

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
January 16, 2003

1. **Call to order:** The regular meeting was called to order at 7:00 p.m. by Scherting.
2. **In Attendance:** Robin Scherting as Acting President, Mark Morris, Brian Ritchie, Barbara Barnhart
3. **Action on Minutes:** Barnhart moved (passed 3-0) to approve the minutes of the Regular Board of Trustees Meeting of December 12, 2002.
4. **Treasurer's Report:** The General Manager presented the Treasurer's Report. Written report submitted. As of December 31, 2002 we had \$4,963.23 in checking; \$15,045.60 in the operational investment account; \$106,540.77 in the Reserve account and \$400,000 in eight reserve CDs at four institutions for a total of \$526,549.60. The memorial and fundraising monies are in a separate account totaling \$17,608.05. Eleven members have delinquent accounts with only one member having a delinquency greater than \$147.00.
5. **Committee Reports:** Building: Report submitted. The Committee received three inquiries concerning building regulations and approved one permit to cut trees. Environmental: No report. Finance: No report. Marina: No written report. Huselton submitted a written request concerning the propriety of charging marina tenants for kayak storage and certain other issues but the complaining kayak owner withdrew her complaint at the study session thus disposing of the matter. A dredging permit has been obtained for July 12 and 13, 2003. Membership : Report attached. Michael Deveneau of Seattle (an existing member) purchased a home on Sunset, in the Colony. Michael and Virginia Head purchased a home in the Highlands. Gail Krentzman and Janice Stone of California purchased a lot in the Colony. Robert and Kathleen Post of Marysville, WA purchased a home in the Colony. Neighborhood Watch: No report. There will be an Emergency Preparedness Meeting on February 26, 2003 at 7:00 p.m. at the Clubhouse for all Cape George residents. Pool: No report. Roads: No report. Social Club: Report attached. The quarterly meeting of the Social Club will be held on January 27, 2003 at 1:00 pm – lunch will be served and there will be a drawing for a door prize. Our Silent Auction will be held in early March – watch for news on this event. About 50 people enjoyed Christmas dinner at the clubhouse – as in the past, we were fortunate and grateful that Art Luck paid for the prime rib that all enjoyed. There was light attendance at the New Year's Eve get-together- those present enjoyed poker and dice games. The big new couch at the community center was donated by Ann Simpson – thank you! If you miss the old couch, bid for it at the Silent Auction! Three tables at the community center have been damaged – one had to be thrown away. If you accidentally damage any of our property please report it! Water Advisory: Report attached. The state Department of Health has given us the go ahead for the work on Well #6 to bring it online except that the final piping connection won't be approved until they make a final review of our total water quality. The state is preparing new regulations concerning security of water systems – we will have to meet these at our field/tank farm. Low cost loans (no grants) will be available to pay for the costs of compliance.
6. **Manager's Report:** Report attached. We are still waiting to hear from Puget Sound Energy about getting a light installed on their pole by the Village mailboxes. Our manganese levels are still too high so we will be doing a citric acid bath of the filters. Members will be given notice of the procedure – there should be no interruption of your

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water service. The sprinkler system at Memorial park is now operational following some pipe repair work and the installation of a flush valve. We have repaired a longstanding leak at pump #1 in the Highlands but now pump # 2 is leaking. We will look at our options for solving the new problem at #2. The fan is in at the women's dressing room at the pool – if it is efficient we'll install one in the men's dressing room.. Work will be resuming on the maintenance garage and on pump house #6. There has been no response from the member/owner of the "cliff house" concerning our request for a timeline on when demolition will occur – a follow-up letter will be sent to them.

7. **Member Participation:** (1) A member inquired about the piles of broken bricks and concrete sections and water filter salt pellets which have been dumped over the bank and on to the beach at the south end of the marina parking lot – where the boat trailers are. Some of the bricks and concrete sections have washed onto the beach and are unsightly. Marina committee members volunteered to look at what the situation. All were reminded that there is "NO DUMPING" anywhere within Cape George. (2) A member asked that Jay be provided with a schematic showing where tables and chairs are to be placed for set up in the community center for all community events. It was noted that members are responsible for doing their own set-up for private events, but Jay does set up for community events but he needs to know where to place the tables and chairs. (3) A member asked that the lights at the Marina be dimmed or extinguished in order to reduce their impact on the ability to view the wonders of the night sky – he noted that the our night sky is one of the best in the area for viewing the stars and other night sky activity such as meteors. Ground lighting interferes with night sky visibility. Another member added that many members have forgotten about the rule to reduce or eliminate outside home lighting – we are not to leave outside lights on except as needed. Many have garage, pole and door lights which are far too bright (exceeding allowable wattage) and should be turned off after 10:00 pm or so. These lights shine intrusively on neighbors homes and also impact the night sky viewing opportunities. Turn off those lights! The General Manager indicated that he would review our options for dimming the marina lights, such as by using timers or hooding them. (4) A member submitted a written statement and made a presentation at the meeting concerning their disappointment at having their view adversely affected when a neighbor built a home and garage on adjoining property. The Building Committee had approved the construction – it was noted that there was nothing the Board could do in instances where the construction was lawful but nonetheless had an adverse impact.
8. **Business:** (1) Co-Manager Positions: Barnhart moved (passed 3/0) that Zane Wyll's position as full time manager be changed to allow Wyll and Linda Cooley to job share the position of general manager subject to the terms and conditions set forth in the document entitled Manager Staffing Proposal of January 16, 2003 including the allocation to Linda Cooley of the ultimate responsibility for the financial accounts of Cape George Colony Club except that consistent with sound financial practices and to maintain the integrity of our accounts she shall have no authority to sign the Club's checks. The Staffing Proposal provides that the job share arrangement will cost Cape George the same amount as it is now paying for a full-time Manager and part-time bookkeeper. Benefits of the new arrangement include coverage on a 24/7 basis with cross training of Wyll and Cooley, increasing our ability to respond to problems. (2) Employment taxes: Barnhart moved (passed 3/0) to authorize the payment of \$297.47 to Employment Security for amounts owing pursuant to their audit and to make a

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reasonable good faith effort to determine amounts which may now be owed to Labor and Industries and to the IRS, as per the Cooley audit memo of 1/4/03, and to pay that amount along with a written statement to the taxing authorities showing the basis of our calculations. It was noted that a good faith payment of amounts estimated to be owing (but not yet assessed) will reduce potential future liability for penalties. These payments arise from the need to recharacterize some who worked for us from "independent contractor" to "employee" thereby increasing our tax liability. (3) Barnhart moved (passed 3/0) that the Board Resolve or authorize the signing of a Corporate Resolution required by the MBNA Bank concerning a roll-over of up to \$100,000.00 in reserve funds to a CD issued by that bank.

9. **Announcements:** (a) Regular Study Session on February 11 at 3:00 p.m. (b) Regular Board of Trustees meeting on February 13, 2003 at 7:00 p.m. All meetings in the Clubhouse. (c) Social Club quarterly meeting (luncheon) 1:00pm January 27 at the Clubhouse (d) Emergency Preparedness community meeting at Clubhouse on February 26, 2003 at 7:00 p.m.

10. **Adjournment:** The Acting-President adjourned the meeting at 8:05 p.m..

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Robin Scherting, Acting President

**CAPE GEORGE COLONY CLUB
SPECIAL BOARD OF TRUSTEES MEETING
JANUARY 21, 2003**

1. **Call to order:** The special meeting was called to order at 1:30 p.m. by Joyce Skoien, President.
2. **In attendance:** Mark Morris, Robin Scherting, Duane Nail, Brian Ritchie, Gary Smith and Barbara Barnhart.
3. **Business:** The purpose of the meeting was to meet with Richard Shaneyfelt, the attorney for Cape George Colony Club to obtain legal advice concerning questions about club house use and enforcement of the hedge rule. Because the meeting involved legal advice, Barnhart made a motion (passed 6/0) to adjourn to Executive Session. Accordingly the Board adjourned to Executive Session.

Executive Session:

The Board met with counsel Shaneyfelt and asked questions and received his advice concerning club house use and the enforcement of the hedge policy. Upon completion of the Executive Session the Board adjourned at 3:00 pm to its Special Session.

Resumption of Special Session:

4. **Adjournment:** There being no further business the meeting was adjourned at 3:00 p.m. .

