

# **Clearwood Community Association**

Minutes of the Board of Directors Regular Meeting

March 16, 2019 - **\*\*APPROVED\*\***

- 1 **1. MEETING CONVENED**
- 2 a. At the Clearwood Office
- 3 **2. QUORUM**
- 4 a. The quorum for the meetings of the Board of Directors is four. Seven
- 5 Directors were in attendance throughout the meeting, therefore the
- 6 quorum was met.
- 7 **3. IN ATTENDANCE**
- 8 a. Directors: Tom Jones, President (TJ); Aaron Lang, Vice President (AL); Emily
- 9 Martin, Secretary (EM); John Moore, Treasurer (JM); Brian Gerrish, Director
- 10 (BG); Malinda Poirier, Director (MP); Lonny Bays, Director (LB)
- 11 b. Staff: Albert Darrow
- 12 c. Member(s) and/or Guests: Deborah Baker, Linda Azzarella, Bob Owen,
- 13 Laura Drybread, Tommy Drybread, Valerie Cawley, Mariel Lindblad, Mary
- 14 Stokes, Sandy Stokes, Jessica Garrett, Sooze Fitsik and Jason Lane
- 15 **4. REGULAR PRESIDING OFFICER AND SECRETARY**
- 16 a. President Tom Jones and Secretary Emily Martin
- 17 **5. MEETING CALLED TO ORDER**
- 18 a. At 9am
- 19 **6. INTRODUCTIONS**
- 20 a. The Board, Staff, Members and Guests introduced themselves.
- 21 **7. APPROVE THE AGENDA**
- 22 a. A Motion is made by President Jones and seconded by Vice President Lang
- 23 to approve the agenda. Motion passed unanimously.
- 24 **8. APPROVE THE CONSENT AGENDA**
- 25 a. A Motion is made by President Jones and seconded by Treasurer Moore to
- 26 approve the consent agenda. Motion passed unanimously.
- 27 b. Items approved:
- 28 i. Accept resignation of Doug Skelly from the Board of Directors
- 29 ii. Accept resignation of Patrick Drinkard from the Board of Directors
- 30 iii. Ratify the unanimous Board Poll
- 31 1. To Authorize Elaine Sparkman and Rebecca Kyser to be added
- 32 to all Key Bank accounts as signatories
- 33 iv. Approve the following Committee Minutes
- 34 1. Patrol – February 20, 2019
- 35 2. Finance – January 28, 2019
- 36 3. Finance – February 25, 2019
- 37 **9. Fishing Derby**
- 38 a. Member Broden offered to organize the Fishing Derby again this year with
- 39 the help of the Member Activities Committee and confirmed that Member
- 40 Doucette had already arranged for the order and delivery of the fish.
- 41 Member Broden made the following suggestions via an email to the Board:
- 42 i. Prize money for the two largest fish be reserved only for participates
- 43 under the age of 18.
- 44 ii. Tagged fish should be worth \$100.00 and winners may be over the
- 45 age of 18.
- 46 iii. Re-allocate prize money as follows: 1<sup>st</sup> Place-\$25.00, 2<sup>nd</sup> Place:
- 47 \$15.00, 3<sup>rd</sup> Place: \$10.00.

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- 48                   iv. Member Activities Committee to provide baked good and  
49                   refreshments.  
50                   v. Patrol to assist during the event.  
51                   vi. Member Wendi Broden to create the Fishing Derby Flyer  
52           b. A Motion is made by President Jones and seconded by Treasurer Moore to  
53           approve all Member Broden's recommendations as is. Motion passed  
54           unanimously.

## **10. Appoint New Directors to Vacant Seats**

- 55           a. A Motion is made by President Jones and seconded by Secretary Martin to  
56           appoint Malinda Poirier to the open 2021 seat. JM voted no. TJ, EM, AL, BG  
57           voted yes. Motion passed.  
58           b. A Motion is made by President Jones and seconded by Secretary Martin to  
59           appoint Lonny Bays to the open 2019 seat. Motion passed unanimously.  
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## **11. Presentation of Board Resolutions**

- 61           a. President Jones presented all Board Resolutions for the upcoming Annual  
62           Membership Meeting to include:  
63                   i. 2019-03-01: A Resolution to Comply with the RCW 64.38.045 Regarding  
64                   the Annual Audit  
65                   ii. 2019-03-02: A Resolution to Approve the August 2018 Annual  
66                   Membership Meeting Minutes  
67                   iii. 2019-03-03: A Resolution to Ratify the 2020 Budget  
68                   iv. 2019-03-04: A Resolution to Demolish the Loop Lane Restroom  
69                   v. 2019-03-05: A Resolution Concerning Volunteer Background Checks  
70                   vi. 2019-03-06: A Resolution Concerning Certificates of Water Availability  
71                   "COWA"  
72                   vii. 2019-03-07: A Resolution Concerning Management of the Association  
73           b. It was discussed that items listed as iv and v had already been approved  
74           by the Board previously.  
75           c. A Motion is made by President Jones and seconded by Treasurer Moore to  
76           approve resolutions listed as items i, ii, iii, vi and vii. Motion passed  
77           unanimously.  
78

