

February 16, 2023

All Member HOA Meeting (via Zoom)

Board Members Present:

Mike Ard Kevin Ruoff Chuck Klamm Scott Jarmon Danielle Sullivan Jim Huentelman

Community Member present as identified by Zoom:

SW Justin and Jamie Greg Thom Jim Millet Bill Lesar Heidi Engle Steve W. Whitemarsh Cassandra Catherine Paul Abbott Tyson Lance Luz Nelie Millett.ja Victoria Musselman

E Hernandez Linley

Meeting was called to order at 6:30pm by Mike Ard, HOA President

Mike introduced the current HOA Board of Directors and described the open position and invited members to step up and join the board to fill this open role. Mike then went over the meeting agenda.

Mike thanked Torie Hernandez who is the webmaster for the Keanland Park HOA Website for her service to the community.

Jim Huentelman, board Vice President, discussed our current issues regarding septic inspections and nitrate testing.

* Due to recent issues and concerns with the job RJ Trends did last year, and their current rate increase, Jim and Mike Ard are working with three different inspection contractors to get bids for inspections and nitrate testing.
* Jim and Mike met with Thurston County to discuss the issues and ensure we understood the process of changing vendors, as the inspections are a county requirement.
* Due to current contracts and obligations, we need to have a new contractor in place by

March 1, 2023, in order to cancel our current contract with RJ trends.

* Thurston County is fully aware of what we are doing and that we many need more time, as we are having issues getting the requested bids from the new contractors in a timely manner.
* Thanks go out to the community members that provided names for vendors to do this work.

The recent issue with our Water tank was discussed.

* A recent power flicker caused the pump to go out. Jim followed up with the PUD.
* There was a firmware update to the system by the manufacturer that should prevent this from occurring again, but any member that can see the water tower is asked to keep an eye on it and notify the Board if the light goes on. PUD is still working to implement the telemetry system to the tower to let PUD know if there is a problem, but we need to keep an eye on it till we are certain it works.
	+ A question was asked via chat if we have a UPS back up for the system. Jim stated that the pump does have generator back up but brief interrupt of power in switching to the generator is what caused the well pumps to go into protect mode. The aforementioned firmware update is expected to fix this. PUD is going to be testing this to make sure it has been corrected.
* If you have not noticed, water rates have increased significantly. Jim talked to PUD, and they stated that mailers with payment statements ahead of a public hearing was sent. Jim also requested an email blast to everyone about the meeting and PUD said they would look into that. The Board will try to get his information on the HOA website.
	+ The reasons for the increase are Inflation, cost of vehicles, costs of IT, supply chain delays and insurance has increased.
	+ Other issues are Debt service to provide funding for their most recent water system purchase and the reduced use of waters by customers.
	+ Rates are expected to increase next year, but the hope is that inflation will be lower, and prices will not increase as much.

Chuck Klamm, Architectural Control Committee (ACC) Chair talked about 2022 issues and some 2023 reminders.

* 2022 main submittals involved:
	+ House painting
		- A reminder, if you are repainting with the same colors, no approval is required.
		- If you are changing colors, the color swabs need to be submitted to the ACC via the HOA website.
			* There must be three distinct colors and should match the surrounding homes so as not to stand out from the others.
	+ Gazebos were another main request.
		- Approval must be obtained prior to building, and it is suggested to get the approval prior to purchasing supplies to save cost if not approved.
	+ Concrete projects were also discussed.
		- Approval is required and the concrete cannot be placed over the Septic drain fields or reserve field. Please check the papers that are with the home to identify where these fields are located.
			* A question was asked about what the reserve field is. The answer was that there is an area reserved for another drain field in the event the primary field develops issues.
* 2023 reminders:
	+ Boats, trailers, and RVs cannot be parked in the driveways per the CC&R’s
		- Exception to this would be for a few days to prep or clean the RV.
		- If you have visitors, there is a ten-day max, per month, that someone can live in the trailer.
	+ The Board does not go out to seek offenders, if you see an issue, please send pictures and details to the board and it will be addressed.
	+ Please make sure you read the CC&R’s and be mindful of your neighbors. The Boards’ goal is to ensure that we preserve the neighborhood and keep home prices high.

Section 7.2 of the CC&Rs discusses the restrictions.

* + The Board has the ability to fine offenders if the member chooses to not follow the CC&R’s, but that is not our goal or intent.
	+ Softscape (plants and trees) do not need approval from the ACC.
		- It is a county and HOA requirement that you have two trees in your front yard.
		- No tree may be over 20’ tall.
	+ A question about solar panels was discussed.
		- Washington State Law will not allow an HOA to deny solar panels and our meters are designed to accept solar panels. No approval is required.

Scott Jarmon, Maintenance Task Force (MTF) chair discussed 2022 efforts and 2023 plans.