Respectfully Submitted:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
FEBRUARY 13, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:00 p.m.
2. **In Attendance:** Joyce Skoien, Duane Nail, Brian Ritchie, Barbara Barnhart
3. **Action on Minutes:** Ritchie moved (passed 3-0) to approve the Minutes of the Regular Board of Trustees Meeting of January 16, 2003 and the Minutes of the Special Meeting of the Board of Trustees of January 21, 2003.
4. **Treasurer's Report:** The General Manager presented the Treasurer's Report. Written report submitted. As of January 31, 2003 we had \$25,728.23 in our checking account; \$45,003.91 in the operational investment account; \$110,253.71 in the Reserve account and \$400,000 in eight reserve CDs at four institutions for a total of \$580,985.85. The memorial and fundraising monies are in a separate account totaling \$17,099.26. Thirty-one members have delinquent accounts with only one member having a delinquency greater than \$274.00.
5. **Committee Reports:** Building: The Committee approved two tree-cutting requests. Environmental: Written report submitted. Our monthly meeting time will change to 3pm on the last Monday of each month – the next meeting is February 24 at 3pm at the office. Come to a landscape walk in our neighborhood on February 24 and see a variety of plants and landscapes as a source for ideas for planting in common areas. The walk begins at Will and Camille Branch's home at the corner of S. Palmer and Quilcene at 1 pm. Volunteers are needed from 9am to noon for the March 22 clean up of the planting area around the clubhouse. Then, from 1pm until 3pm we need volunteers to help with a community wide pick-up – we will be collecting outside "treasures" (junk?) which some of us have outside our homes. Call Bob Tilley to schedule a free pick-up. Volunteers have been working to remove Scots broom from Cape George – a special broom buster tool is available from the Washington State extension service (near the bagel shop on Rhody Drive). They also loan out a shovel like tool for removing poison hemlock. If you remove poison hemlock be sure to wear gloves and keep these DEADLY plants away from your mouth or the mouths of others. We are maintaining a nursery of native plants for later planting on our property. We continue to participate in efforts to help maintain the health of Discovery Bay and we are making contacts to learn how to protect our beaches. Finance: No report. Marina: No written report. The entrance channel to the marina will be dredged on February 14 and 15. Membership: Report attached. Ann Kant has purchased a home in the Colony. Luke Poeschl purchased a home in the Village. Mark and Sandra Tallarico purchased a home in the Village. Hometown Construction purchased a lot in the Colony. Neighborhood Watch: Report attached. There will be an Emergency Preparedness Meeting on February 26, 2003 at 7:00 p.m. at the Clubhouse for all Cape George residents. We will discuss ways our community may mesh with the planning for Jefferson County emergency preparedness. Two more neighborhood watch organizational meetings are to be held in February. Pool: Written report. The committee met on January 22. The committee has requested that the pool water temperature be increased – it's too cold now. Repair/maintenance issues were addressed, including the replacement of broken hooks, the cleaning of the tiles, repair of a drain, and plans to replace banners and flags. The committee also discussed donating money toward outdoor playground equipment. Roads: No report. Social Club: No report. Our Silent Auction will be held on March 1 at 5:00 pm - come, have fun, bid a bunch. Proceeds will be used for outdoor play equipment. Water Advisory: Report attached.

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The State of Washington has issued new drinking water regulations. To date, nothing has been found that should cause us any problem. Nominating Committee: Chairperson, Bill Stull, asked that persons interested in running for the Board should contact him.

6. **Manager's Report:** Report attached. The Village mailbox light should be installed within a week or so. The Manager is working with the marina committee to consider solutions to the bright light issue. The office computers have been networked. We continue to have problems with the pool lock system failing. The temperature differential, which is likely the cause of the failing locks, will be addressed by installing a second ventilated door at the entrance (something like an air lock) which may protect the lock and solve this persistent problem. We have been treating the filter media at the tank farm and have been getting good results.
7. **General Information:** (1) The Ballou variance request was withdrawn. (2) The hearing to allow members to comment on the use of the clubhouse is scheduled for February 20 at 7pm at the clubhouse. (3) Will delay discussion on private property issue until March when we will have additional input from the clubhouse hearing. In the meantime, the regulations that are in place make it possible for the Social Club to continue to hold Easter Services in the clubhouse if they wish to do so. (4.) Members are reminded that it is unlawful to place any materials inside other Members' mailboxes – those mailboxes are for U.S. Mail only. Members are also reminded that the slots under the mailboxes (except at Huckleberry) may be used for distribution of materials to other members. Any such distributions must be signed or clearly identify the preparer. Those slots will be cleaned out every week or so.
8. **Member Participation:** (1) A Member asked that the Board reconsider the member's concerns about having their view blocked by the construction of a large outbuilding on a neighbor's property. The Board referred the matter to the Building Committee to determine whether rules concerning location of or size restrictions on outbuildings could reasonably be changed to protect other Members from view infringement by out-buildings. (2) A member voiced his concerns about large trees on neighboring lots growing up and taking away views. These would be trees not part of a hedge. The discussion morphed into one concerning trees on the Cape George right of way and the practice of topping these trees to prevent power line interference. The Board asked that Zane or Linda consult with Asplund (the power line tree cutting company) about topping the interfering trees "at the ground" rather than continuing their current practice. (3) A member asked that the Board consider implementing a rule to allow trustees who are absent from a Board meeting to vote either by proxy or by telephone, during the course of the meeting if they wish to. The Board will review whether this change is possible and if so, decide whether they want to allow for voting in absentia by trustees.
9. **Old Business:** (1) Speed bumps: Zane reported that he had found 40 large yellow speed bumps hidden away in the back of the red barn – he proposed that the speed bumps be used at the Palmer/Cape George Way intersection rather than the hawsers, which had been previously authorized. The hawsers had the potential of wreaking havoc on bicycle or motorcycle or motorbike riders. The speed bumps, properly spaced, could safely be maneuvered by bike riders and thus seemed a better alternative. (2) Hedge Procedure: Barnhart described a proposed procedure to follow in connection with the

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Board's enforcement of its eight-foot hedge rule. The Board has received twelve written complaints from eighteen persons concerning twelve properties. Barnhart submitted two form letters (a complaint acknowledgement letter and a notice of complaint letter) for use by the Board. The letters encourage an informal resolution of the complaint through the use of a facilitated meeting between the concerned parties. This is consistent with the Board's policy to encourage and support informal resolution. Should an informal resolution not be possible the proposed procedure provides for the Board to make a factual determination concerning whether a hedge is present and if so, to issue a Notice of Violation requesting compliance with the hedge rule. A member could request a variance for his or her hedge after the Board makes its finding that a hedge exists. If no variance is granted (or if none is requested) the proposed fine for a first violation could be \$500, and if a second notice of violation is necessary, because of noncompliance, the second stage fine could be \$1,000.00. If the hedge remains in violation, the Board would then consider filing an enforcement action in civil court to seek collection of its fines, costs, attorney fees and an order compelling remedial or corrective action concerning the hedge. The focus of the proposed hedge procedure is to encourage voluntary compliance and reasonable and respectful cooperation. Litigation is a last resort to be used in instances where Members continue to act in disregard of their responsibilities to their neighbors. (3) Pay raise: Zane proposed a pay raise of \$.50 per hour for Jay White in light of his highly satisfactory completion of the six month period of probation for new employees.

10. **New Business:** (1) Pay raise: Nail moved (passed 3/0) to approve a pay raise of \$.50 per hour for Jay White. (2) Speed bumps: Ritchie moved (passed 3/0) to authorize Zane and Linda to install the yellow speed bumps at the intersection of Palmer and Cape George Way. (3) Hedge enforcement: Nail moved (passed 3/0) to put in place the hedge enforcement procedure proposed by Barnhart effective immediately. (4) Pool door: Barnhart moved (passed 3/0) to authorize Zane and Linda to construct an airlock by the addition of a second door near the existing pool door in order to retard condensation on the pool lock.

11. **Announcements:** (a) Hearing on Clubhouse Use on February 20 at 7:00 pm at the clubhouse. (b) Emergency Preparedness meeting on February 26 at 7:00. (c) Silent Auction, Saturday March 1 at 5:00pm. (d) Regular study session on March 11 at 3:00 pm. (d) Regular Board of Trustees Meeting on March 13 at 7:00 pm. All meetings at clubhouse.

12. **Adjournment:** The President adjourned the meeting at 8:45 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
March 13, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:10 p.m.
2. **In Attendance:** Joyce Skoien, Robin Scherting, Mark Morris, Duane Nail, Brian Ritchie, Barbara Barnhart
3. **Action on Minutes:** Nail moved (passed 5-0) to approve the minutes of the Regular Board of Trustees Meeting of February 13, 2003.
4. **Treasurer's Report:** General Manager Linda Cooley presented the Treasurer's Report. Written report submitted. As of February 28, 2003 we had \$14,708.99 in checking; \$45,045.60 in the operational investment account; \$110,354.47 in the Reserve account and \$400,000 in eight reserve CDs at four institutions for a total of \$570,137.47. The memorial and fundraising monies are in a separate account totaling \$17,227.39. Twenty members have delinquent accounts totaling \$5,236.19 (including accrued late fees) with only one member having a delinquency greater than \$600.00.
5. **Committee Reports:** Building: Report submitted. The Committee recommended approval of a four-foot height variance on a perimeter lot (discussed under variance section below) and a request to cut trees and install a culvert on the lot; and approved three requests to cut trees and signed off on a culvert installation. Environmental: No report. Finance: No report. Marina: Entrance channel dredging on February 13 resulted in a minus 1.5 foot level in the channel. There are some marina vacancies and four new tenants have joined the marina. Membership: Report attached. Dana Frickeisen and Karen Frank have purchased a home at 221 N. Rhododendron in the Colony; J.B. McCrummen of Tumwater purchased a lot on N. Rhododendron and will be building a home there; Shayne Schneider of Washington D.C. purchased a home on Sunset Boulevard in the Colony. Neighborhood Watch: Report submitted. Two Neighborhood Watch areas held meetings in February. Nancy Lund and Pat O'Grady are Block captains for Quinault Loop and Jo Lewis will act as co-captain for that area. The north section of the Colony (Victoria Loop, N. Palmer, the Rhododendrons, Vancouver and SanJuan) had an orientation meeting with Bob Tilley. The All Member Emergency Preparedness Meeting was held on February 26, 2003 with good attendance. The results are reported in a separate report – in general, attendees brainstormed ideas for preparedness, priority issues, the need for someone in our community to be a HAM radio operator and the need for an on-going member group to follow-through with implementing some changes to improve our readiness. Pool: No report. Roads: No report. Social Club: Report attached. The February 20th party celebrating the groundbreaking for the clubhouse, including a sit-down dinner for 130 folks and a video history, was a great success. Mel and Grace Hurley paid for the entire party with Social Club members volunteering their time to make this a terrific event. The Hurleys have donated a copy of the video – members may borrow it from the clubhouse library. About \$1,100.00 was raised at the March 1 Silent Auction with its Mardi gras theme. Nancy and Jerry Lund donated the decorations, her artistic sense and his money – their efforts contributed toward making the party fun and successful. The money will be used for playground equipment for younger children. The equipment is expensive – several more thousands of dollars will need to be raised. Water Advisory: No report.
6. **Manager's Report:** Report attached. Following the flushing of our water system, our manganese level is now at 0.034 mlgm per liter - 0.05 is the acceptable level. The next system flush will be in May. We have a new approach to solving the perpetual pool lock