## **12. Presentation of member resolutions**

- 79           a. Member Drybread presented "A Resolution to Clarify the Use of Assessment  
80           Portion of Operations that is Designated to Sheriff Patrols"  
81           b. Director Poirier presented "A Resolution to amend Section V. Board of  
82           Directors, Amending Subsections 1. And 5. And Adding Subsection 8. To  
83           Clarify Resignations and Appointment of Directors to Open Seats"  
84           c. Director Poirier presented "A Resolution to Amend the ByLaws Defining  
85           Mandatory Criminal Background Checks, Conflict of Interest, Contract  
86           Requirements, Insurance and Certification Requirements for Contractors  
87           Contracting with the Clearwood Community Association"  
88           d. Member Cawley presented "A Resolution to Implement Full Service  
89           Professional Property Management in Clearwood"  
90           e. Member Cawley presented "A Member Resolution Concerning Criteria to be  
91           on the Board of Directors"  
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95 **13. Presentation of Candidates Running in the 2019 Annual Election**

- 96 a. President Jones announced he will run in the election  
97 b. Director Bays announced he will run in the election  
98 c. Vice President Lang announced he will not run in the election  
99 d. Member Fitsik announced she will be running in the election

100 **14. OPEN FORUM**

- 101 a. Member Owen asked what has the Board implemented to ensure we are  
102 not in the same situation we are currently in with the theft from our former  
103 bookkeeper. Member Owen additionally asked to confirm processes for  
104 opening bank statements, signing checks and following procedures outlined  
105 in the Administrative Manual all new Board Directors should receive.  
106 President Jones stated that the Board Treasurer was given access to  
107 read/print online bank statements to ensure our finances are accounted for.  
108 President Jones also confirmed that the Board Treasurer and Chair of  
109 Finance Committee open bank statements and most of the Board has check  
110 signing authority currently. While most of the current Board Directors were  
111 never provided the Administrative Manual, Secretary Martin stated she  
112 would handle updating the Board Binders and including the Administrative  
113 Manual for all directors.  
114 b. Member Fitsik asked why the Board is adding signatories back on accounts  
115 that they were originally removed from, warning the Board to find a new  
116 solution to who should be added as signatories as those who did not catch  
117 errors in our finances previously should not be allowed that responsibility  
118 again. Vice President Lang stated he had some of the same concerns, but  
119 the Board issued a letter to these individuals to sign agreeing they would  
120 not be signing any checks and the reason they are being added it to sync  
121 QuickBooks and our bank accounts. President Jones stated we are looking  
122 for a third-party CPA to oversee our accounts.  
123 c. Member Cawley addresses concerns over compliance, how it's the Board  
124 responsibility to ensure Members are not in violation of our CCRs and if she  
125 doesn't see improvement in the next couple months, she will sue. Ideas  
126 and solutions were discussed amongst the Board and audience. This will be  
127 something the Board looks into further.

128 **15. REGULAR BUSINESS**

- 129 a. Office Manager Report  
130 i. Not currently available due to the inability to sync QuickBooks  
131 b. Bookkeeper Report  
132 i. Not currently available as the bookkeeper is out of town  
133 c. Maintenance & Water Report  
134 i. Maintenance Report  
135 1. Otter Beach and Reichel Projects  
136 a. Should have a response from the Army Corps of  
137 Engineers by the end of March.  
138 2. Currently still one L&I claim for crew members who injured  
139 his shoulder and attending physical therapy sessions.  
140 3. Back Hoe bids have been accepted and repairs have begun.

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- 141 4. The sweeper has been having issues with hydraulic hoses and  
142 the shroud coming off, but Albert believes he has corrected  
143 this issue for now.  
144 ii. Water Report  
145 1. Coliform samples came back clean  
146 2. Water Usage: 4.7 million gallons  
147 3. Water leaks still a concern. Two have been identified and  
148 repaired. Waiting on meter readings to confirm if these repairs  
149 were effective enough to reduce our leakage percentage  
150 below 10%.  
151 4. The overall system is doing alright, but still concerns with Well  
152 1 and 2 production.  
153 5. Issues with the main isolation valves of the water system with  
154 many not being able to fully shut.

