seconded. **Passed.**

No motions were made during Executive Session.

Meeting Adjourned: at 12:40 p.m.