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problem – instead of the double door system we had planned to implement, we will try a different lock on a new fiberglass door. The boiler for the pool has acted up causing the water temperature to drop. This will be promptly repaired once the needed part is received. Bob and Joyce Skoien and Karole Evans deserve many thanks for opening the pool door for people while we had the lock problems. As soon as the weather permits, the pad for Well 6 will be poured and we will resume work on the maintenance garage. The rotary cutter is falling apart – the Board will be asked to approve the purchase of a Rankin cutter for about \$1,100.00. (This is the cutter that is pulled by the tractor.) Collection lawsuits have been started against two Members with account delinquencies of greater than 90 days. Zane and an official from the Department of Natural Resources (DNR) did a walk through of Cape George to assess our wildfire risk. The DNR agent concluded our risk is minimal. With permission from certain Members whose property abuts forestland, the DNR will clear brush at no cost to us. Members with overgrown driveways will be urged to clear them so as not to impede fire response teams if there is a fire. Some Members have been posting our yellow parking violation stickers on cars – if you post such a sticker please complete the back side of the sticker with the car type and license number and turn it in at the office – otherwise the office has no record of the violation and future enforcement efforts are thwarted.

7. **Member Participation:** None.

8. **Business:** Variance Request: Scherting moved (passed 4/1) to grant to Mr. J.B. McCrummen a four foot variance to the 17 foot height restriction. McCrummen's lot is a perimeter lot on N. Rhododendron. One neighbor objected to the issuance of the variance. Private Property Policy: Morris moved (passed 5/0) to approve the Private Property Policy (CP15) proposed by Skoien/Barnhart (copy attached). Clubhouse Regulations: Scherting moved (passed 5/0) to approve changes to the “Use of Clubhouse” rules (CP02) as follows:

- Sections A 2 b and A 3 b (pertaining to members' use of the clubhouse for free and for a fee, respectively) are amended to read, in pertinent part, “Attendance is by invitation only. No public advertising is allowed, which includes newspapers, organizational newsletters, Internet advertising and posted flyers.”
- A new Section A. 4. is added, to read: “Member(s) renting the clubhouse are granted exclusive use of the facility during the requested timeframe. All other Club member(s) will refrain from entering the clubhouse unless they have received a written invitation.”
- In Section C “Social Club Coordinator” was changed to “Clubhouse Coordinator”

Yoga Class Approved: Barnhart amended a motion by Scherting (passed 4/1) that, as required by the Clubhouse Use Rules, the Board approve the use of the clubhouse for Yoga classes subject to attendees signing a waiver and release of liability holding Cape George Colony free from any liability for injuries or damages a member might sustain during the class. Clubhouse Management: Scherting moved (passed 5/0) that the Board authorize the Co-Managers (Cooley and Wyll) to directly manage clubhouse rentals. Social Club Charter: Scherting moved (passed 5/0) that the Social Club's Charter and By-Laws be changed to reflect the shift of clubhouse management from the Social Club to the Managers. (7) Marina Usage: Nail moved (passed 5/0) that Section 5 of CP03 be changed to read: “5. Guests of members shall be assigned temporary spaces as available. Reservations must be made in advance with the Harbormaster. Guest moorage and rampage fee is \$5.00 per day. The

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harbormaster shall reserve at least one moorage space of 16 feet or greater. Guests shall possess a valid guest card while in the marina area.” Voting by Absentee Board Members: Ritchie moved (passed 5/0) that the Rules and Regulations pertaining to Board of Trustee Procedures (MIS03) be amended to allow voting at Board meetings by Board members who are not actually present at the meeting, the amendment to read: “Attendance by Trustees: A Board member (including any officer) may attend all or a portion of any meeting of the Board by any means of communication by which all trustees participating can hear each other during the meeting. If an absent trustee is an officer, then the officer/trustee shall act in his/her capacity as the officer while participating in the meeting. It is the responsibility of the absent trustee to notify the Manager of his/her desire to participate in any meeting so that proper arrangements may be made. An absentee trustee is not required to attend any meeting but may do so.” and (2) to allow voting by saying aye or nay in addition to a show of hands for or against a motion. The change to allow voting by absentee trustees is consistent with Washington state law (RCW 23B.08.200). Hedge Violation Fine: Morris moved (passed 5/0) that the fine be \$500.00 and \$1,000.00, respectively, for a first and second violation of the hedge rule, subject to the same rules of notice and procedures set forth in Miscellaneous Rules and Regulations-Fines Procedure and Schedule (MIS04). Playground Equipment: Scherting moved (passed 5/0) that the Board allow the Social Club to place playground equipment for young children in the common picnic area north of the clubhouse and that future consideration be given to the placement of playground equipment at other locations within Cape George. Mower Attachment: Nail moved (passed 5/0) to purchase a Rankin mower attachment for about \$1,085.00 with the funds to come from reserves.

9. **Announcements:** (a) Regular Study Session on April 8, 2003 at 3:00 p.m. (b) Regular Board of Trustees meeting on April 10, 2003 at 7:00 p.m. All meetings in the Clubhouse.
10. **Adjournment:** The President adjourned the meeting at 8:30 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
April 10, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:00 p.m.
2. **In Attendance:** Joyce Skoien, Robin Scherting, Mark Morris, Duane Nail, Gary Smith, Barbara Barnhart
3. **Action on Minutes:** Barnhart moved (passed 5-0) to approve the minutes of the Regular Board of Trustees Meeting of March 13, 2003 except that they be amended to include an additional rule change which the Board had approved (which inadvertently had been omitted from the Minutes) namely: "that Section 8, Clubhouse Regulations, Section A.2.b of CP02 be amended to read "Attendance is by invitation only. No public advertising is allowed which includes newspapers. Organizational newsletters, Internet advertising and posted flyers. Cape George Colony Club committee functions are exempt.""
4. **Treasurer's Report:** Trustee/Treasurer Gary Smith presented the Treasurer's Report. Written report submitted. As of March 31, 2003 we had \$2,438.84 in checking; \$45,095.48 in the operational investment account; \$111,442.65 in the Reserve account and \$400,000 in eight reserve CDs at four institutions for a total of \$558,976.97. The memorial and fundraising monies are in a separate account totaling \$19,977.48. Eleven members have delinquent accounts totaling \$4,074.79 (including accrued late fees).
5. **Committee Reports:** Building: Report submitted. The Committee approved six tree-cutting requests, three earthwork permits, two residences and a garage. The committee has noticed an increase in tree cutting permits as neighbors reach mutually satisfactory agreements in light of the hedge rule. Environmental: No report. Finance: No written report. The committee has not met recently but will now be preparing for the next budget round with the our management. Our bookkeeper, Linda Cooley, has been providing good service and timely responses to our requests. Marina: Report submitted. The Marina committee will be setting a new mooring buoy outside the boat basin – we lost one of our three buoys during a winter storm. A diver will search for our buoy anchor. The Committee asked the Board to approve the installation of several large (2' x2' x 8') concrete blocks in the boat basin to shore up the south side of the road between the basin and the workshop. (See New Business for action on related Motion.) The channel dredging will occur on July 14 and 15. The Committee plans to clean up/improve the areas around the north and south dock entrances. As the weather improves, the committee will shore up some of the listing docks. Membership: Report attached. George and Patricia Meacham of Port Hadlock purchased a lot in the Village. Delane Skellington purchased a home in the Village. Stephen and Carole Yates of Port Townsend purchased a home in the Village. Neighborhood Watch: No Report. Pool: Report submitted. The Pool Committee donated \$946.00 from its fund raising account to pay for the new lock on the new pool door. The committee requested that its funds in the Memorial account be transferred to the Social Committee for use toward the playground equipment fund. The dehumidifiers need to be repaired or replaced. The ceiling continues to be a problem – leaks appear to be occurring around the skylights. Roads: No report. Social Club: Report attached. The next meeting will be April 28 at 1:00 – we are encouraging people to serve as officers and will present a slate of officers at the meeting. The Committee is pleased that Cape George has taken over managing the rentals of the clubhouse – Karole Evans will work with the Managers. Several events are scheduled for the immediate future. A Children's Easter egg hunt is scheduled for Saturday April 19 at the Clubhouse at 10:00 a.m.. An Easter Sunrise Service is planned