## **16. OLD BUSINESS**

- 156 a. Investigation Update  
157 i. Treasurer Moore stated we have issued 25 subpoenas to different  
158 vendors who have provided services to Clearwood as well as to the  
159 defendant's bank and lending institutions that some of our checks  
160 have gone through. We are currently waiting as there is a 30-60 day  
161 response deadline on these subpoenas. Treasurer Moore stated that  
162 everything is going through the attorney now, but we are currently  
163 comparing vendor invoices with what we paid for. Member Cawley  
164 asked how the criminal aspect of the investigation is going. Treasurer  
165 Moore stated they are waiting on the final report from the Forensic  
166 Auditor. Vice President Lang stated there's been a lot happening with  
167 the investigation over the last few months with the attorney taking  
168 over all aspects in preparation for the upcoming hearing scheduled  
169 for April 5<sup>th</sup>. Member Drybread asked about the insurance process.  
170 Treasurer Moore stated we gained an additional insurance policy with  
171 our previous auditor to investigate as to why he did not catch any of  
172 the theft. Member Owen asked if we are paying for the auditor and  
173 attorney fees in hopes of being reimbursed and, if so, what is the  
174 total cost at this time. Treasurer Moore stated we have currently paid  
175 about \$60k to the forensic auditor and the attorney we are currently  
176 paying are not significant in amount, but does not have an exact  
177 amount and are still within the scope of the Operational Contingency  
178 Fund. Member Owen asked what happens if we exceed that fund and  
179 Treasurer Moore stated this would need to come back to the Board  
180 to determine where the funds would come out of with  
181 recommendation from the Finance Committee. Director Poirier asked  
182 if there was a contract with the forensic auditor and Treasurer Moore  
183 stated this is all being handled through the attorney.

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- b. RV Dump Update
    - i. Director Gerrish stated the design is complete and is currently with the Thurston County Public Health for review and approval. Once this is approved, Director Gerrish will work on bids for installing the system. PSE will be coming out on Tuesday to look into putting a vault and transformer in to draw power from across the street. Director Gerrish estimates the total cost to be around 26k, but will need to get more firm numbers. Member Fitsik suggests Maintenance keep an eye on the pump levels to ensure we are pumping before issues come up. Albert confirmed Maintenance does this and will ensure this continues.
  - c. Well 5 Update
    - i. Albert has been working with Lydia from Northwest Water Solutions and the biggest issues have been splitting the water rights and the control system. Lydia went with a higher tech system and Albert disagrees with this decision, so she is currently investigation Albert's suggestion to use the system we have now with minor adjustments and plan for remote access in the future. Albert stated the next phase is with the Department of Health to approve or comment and estimated the comment period for this is 60 days.
  - d. Temporary Bookkeeper Update
    - i. President Jones stated that our current bookkeeper, Allie, is leaving at the end of March and we've hired Elaine to fill in. Allie is in the process of turning over everything to Elaine, so she is caught up before the end of the month. Member Drybread asked if we have made final payment for the list of services she was to provide and if there's an option to withhold final payment until those services are completed. President Jones confirmed she was paid in full and the next steps to recoup those funds would be through legal means. Director Poirier asked if Elaine is handling our billing, receivables, quarterly taxes and payroll. President Jones confirmed this as accurate. Secretary Martin asked for clarification on Elaine being a part-time temporary bookkeeper or a part-time permanent bookkeeper. Member Drybread suggested an Appointment Letter outlining the terms of employment. Secretary Martin addressed the job description presented by Elaine not including items that need to be handled as well as her not wanting to oversee the office staff as previous voted on by the board. It was confirmed that Elaine is temporary, and an Appointment Letter will be drafted and signed by Elaine outlining the terms of employment and job description.

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- 232 e. Management Research Committee Update  
233 i. Director Poirier provided update on the poll results at the request of  
234 Member Cawley. Director Poirier stated they are putting the  
235 presentation with results together for the Board and can either  
236 schedule a Special board Meeting or invite the Board to the next MRC  
237 meeting scheduled for March 27<sup>th</sup>. Director Poirier did not have exact  
238 numbers with her, but the poll results included roughly 160 votes  
239 with an Operations Manager coming in first, PPM coming in second,  
240 Staying the Same coming in third and Dissolving coming in last. An  
241 Operations Manager won by receiving roughly 20-30 votes more  
242 than PPM. The Board will attend the next MRC Meeting on March 27<sup>th</sup>  
243 at 7pm.

## **17. EXECUTIVE SESSION**

- 244  
245 a. A Motion is made by Vice President Lang and seconded by Treasurer Moore  
246 to enter Executive Session, inviting Albert, to discuss Legal and Personnel  
247 Issues at 12:02pm. Motion passed unanimously.  
248 b. A Motion is made by President Jones and seconded by Vice President Lang  
249 to exit Executive Session at 1:37pm. Motion passed unanimously.

## **18. RECONVENE IN OPEN MEETING**

- 250  
251 a. A Motion is made by President Jones and seconded by Treasurer Moore to  
252 allow the Finance Committee an exception to Operating Resolution 2019-  
253 06-05 to complete the 2020 budget. A Motion is made by Vice President  
254 Lang and seconded by Secretary Martin to amend the main motion and add  
255 "as long as the board liaison is copied on all budget communications".  
256 Motion passed, with amendment, unanimously.

## **19. ADJOURNMENT**

- 257  
258 a. A Motion is made by President Jones and seconded by Secretary Martin to  
259 adjourn at 1:43pm. Motion passed unanimously.

260 **Minutes Prepared by:**  
261 Secretary Emily Martin