* The budget allows for two mowing’s per year of the common areas.
	+ April or May for the first – this is based on weather and early spring growth.
	+ October will be the second.
	+ Good news is that the landscaper is not raising prices for 2023.
* Road Maintenance was discussed.
	+ Last year a crack seal process was completed. This keeps water out of the cracks to avoid more damage with the water freezes.
		- This needs to be a part of the yearly maintenance.
	+ Scott is working with two vendors to get bids to do a seal coat on all roadways.
		- This is a tar like substance that covers the entire roadway with a thin coat and then the lines are repainted on top of this.
		- The first vendor contacted is not responding, and the second vendor will have a bid to us by end of this week.
		- There is an open line item on the 2023 budget as we work to determine the cost for the seal coating. Seal coating needs to be done every 4-5 years.
* Swale and dry pond/pipe inspections were discussed.
	+ Per Thurston County requirements we must keep the irrigation areas in front of the homes clear as well as any pipes that go under the driveways and streets.
	+ The HOA will do a self-inspection prior to any county inspections.
		- Please ensure that all pipes dealing with drainage are kept clear of rocks and weeds so the water can flow quickly through the pipes and drainage areas.
		- Homeowners will be notified if an issue is found by the HOA or County and the homeowner will be required to rectify.
		- If you have, had, or will have, curbing installed around the rock area that is by these pipes, please ensure that there is a notch at the bottom for drainage. If this is not done by the contractor, the homeowner will need to cut the concrete to allow for drainage.
* Snow removal
	+ We are mid-February with no significant snow, so this has not been an issue.
	+ A reminder that the members voted to not remove snow unless there was a significant amount that would be staying around for an extended period of time.

Danielle Sullivan, HOA Treasurer, discussed 2022 income and expenses and discussed the 2023 budget.

* The 2022 expenses and 2023 budget has been uploaded to the HOA web page.
	+ 2023 budget has not bee finalized as the Board is still waiting for bids on septic and road maintenance.
* Danielle gave a high-level overview of 2022 expenses.
	+ Total expenses were $36,000.
	+ Budget was $38,000.
		- Extra savings went to reserves to pay for future road maintenance.
	+ Dues incoming were $47,430 and we had interest income of $259.67.
	+ Largest expenses were:
		- Septic - $26,067.23
		- Mowing - $3,002.40
		- Crack seal - $2,700.00
		- Insurance - $2,440.00
		- CPA to do taxes - $500.00.
* With Septic being the largest expense, it was discussed that we are required to have all homes inspected and 1/3 of the homes are required to have nitrate testing, all by the same vendor. This does save the HOA members money.
	+ If a homeowner were to hire someone to inspect their home, the cost would be around $900.00.
	+ By doing them all at one time, this drops the price down to around $250.00 per home.
		- This $250.00 comes out of the HOA dues paid annually.
* Danielle discussed the 2023 budget.
	+ Net income projected for 2023 is $7,771 versus $11,486.15 in 2022.
		- Decrease in income is due to rising septic costs.
	+ 2023 budget has not yet been finalized as we wait for final bids to come in on road maintenance and septic.
	+ We do have money market account that earns .25% interest.
		- This is one of 3 accounts the HOA has.
		- The Money Market account balance is $100,000.
		- If we can net $10,000 per year in income after expenses (which this year we may not), that will give us around $300,000 after 20 years.
			* The cost to do major road repair/replacement is expected to be higher than $300,000.

Kevin Ruoff, Secretary, discussed a transfer fee proposal to help bring in some revenue rather that raise dues more than we need to.

* A transfer fee is common in an HOA.
* Fees can run from $200.00 to over $400.00, this is determined by the HOA.
* The fee is to cover the cost of providing information to an escrow company during escrow. This can include meeting minutes, CC&Rs, dues, assessments, etc.
* While we are a volunteer board, this can take time for the Treasure or Secretary to provide.
* The funds from the transfer fee would go to the reserve fund for future needs.
* The fee is handled through escrow.
	+ The board recommends that the fee be paid by the buyer, but this can be negotiated though escrow.
* The board is recommending that we initiate the transfer fee and that the fee be $300.00.
	+ Last year we had six homes sold in the neighborhood. Had we had the transfer fee, that would have brought another $1,800 to the reserve funds.
* Per CC&Rs, to begin this fee, it requires a 67% approval from the members.
* The Board will determine a way to put this transfer fee proposal to a vote of the members soon.

Mike Ard thanked everyone that attended the HOA Meeting. Mike encouraged members to have more interaction with the Board and involvement on the board.

Danielle added a reminder that the dues are due by March 1, 2023. Currently we have 40% of the members paid in full. Invoices have been sent and the dues can be mailed via USPS to:

KP HOA

PO Box 482

East Olympia, WA 98540

The all-members meeting ended at 7:22pm

A meeting of the Board was held after the all-members meeting to discuss Board positions. All Board members were willing to remain on the Board in their current roles and everyone agreed.

Kevin R Ruoff

Keanland Park HOA Secretary