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for 7:00 a.m. Easter morning – this event is chaired by Helen Ann Skowyra. Granny's Attic is scheduled for May 2 and 3. Profits from Granny's Attic will go entirely toward playground equipment this year. We will accept donations for Granny's Attic starting on April 29 from 11:00 a.m. until 1:00 p.m. Other plans for the year include the Salmon BBQ and a home and garden tour of Cape George for Cape George members. The tour is set for August 16. Water Advisory: Report submitted. Our water consultant, N.T.I. has started to prepare its bid for major work to be done to install the tie in to the 12" main at Dennis Boulevard and for the installation of the 12" main from the tank farm to the 12" main at the County road. The installation of the larger pipe will bring our total water system in to compliance with the pressure requirements of the State Health Department and will eliminate the low-pressure concerns at the upper area of Ridge Drive during periods of maximum flow. The cost of this project (in the \$70,000 to \$80,000.00 range) will be paid from the water system reserves and the Water Growth Fund.

6. **Manager's Report:** Report attached. The Water system is fine and our manganese levels are well below the maximum allowed. We are starting the engineering and bid process for our super main installation. We are having serious problems with our old dehumidifiers, which are critical to the operation of the pool. The dehumidifiers need to be replaced – repairing them is costly and constant and results in overburdening other systems when the dehumidifiers are down. We will construct a small exterior room off the pool area to house the chlorine tank – the tanks proximity to other equipment is causing a noticeable rusting and deterioration of the other equipment. Separating the tank will eliminate this deterioration. With better weather we will resume construction on the maintenance garage and the pump house for Well 6. The hedge complaint process is underway – we have received and responded to 14 complaints against seven properties. Five of the seven property owners have indicated a willingness to meet and talk with their neighbors to seek an informal resolution without the necessity of seeking formal board action and a formal board finding of fact. We are awaiting responses from the two other owners. The Managers will help facilitate two of the scheduled meetings.
7. **Member Participation:** A member asked whether the Board or the Building Committee had met to discuss possible changes in the Building Rules to prevent Members having the view from their home impaired by the construction of a garage or other outbuilding on a neighboring lot. The President answered that she had not been able to meet with the Building Committee on this issue but would do so in the near future.
8. **Business:** Chlorine Shelter: Scherting moved (passed 5/0) to authorize the Managers to spend up to \$500.00 from the operating budget to construct a shed to house the chlorine equipment. New Dehumidifiers: Smith moved (passed 5/0) to authorize the Managers to obtain bids in a range up to \$50,000.00 for dehumidifier equipment to replace what we now have. Change Dues Payment Intervals: Nail moved (passed 5/0) to authorize the Managers to change the Cape George dues/water assessment from quarterly to three times per year effective October 2003, with pro rated monthly payments also permitted. This change was prompted by the inability to change our computer program to print four coupons per page (to accommodate quarterly payments) and the ease and cost free resolution of printing three per page. CD roll-over: Barnhart moved (passed 5/0) that the Board authorize the signing of a Resolution of Corporation required by State Farm Bank concerning a roll-over of up to \$100,000 in reserve funds to a CD issued by State Farm Bank and authorizing Zane Wyll and Linda Cooley to

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
April 10, 2003

maintain said account. Road repair: Barnhart moved (passed 5/0) that the Board authorize the expenditure of up to \$1,000.00 from the road repair and maintenance account for the purchase of large concrete blocks to be installed on the south side of the road next to the south side of the shop, with such installation to be coordinated with the July channel dredging. Water Pipe Installation: Smith moved (passed 5/0) to approve the expenditure of \$15,000 from reserves for the preparation of bid and engineering documents by N.T.I. for the completion of the super main project and the Coleman ravine repair and maintenance with 25% of the cost to be allocated to water growth and 75% to water operation reserves. Proposed Transfer of Easement to Arthur: Nail moved (passed 5/0) that a proposal from a Member involving an exchange of certain property with Cape George Colony be denied. Music Students: Barnhart moved (passed 4/0, 1 abstention) that at a Member's request, and in light of the positive problem free experience of the last three years, Cape George allow a one night sleepover at the clubhouse in early May for about 20 music honor students and 6 adults with the Board to forgive a rental fee but require a damage deposit.

9. **Announcements:** (a) Regular Study Session on May 13, 2003 at 3:00 p.m. (b) Regular Board of Trustees meeting on May 15, 2003 at 7:00 p.m. All meetings in the Clubhouse.
10. **Adjournment:** The President adjourned the meeting at 7:50 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
May 15, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:05 p.m.
2. **In Attendance:** Joyce Skoien, Robin Scherting, Mark Morris, Duane Nail, Barbara Barnhart
3. **Action on Minutes:** Barnhart moved (passed 4-0) to approve the minutes of the Regular Board of Trustees Meeting of April 10, 2003.
4. **Treasurer's Report:** Co-Manager Zane Wyll presented the Treasurer's Report. Written report submitted. As of April 30, 2003 we had \$27,481.83 in checking; \$45,117.43 in the operational investment account; \$119,945.89 in the Reserve account and \$400,000 in eight reserve CDs at four institutions for a total of \$592,545.15. The memorial and fundraising monies are in a separate account totaling \$18,078.15. Thirty members have delinquent accounts totaling \$6,996.39 (including accrued late fees) with two members having delinquencies greater than \$230.00.
5. **Committee Reports:** Building: No report. Environmental: Written report submitted. Please come and meet at the clubhouse for volunteer work parties on the second Monday of each month from 1 p.m. to 3 p.m. We'll select a goal for the work party at each session, such as scotch broom, poison hemlock, other noxious weeds or general weeding and clean-up. More than twenty people pitched in for the poison hemlock bash on May 12. Everyone did a great job. Seventy people came to the April potato feed – the committee earned \$370.00. The memorial plaque for Mac (Allan Marriott) is completed. When the maintenance garage is finished the plaque will be installed in a garden area in his memory. The committee is waiting to receive a report from an expert concerning beach erosion in our area. Members are urged to not top trees – topping is unsightly and weakens the tree. Top it at the ground! Finance: No written report. The reserve schedule has been updated and is ready for the budget process. Marina: No report. Membership: No report. Neighborhood Watch: No Report. Nominating Committee: Bill Stull reported that seven members in good standing will be running for election to the four board positions which will be filled this year. A Meet the Candidates session will be held on June 10 at 2 p.m. at the clubhouse. Written candidate statements will be included in the Newsletter. The election will take place in July. The candidates are: Incumbent Brian Ritchie, incumbent Robin Scherting, Ben Fellows, John Garrett, Jack Gourlie, Dan Graczyk and Kitty Rucker. Incumbents Brian Nail and Mark Morris will not be seeking reelection. Pool: Report submitted. Request approval to install wooden benches attached to the walls due to so many plastic chairs disappearing or being damaged. The committee will supply the materials paid out of fundraiser monies and the marina committee will build them. Vinyl tiles will be installed in the men's and women's dressing rooms; paid out of fundraiser monies. The tiles will be easier to clean and will be safer than the wooden slats which are being replaced. Roads: No report. Social Club: Report attached. For Fathers Day, the club will sponsor a Chicken barbecue on June 15. The Mother's Day brunch was fun and well attended. Granny's Attic netted \$1,600.00. That money as well as the proceeds from the Mother's and Father's day events will be used for playground equipment. At the April 28 meeting, the members approved new officers - Nancy Stilbert, President; Leanne Ryan, first vice president; Pat Madara, second vice president; Robin Scherting, Secretary; and Mary Maltby, Treasurer. They will take office on July 1. Water Advisory: No report.
6. **Manager's Report:** Report attached. The water system continues to perform well – the

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
May 15, 2003

manganese levels are well within proper limits. Concrete has been poured for Well 6 pump house, the chlorine shed at the Pool and the apron for the maintenance garage. A garage painting party will be scheduled as soon as the weather is more predictable. We will be framing pump house 6 soon – when that is done the electrician can wire the site and we will be able to install the water main. We have contacted a P.I.D. pipe fitter to install an automatic valve in the filter room so that backwashing of the filters may be done automatically. The three clubhouse septic tanks have been pumped – risers will be installed to facilitate future pumpings. A special meeting of the Board will be held on Thursday, May 22 at 3 p.m. to review the bids for the dehumidifier project for the pool. We have started our common area summer mowing schedule and lot mowing. The Co-managers have asked the board to authorize the purchase of a sickle mower which will enable us to get to some of the lots in the Village as well as do some more ditch mowing. We need different mowers and equipment for the various terrains and kinds of grass we have. We have installed a small waterline for a drip system for the “Tilley Memorial Gardens” – that is, the area near Well 5 where the environmental committee is storing plants. Several meetings have been scheduled between members concerning hedge complaints. In some instances members have been sharing or plan to share the costs of remedial action. In other instances neighbors are working together to set up meetings where the concerns may be discussed. No complaining member has asked for a Board hearing at this time.

7. **Member Participation:** (a) A member suggested that the Board use clip-on or lapel microphones rather than the desk top microphones now in use. The Co-Manager agreed to look into the cost of that equipment. (b) A member suggested that the Board’s proposed policy and rule changes be published in the newsletter prior to the Board’s approval/ rejection of any such changes. Such a change would allow all members to have more advance notice of impending changes and might foster greater member participation or discussion of the proposals. (3) A member suggested publishing the names of members who have been fined for violations. If violators’ names were published, then other members would be assured that the Board was addressing particular violations. This effect is countered by the negative effects of embarrassing fined members. This suggestion will be referred to counsel.

8. **Business:** Board candidates: Scherting moved (passed 4/0) to accept the slate of seven candidates submitted by the Nominating Committee for the four board positions to be decided in the July 2003 election. Building Regulations: Morris moved (passed 4/0) to authorize the President, Joyce Skoien, to sign and mail a letter which the Board reviewed and approved responding to a member’s query concerning structures on adjoining nonresidential lots. Since boats and RVs can be stored on adjoining lots (Storage regulation) and structures, such as detached garages, can be built on adjacent lots (Ancillary Structures definitions and Residences regulation), then a member can build a structure large enough to house his/her boat or RV as long as it doesn’t exceed our 17-foot height regulation we have for residences. The Board feels that our current regulations meet the criteria set out in earlier legal opinions, and since they reflect the desires of the greater majority of our membership, we do not plan to recommend any changes to them (letter attached). Clubhouse Use: Scherting moved (passed 4/0) to approve certain changes to the Clubhouse reservation form and to the policy concerning Clubhouse Use, to wit: Change #3 on back of reservation form to read “No fees may be charged or donations collected for any function held in the clubhouse or in the picnic areas, except for those

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
May 15, 2003

hosted by Cape George sanctioned committees. All fundraising must benefit the Cape George Community.” Add this same statement as A.3.c in CP02(03) “Use of Clubhouse” and change “c” and “d” to “d” and “e”. Also change #2 on back of reservation form to read “...advertising, posted flyers, or metered mailings.” Make this same change to A.2.b and A.3.b or CP02(03). Variance Policy: Scherting moved (passed 4/0) to approve a revision of page two (the back side of the Variance Request Form) entitled “Policy for Variances”. This tool is used by the Board to evaluate requested variances. (Copy attached). Pool Benches: Nail moved (passed 4/0) to approve the request from the Pool Committee to install, from pool fundraiser monies, wooden benches in the pool area upon the completion of the renovation work at the pool. Fine Schedule and Procedure: Morris moved (passed 4/0) to approve the revised Schedule of Fines, MIS04 (03) with the motion amended by Barnhart (passed 4/0) to provide that the revised fines are to go in to effect June 15, 2003. Barnhart moved (passed 4/0) to implement the new fine procedure as presented in MIS04 (03). Copy attached. MIS04 to be published in newsletter. Sicklebar Mower: Barnhart moved (passed 4/0) to approve the purchase of a sicklebar mower for about \$3,000.00 and to approve the transfer resolution to take the funds from reserves. Naughty Dogs Fines: Nail moved (passed 4/0) that the Board impose fines against three Members whose dogs have consistently been in violation of our dog behavior rules (running at large, chasing deer, trespassing, damaging plants) or where Members have violated dog ownership rules (failing to clean-up after dogs pooping on common property or on property of other Members.) Reserve Transfer: Barnhart moved (passed 4/0) that the Board by resolution authorize the transfer reserve funds to purchase the John Deere mower deck (the purchase was previously authorized but the transfer resolution was not.)

9. **Announcements:** (a) Meet the Candidates on June 10, 2003 at 2:00 p.m.; (b) Regular Study Session on June 10, 2003 at 3:00 p.m. (c) Regular Board of Trustees meeting on June 12, 2003 at 7:00 p.m. All meetings in the Clubhouse.

10. **Adjournment:** The President adjourned the meeting at 8:00 p.m.

Submitted by: Approved by:

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Barbara Barnhart, Secretary

Joyce Skoien, President

**CAPE GEORGE COLONY CLUB
SPECIAL BOARD OF TRUSTEES MEETING
MAY 22, 2003**

1. **Call to order:** The special meeting was called to order at 3:00 p.m. by Joyce Skoien, President.
2. **In attendance:** Mark Morris, Robin Scherting, Duane Nail, Brian Ritchie, Gary Smith and Joyce Skoien. Barbara Barnhart absent.
3. **Business:** The purpose of the meeting was to meet with our Manager, Linda Cooley, to review proposals for renovating the pool dehumidification system and the skylights. Two different systems, air-to-air exchange and dehumidifiers (air conditioned), were proposed by four contractors. Linda presented wall board and plywood remains taken from the ceiling near the skylights.
4. **Board Actions:**
 - Authorized the Manager to have more samples taken from the ceiling and walls to determine the extent of the damage. Funds to come from the previously authorized ceiling repair monies.
 - Morris moved (passed 5/0) to hire the engineer who designed the pool system for the Sequim pool center to review our pool complex, recommend a system, and answer questions we prepared during the meeting. Costs not to exceed \$2000 to be paid from Reserves.
 - Authorized the Manager to drop the pool temperature to 84 degrees to decrease propane use that has jumped way beyond our budget due to the dehumidifiers failing. If propane use doesn't drop back into the budgeted amount, we will have no choice but to close down the pool until the renovations are completed.
 - Authorized the Manager to install a timer on the pool heater to shut off heating the pool a few hours each night to see if that helps with the fuel usage.
5. **Adjournment:** President adjourned meeting at 4:15 p.m.

Respectfully Submitted:

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
June 12, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:05 p.m.
2. **In Attendance:** Joyce Skoien, Robin Scherting, Mark Morris, Duane Nail, Gary Smith, Barbara Barnhart
3. **Action on Minutes:** Scherting moved (passed 5-0) to approve the minutes of the Special Board of Trustees meeting of May 22, 2003 and to approve the minutes of the Regular Board of Trustees Meeting of May 15, 2003, except that the clerical error of misstating the name "Brian" Nail at Section 5 – Committee reports (line 19) of those minutes shall be corrected to read "Duane" Nail .
4. **Treasurer's Report:** Treasurer Gary Smith presented the Treasurer's Report. Written report submitted. As of May 31, 2003 we had \$11,367.09 in checking; \$45,136.23 in the operational investment account; \$119,995.86 in the Reserve account and \$400,000 in eight reserve CDs at four institutions for a total of \$576,499.18. The memorial and fundraising monies are in a separate account totaling \$18,078.15. Fifteen members have delinquent accounts totaling \$5,038.89 (including accrued late fees) with two members having delinquencies greater than \$232.00.
5. **Committee Reports:** Building: Written report submitted. The Committee approved six requests to cut trees, two earthwork requests and it approved one building request. Environmental: Written report submitted. Some committee members and Gray Wolf helpers weeded Memorial Park. The committee will obtain bids for clean-up landscape services for some of the common areas such as Memorial Park, the mailboxes, Village entrances and other areas. We have received and are reviewing a preliminary report concerning beach erosion. Terry Steban installed stairs on the steep part of the ravine trail from Huckleberry. Plans for the landscaped design for the Colony entrance or other new plans are on hold until we manage to take care of what we have. Finance: No written report. We continue to review our reserve and insurance requirements. Marina: Written report submitted. The channel dredging and the setting of the large concrete block bulkhead in the basin to protect the road are scheduled for July 14 and 15. The committee will propose that the Board consider prohibiting Members from borrowing tools from the workshop (some tools 'disappear' and others are quite tardy at returning to the shop) and the committee will propose a rule change to allow unattended boats to be left at the visitor's dock. Committee members are refurbishing some of the dock boxes, cleaning and painting the dock entryways and trash containers and they have rearranged the boat trailers to allow for more parking. Membership: Written report submitted. Mitzi Taylor purchased a home in the Colony. Donald Cady purchased a home in the Village. William and Elizabeth Duncan purchased a home in the Colony. Jeffrey Jackman and Shelly Strom purchased a lot in the Village. Roderic and Marilyn Mitchell purchased a home in the Colony. Victor and Maria Porter purchased a home in the Colony. Brian Raiter and Laura Hardyman purchased a lot in the Village. Neighborhood Watch: No Report. Pool: Report submitted. Tom Harris presented plans for the benches to be installed in the pool area. Committee members are participating along with the Board members and Managers in developing and considering information and plans for the new dehumidifiers and pool- room renovations. Roads: No report. Social Club: No written report. Seventy-four persons signed up for the Father's Day barbecue. Water Advisory: Written report submitted. Formal plans for approval of the Super Main project and the permanent blocking of the abandoned ravine line have been submitted for approval to the state and county authorities. We hope to obtain approvals so we can seek bids during August with project completion before year-end.

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
June 12, 2003

6. Manager's Report: Report attached. The 2003 Water Quality Report is available in the office and a copy will be included in the monthly newsletter. We have the lumber to frame pump house 6 and the slab has been poured. As soon as framing is complete our electrician will wire the new auto-valve and the pump house and we will be ready for our automated daily flushing. The electrical and water for the maintenance garage will be completed by mid-June and then we paint. Be careful as you drive near the recycle bins – we are moving a water outlet to the maintenance garage and it involves work in the recycle bin area. Water meters will be read in July which is also when we will do the second round of vacant lot mowing. We bought the new sicklebar mower and will soon begin mowing certain ditches in the Village and the Highlands. On one of those hot days we all used more than 168,000 gallons in a twenty-four hour period.

7. Member Participation: As requested at the last board meeting, Zane obtained a clip-on microphone for trial use by the Board. It worked well so Zane was asked to see about a new amplifier with seven plug ins (present amplifier only has 5) that would allow us all to use them.

8. Business: Insurance: Barnhart moved (passed 5/0) to approve the renewal of our comprehensive liability insurance policy with Community Association Underwriters of America, Inc. for an annual premium of \$20,488.00. Annual Audit: Barnhart moved (passed 5/0) to approve the Letter of Engagement to Jay Vandal, CPA, in the amount of \$1,800.00 for the fiscal year audit. Change From Fiscal to Calendar Year for Budget: Smith moved (passed 5/0) to change the Cape George annual budget period from our present fiscal year (ending on September 30) to a calendar year period (effective 2004 and thereafter); requires a transition 2003 fourth-quarter budget and a new 2004 budget to be voted on by the membership in September. In connection with this, Barnhart moved (passed 5/0) that Gary Smith, Treasurer, make necessary changes to FIN02 and bring it to the Board for approval. Marina Usage Rule: Nail moved (passed 5/0) to delete Rule 6, CP03 (03) which provides that "Members using the ramp must haul out upon returning to the Marina. They shall not leave their boats unattended." Workshop Tools: Nail is working with Huselton on wording for limiting members' usage of workshop tools; action on this issue is delayed until next month's meeting. Fireworks: Smith moved (passed 5/0) that the Board approve the following: "To allow from dusk until 11:30 p.m., at members discretion and responsibility, lawful fireworks within a roped off area on the north side of the clubhouse on July 4th. Fire truck and firemen will be in attendance. No children under the age of ten years old shall be allowed inside the area. Children between 10 years old and eighteen years old must be accompanied by an adult inside the area. This activity is subject to cancellation due to adverse weather conditions. Either the manager or the firefighters can halt the activity."

9. Announcements: (a) Regular Study Session on July 8, at 3:00 p.m. (c) Regular Board of Trustees meeting on July 10, 2003 at 7:00 p.m. Annual Membership Meeting on July 19 at 2:00 p.m. All meetings in clubhouse.

10. Adjournment: The President adjourned the meeting at 8:05 p.m.

Submitted by: Approved by:

Barbara Barnhart, Secretary
Regular Board of Trustees Meeting
12 June 2003

Joyce Skoien, President
2

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
July 10, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:05 p.m.
2. **In Attendance:** Joyce Skoien, Robin Scherting, Mark Morris, Duane Nail, Brian Ritchie, Gary Smith, Barbara Barnhart
3. **Action on Minutes:** Scherting moved (passed 6/0) to approve the minutes of the Regular Board of Trustees meeting of June 12, 2003.
4. **Treasurer's Report:** Treasurer Gary Smith presented the Treasurer's Report. Written report submitted. As of June 30, 2003 we had (\$2,729.81) in checking. Don't worry – the negative balance was due to the preparation of checks dated 6/30/03 which we needed to include in the quarter ending June 30 – the checks were actually mailed out in early July when funds were available. We had \$45,153.51 in the operational investment account; \$120,041.81 in the Reserve account and \$400,000 in reserve CD accounts at four institutions for a total of \$562,465.51. The memorial and fundraising monies are in a separate account totaling \$16,577.42. Ten members have delinquent accounts totaling \$4,445.69 (including accrued late fees) with two members having delinquencies greater than \$900.00.
5. **Committee Reports:** Building: Written report submitted. The Committee approved two requests to cut trees, two earthwork requests, one building permit and it recommended approval of one variance request by a separate written report to the Board. Environmental: Written report submitted. Amy Brandon and Barb Hill will act as co-chairs of the committee during Bob Tilley's absence during July and August. Don Barr will present a fire prevention plan to the Board in the near future. The committee voted to contract with a private company at a cost of up to \$2,000 per year (to be paid from fundraising funds) for maintenance/weeding/clean-up work in common areas including Memorial park, the community center and the Colony mailbox gardens. The committee may be recommending that the Board appoint a committee to review the recently completed preliminary beach erosion study. Members should remove any tansy ragwort (a noxious weed) from their property. Finance: Written report submitted. Cliff Prout and Gary Smith, Treasurer, recommend the conversion to a calendar year accounting period. They report that the current financial statements indicate that we are in a very good position and they recommend that future budgets continue the use of the reserve schedule. Marina: Two written requests. The committee will seek Board approval to publish a local 2004 tide guide with the our logo on the cover to be given to each renewing marina user. The guides would be sold at cost, for about \$1.25 for those not using the marina. The committee will also seek Board approval for plans to build from marina funds a small cooking shelter adjacent to the north entrance to the marina at a cost of under \$2,000.00. The proposed building will have pony walls and a roof with counters inside, a propane cook top and running water and may be used by members to clean and cook shrimp and crab on-site. Membership: Written report submitted. James and Kathryn Dornfeld of Port Townsend purchased a home on Huckleberry Place. JoAnn Hovde (James' mother) will reside with them. James and Patricia Fox, from Lake Forest Park, Washington purchased a home in the Village. Allan Souigny and Roberta McCollum of Carson City, Nevada purchased a lot in the Village. Mark and Darlyn Warren of the Highlands inherited their weekend home from the Estate of Shurli Elson. Neighborhood Watch: No Report. Pool: No report. Roads: No report. Social Club: No written report. Meet at the Community Center on August 16 from 1:00 through 3:30 for The Garden Tour, to include nine Cape George homes, and enjoy an English Tea during event. The Tea is scheduled from 1:30 until 4:00: the cost for the Tea and Tour is a

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
July 10, 2003

bargain at \$7.00, with proceeds to benefit the Social Club. Water Advisory: No report.

6. Manager's Report: Report attached. The water system continues to operate with exceptionally low manganese levels – that is a good thing. The electrician should soon be wiring the pump house for Well 6. We are reading the water meters now for this quarter. The engineers at NTI have revised our Super Main proposal to reflect that the county will not let us cut into Cape George Road for the 12-inch pipe; we will have to bore under for the road instead. This project involves bringing a 12-inch main from the tank farm to Cape George Road, installing a 12" main under Cape George Road to Dennis, and capping and blocking the ends of the damaged main in the ravine. We are also adding a couple of hydrants on Ridge Drive. Linda Cooley has devoted a lot of time and effort to the pool dehumidification project and the pool roof project. Contracts for this work will be presented for the Board's approval. The new sickle mower works well – we have done some mowing with it and have plans for more shoulder mowing and a second round of lot mowing. The 4th of July fireworks event at our community center went well – no negative incidents. We would like to thank the Fire Chief and the two firefighters who attended – we had a fire engine, a brush truck and the Chief's truck there. A "thank you" to all of them. The painting of the maintenance garage is a priority – we expect to have it done during August. There are hedge complaints against 10 properties. In eight of the cases the concerned parties are working together and in some instances have reached satisfactory resolutions. One member has asked for a formal hearing by the Board of his complaint – the hearing is set for August 12 and will be preceded by an on-site visit by the Board.

7. Member Participation: None.

8. Business: Pool Building Renovation -- Morris moved (passed 6/0) to authorize the Managers to negotiate and complete the pool roof repair and interior wall installation to reduce the pool enclosure size on a cost-plus fixed fee contract with Townsend Builders in an amount not to exceed \$70,000.00 to be paid from reserves and with the work to be completed by September 1, 2003. Pool Equipment Renovation -- Ritchie moved (passed 6/0) to authorize the Managers to negotiate and complete a contract with Seacoast for the installation of an air to air exchange system and all related components as presented in a written contract at a cost not to exceed \$60,000.00 including taxes and permits with Morris moving to amend the motion (passed 5/0) to require that as a condition of the contract Seacoast be required to submit detailed drawings and specifications and such other information as the Managers might require of him as back-up in the light that he is a one man company. Height Variance -- Smith moved (passed 5/1) to approve a request for a 7-foot variance to the 17-foot height restriction to allow for a 12/12 roof pitch for a home in the Highlands which is located on a five acre wooded parcel in circumstances where there is no likelihood of ever affecting the view of any neighbor property and which will allow the proposed building to be consistent with another building on the property for which a similar variance was asked for and previously granted. Naughty Dog -- Barnhart moved (passed 6/0) that a Member be issued a notice of violation imposing a \$25.00 fine for dog behavior in violation of our rules. Corporate Banking Resolution -- Barnhart moved (passed 6/0) for authorization to sign a corporate banking resolution with Countrywide Bank for the rollover of a \$100,000 CD. Reserve Transfer -- Barnhart moved (passed 6/0) for approval of a Resolution authorizing the transfer of specific funds totaling \$13,640.81 from the Water Growth, Water Operation and General Reserve accounts to a checking account in order to pay costs properly charged against reserves (with a copy of the Resolution available at the

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
July 10, 2003

Office.) Tide Guide -- Nail moved (passed 6/0) that the Board approve the request by the Marina committee to publish a 2004 Tide Guide to be distributed to Members who have moorage and rampage and to be sold to others at a cost of \$1.25 per copy with costs to be paid for from Marina funds. Cooking Shelter -- Smith moved (passed 6/0) that the Marina Committee be authorized to build a cooking shelter adjacent to the north entrance to the marina with the construction to be paid for from marina memorial funds. Interim Quarterly and 2004 Budgets -- Scherting moved (passed 6/0) that the Board approve the interim quarterly budget for the period ending 12/31/03 and the annual budget for the period ending 12/31/04 as presented. Budget reflects \$25 monthly assessment and a \$2 per mo increase in water fee. Revision of Financial Rule -- Smith moved (passed 6/0) that the Board approve a proposed revision of FIN02 "Policy and Procedure on Annual Budgets" to accommodate the change to a calendar year accounting period. Vehicle Decals -- Scherting moved (passed 6/0) that the Board approve the design and acquisition of new (and cheaper) vehicle decals and a revision of CP-12 and Mem2 to include a requirement that the decals must be affixed to the lower left portion of the windshield and the recording of license plate numbers and other data.

9. **Announcements:** (a) Hedge Hearing on August 12 at 2:00 p.m. (b) Regular Study Session on August 12, at 3:00 p.m. (b) Regular Board of Trustees meeting on August 14, 2003 at 7:00 p.m. All meetings are held in the clubhouse.

10. **Adjournment:** The President adjourned the meeting at 8:30 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
SPECIAL MEETING OF BOARD OF TRUSTEES
JULY 19, 2003

1. **Call to order:** Skoien called the special meeting to order at 3:10 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Brian Ritchie, Robin Scherting, Barbara Barnhart. Kitty Rucker and Gary Smithy were absent.
3. **Purpose of Meeting:** To elect officers for the ensuing year.
4. **Business:** After a general discussion Barnhart moved (passed 5/0) that the following slate of officers be elected: (1) Joyce Skoien, President; (2) Brian Ritchie, Vice-President; (3) Gary Smith, Treasurer; and (4) Barbara Barnhart, Secretary.
5. **Adjournment:** The President adjourned the meeting at 3:25 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
MEMBERSHIP MEETING
July 19, 2003

1. **Call to order:** Skoien called the Annual Membership Meeting to order at 2:00 p.m.
2. **In Attendance:** Joyce Skoien, Robin Scherting, Mark Morris, Duane Nail, Brian Ritchie, Barbara Barnhart
3. **Action on Minutes:** Kathy Ritchie moved (passed unanimously) to approve the minutes of the Annual Membership Meeting of July 20, 2002.
4. **Treasurer's Report:** The written report of Gary Smith, Treasurer, is attached to these minutes. In summary, Smith reported that Cape George Colony's financial status is very good. We expect to finish 2003 (as of September 30th) on budget after providing proper funding to the reserve balances. As of June 30, our financial balances totaled \$562,465. The Board has approved two budgets for ratification by the membership – a 3-month (1 Oct 2003 thru 31 Dec 2003) budget and a 2004 budget -- for Club operations for the next 15 months. The annual assessment of \$25 will remain the same for next year. The water use fee has been increased by \$2.00 per month to properly fund water operations and reserves. This year we implemented the new Asset Reserve Schedule. This schedule allows us to identify and reserve for future major financial needs well in advance of when we must spend the money. For a variety of practical reasons we have changed our annual accounting year from one ending on September 30 to a calendar year-end close. Our business is very well managed by Co-Managers Zane Wyll and Linda Cooley. Our bookkeeping is done accurately and on a very timely basis and complex projects are handled professionally.
5. **Committee Reports:** Building: Oral presentation and written report submitted. The Committee approved the following requests this year: twenty three for tree cutting, nine for earthwork, eight for new residences, one for an addition to an existing home and two for ancillary buildings. Environmental: Oral presentation and written report submitted. This year the committee engaged in a wide range of activities including fundraising, community education, dog waste disposal, removing noxious weeds, continued work on the ravine trail, a preliminary beach erosion study, a fire prevention plan, the development of an environmental committee nursery, community landscape maintenance and the development of plans to upgrade the Huckleberry, Highlands and Colony entrances. Marina: Oral presentation and written report submitted. The Marina is at full occupancy. The inlet to the marina was dredged during February and July and appears to be at – 3.5 as allowed by the permit. This next winter Dale Huselton and the marina committee plan to rebuild some of the finger docks. The crew is building a crab/shrimp cooking facility by the north entrance to the marina. Many other jobs were completed during the year including the installation of a small lighthouse as a memorial, port (red) and starboard (green) ship lanterns posted by the workshop, the inspection and repair of dock woodwork, dock water system, engine maintenance and overhauling and strengthening the hoist plus numerous other repair, refurbishing and maintenance and improvement projects. Membership: Oral presentation and written report submitted. During the past year there were fifty-three real estate transactions at Cape George including the sale of 30 homes and 23 lots. This is an increase of about 15% over last year. Within the Village, 10 lots and 10 homes were sold. Within the Highlands, 4 homes were sold. Within the Colony, 13 lots and 16 homes were sold. While the written report indicates the names of all buyers and sellers, certain transactions caught our attention. One Smith family moved away but three new Smiths moved in. We lost families named Rainwater, Walls, Gates, Thorne and a Bentley while we gained families or individuals with surnames of Head, Woods, Post, Stone, Weir, Hill, Fox, Porter and Taylor. Neighborhood Watch: Oral presentation and written report submitted. We have thirty block captains and several co-captains for our neighborhood watch program. Most

CAPE GEORGE COLONY CLUB
MEMBERSHIP MEETING
July 19, 2003

of Cape George is now participating in this program except for the Highlands and a few other streets. The Emergency Preparedness Committee has merged with the Neighborhood Watch committee. Committee representatives are participating in Jefferson county efforts at emergency preparedness. For the next year we will continue to participate and remain informed about county-wide efforts and we will plan for ways that our own immediate community may be prepared for emergencies. Pool: Oral presentation and written report submitted. The swimming pool committee has recommended or provided for several pool improvements including new locks, new vinyl tiles in several areas, the installation of benches in the pool area plus our volunteers cleaned the tiles around the pool. With committee support the Board approved major plans for renovation of the pool building and for the installation of a new air-exchange system to replace the failing dehumidifiers. The committee fully supports the plans for the carve-out of space from the pool area for an exercise room in order to reduce the cubic feet served by (and thus the cost of) the new system. Our 8:00 a.m. and 9:15 a.m. classes are gaining in attendance and are popular. Roads: No report. Social Club: Oral presentation and written report attached. We had an active and successful year with hundreds of members participating in our many activities. These included the Salmon BBQ, an ice cream social, Ocktoberfest, the Bazaar, Granny's Attic, a Silent Auction, Thanksgiving and Christmas dinners, Easter egg hunt, and Mother's and Father's Day events. Funds raised have been used for improvements at the clubhouse, office and equipment (mowers) for Cape George as well as a significant contribution (\$1,600) for some needy families at Christmas time. We have also dedicated a significant portion of funds for the purchase of playground equipment for small children. Water Advisory: Oral presentation and written report submitted. Our major water project (the completion of a 12" main from the tank farm to the county road and the link-up to the system in the Village) should be completed this fall. Our water quality is good – it meets all state and federal standards. There has been an intermittent very heavy demand for water on some of the recent really hot days resulting in an occasional significant reduction in water pressure, particularly for the Village.

6. **Joint Statement of President and Managers**: Oral presentation with written report attached. Board opted to close the office on Fridays, to approve the co-manager concept with Zane Wyll and Linda Cooley, and replace our full-time water operator/maintenance man with a full-time maintenance man, Jay White, and a part-time water operator, Ken Neal. We decided to change our budget year to a calendar year (Jan thru Dec), which requires a once only 15-month (one 3-month and one 12-month) budget period to accomplish the changeover. We also changed the assessment payment schedule to 3 times a year versus 4 times in order to accommodate our accounting computer program. Regulation changes: (a) Updated all the position descriptions for our personnel; (b) Abolished the Long Range Planning Committee; (c) Implemented a Finance Committee with Cliff Prout as chairman; (d) Added new members to the Building Committee and Don Lee was appointed chair; (e) Limited HOW members can invite guests to their private functions at the Clubhouse -- however we unanimously agreed to NOT limit WHO could be invited (this could easily be interpreted as discrimination); (f) Made it clear that members may not rent the facility and charge a fee or collect a donation from their guests; (g) approved renters' access to our beaches, trails, and parks to be reviewed after one year, which happens in November (so far, only 2 rentals have been given this privilege by their landlords.); (h) defined our "guest" policy based on hearings and legal advice; (i) Updated our fine schedule to reflect today's economy; (j) Approved trustees attending board meetings by telephone in accordance with State regulations; (k) Revised the criteria that the Board uses to make its decisions regarding variances; (l) Dropped requirement to immediately haul out boats for those members paying only rampage; and (m) Approved new decals and the requirement to stick the decal in the lower left of the front window; also to supply

CAPE GEORGE COLONY CLUB
MEMBERSHIP MEETING
July 19, 2003

license number to office. Construction Projects: Making steady progress on new maintenance building; painting to start soon. New pump house for Well #6 is almost finished; hope to go on line with this well before end of year. Hope to finish the 12-inch Super Main project before winter; to be funded out of water growth funds and water reserve funds at an estimated cost of between \$60,000 and \$70,000. We have major water damage in the west side of the swimming pool complex; have a cost-plus contract to complete repairs by September; estimated cost of up to \$70,000. The replacement of the failing pool dehumidifiers with an air-exchange system will cost approximately \$60,000.

7. **Trustee Election Results:** Election chairman Marilyn Hider reported that 259 members submitted ballots – about a 5% increase in participation over last year’s Trustee election. This year, seven persons competed for four positions. The four candidates with the highest total votes have been elected as Trustees, as follows: Kitty Rucker (160); Brian Ritchie (159); John Garrett (157); and Robin Scherting (144). The results for the other three candidates were: Dan Gracyzk (124), Ben Fellows (123) and Jack Gourlie (98).
8. **Member Participation:** A member suggested the institution of some sort of water rationing system (such as alternated day lawn watering, etc.) to alleviate the hot day heavy draw down on our water. In response, it was noted that the heavy demand is rare and that our recent hot spell is unusual so no changes are needed at this time. It was also noted that if short-term reductions are needed in the future we can post signs to alert Members of the need to conserve. Another member said that the Board deserved a big “THANKS” from the members for the Board’s hard work and foresight during the past year.
9. **Announcements:** The in-person vote on the ratification of the 4th quarter 2003 budget and the annual 2004 budget will occur at the clubhouse on September 11, 2003 at 6:45 p.m. in advance of the regular Board of Trustees meeting scheduled for that day at 7:00 p.m. Mail in ballots for these issues must arrive no later than 10:30 a.m. on Wednesday September 10. This ballot will also include an approval for a one time only 15th month audit period (as we convert to a calendar year auditing period) and approval to roll over any remaining assessment funds into our reserves as required by Federal regulation.
10. **Adjournment:** The President adjourned the meeting at 3:05 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
SPECIAL MEETING OF BOARD OF TRUSTEES
August 6, 2003

1. **Call to order:** Skoien called the special meeting to order at 2:00 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Robin Scherting, Barbara Barnhart, Kitty Rucker and Gary Smith. Brian Ritchie was absent.
3. **Purpose of Meeting:** The Special Meeting was called for to discuss office and board procedures, to review the duties of trustees and to appoint individual trustees to serve as the Board's liaisons to standing committees.
4. **Business:** After a general discussion Smith (passed 5/0) that the following Board liaison appointments be made: (1) Building: Brian Ritchie; (2) Election: Barbara Barnhart; (3) Environmental: Barbara Barnhart; (4) Finance: Gary Smith; (5) Librarian: Kitty Rucker; (6) Marina: Robin Scherting; (7) Marina Harbormaster: the Managers; (8) Membership: Barbara Barnhart; (9) Memorials: Robin Scherting; (10) Newsletter: Joyce Skoien; (11) Neighborhood Watch/Emergency Preparedness: John Garrett; (12) Roads: John Garrett; (13) Social Club: Kitty Rucker; (14) Swimming Pool: Joyce Skoien; (15) Water Advisory: Gary Smith; (16) Welcome Committee: Kitty Rucker; (17) Parliamentarian: Barbara Barnhart with Bill Stull as alternate. The Board then discussed the need to have a hedge evaluation policy in place, vetted by counsel, in advance of any hedge violation hearing. A hedge hearing is now set for August 12 – the immediacy of that date does not allow adequate time to formulate a policy. Accordingly, the Board advised the Managers to postpone the pending hedge hearing until a date later in August to allow for implementation of a policy. The Board then adjourned to do a site visit to the Arthur property in connection with a hedge complaint, with Barnhart recusing herself from the visit.
5. **Adjournment:** The President adjourned the meeting at 4:30 p.m. and the Board members proceeded to the Arthur property, except that Barnhart did not.

Submitted by: Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
August 14, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:00 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Robin Scherting, Kitty Rucker, Gary Smith, Barbara Barnhart. Brian Ritchie absent.
3. **Action on Minutes:** Barnhart moved (passed 5/0) to approve the minutes of the 10 July 2003 regular Board of Trustees Meeting and the 6 August 2003 Special Meeting of the Board of Trustees.
4. **Treasurer's Report:** The written report of Gary Smith, Treasurer, is attached to these minutes. The account balances as of July 31, 2003 were: Checking - \$2,380.48; Operational Investment - \$15,163.17; Reserve account - \$110,118.04; and CDs - \$400,000 for a total of \$527,661.69. The memorial and fundraising funds, maintained in a separate account, totaled \$15,578.07 as of May 30, 2003. Twenty-five members had delinquent accounts for a total indebtedness, including late fees, of \$6,951.69. The bulk of these accounts owed \$127.00 or less and just two accounts owed more than \$970.00.
5. **Committee Reports:** Building: Oral presentation and written report submitted. During the last month the committee approved three tree-cutting requests and the construction of a garage. Environmental: No report. Marina: No report. Membership: Oral presentation and written report submitted. Louis and Helen Bigelow of Oak Harbor purchased a home in the Village. John Bodger and Mary McKee purchased a lot in the Colony. Adam Chohrach of Port Townsend purchased a lot in the Village. Tamsan Davenport purchased a home on Huckleberry. Linda Young purchased a home in the Highlands. Neighborhood Watch: Oral presentation and written report submitted. A list of Block Captains (names, phone numbers and e-mail address) was distributed to the office personnel, Board Members, Managers and to the other Block Captains. A telephone tree for all of the Block Captains covering the Village, and North and South Palmer was distributed to the Trustees, Block Captains and office staff. This enables us to communicate emergency or other matters by area as well as to all of Cape George. Pool: Written and oral report submitted. New vinyl tiles have been installed in the men's dressing room. White plastic chairs were donated for use around the pool until our new benches are installed. We have new floats for the pool. We have been able to continue to use the pool during the on-going construction work. The next pool meeting is August 27 at 10:00 a.m. Roads: No report. Social Club: Oral presentation and written report attached. The Social Club will propose that the Board approve the Club's plan to install, near the new swing set, a small boat to be used as playground equipment. The boat, which will never see the sea again, would make a great toy to play on. The first of the four required Social Club meetings is scheduled for September 22 at noon in the Club House. The Home and Garden Tour and Tea was cancelled due to a lack of ticket sales. The playground equipment installation is complete. We came in under budget on this because of the many hours of labor donated by Member volunteers and because Fred Hill Materials donated two large loads of pea gravel for the playground area. The July Salmon Barbeque was a great success – we made a profit of about \$900.00. We sponsored a "Thank You" lunch for the Marina members in appreciation for all of their good work and contributions. Our new officers were installed in their offices during June – our new Board liaison is Kitty Rucker. Water Advisory: Oral presentation and written report submitted. The PUD has asked us for a signed corporate resolution, because we are a water operator on property adjacent to water controlled by the PUD, indicating that we do not object to their operating as a water purveyor on land adjoining our area. The Water committee

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
August 14, 2003

recommends that the Board sign this. In connection with our Super Main project, we are waiting to see if Jefferson County will approve our application for a traditional road cut to allow our pipe to cross Cape George Road – we asked for this permit in lieu of meeting the much more expensive requirement that we tunnel under the road. The Department of Health has already approved this less expensive alternative.

6. Managers Report: Oral presentation with written report attached. The Health Department recently inspected the pool – they felt all was fine. We now have assembled first aid kits for the office and for our vehicles. Several weeks ago we reduced the pool temperature to 82% - since then we have noticed a significant drop in the use of propane as well as less evaporation from the pool and a reduction in the chlorine level. Those are very good results. The maintenance garage has been painted. Volunteers will complete the painting of the trim. The only remaining tasks on this building are to complete the installation of insulation and sheetrock in the office area. The remaining plumbing and electrical work on well #6 should be completed in the next few weeks – we should be on line in the fall. We will go out to bid on the super main project as soon as we learn whether the county will continue to require that we tunnel under Cape George Road rather than allowing us to take the less expensive approach of cutting a trench through the road for the pipe and then filling the trench. Work is progressing on the roof, ceiling and skylight repair of the pool building. The roof damage, which the contractor has concluded was caused by a failed roof rather than from concentrated moisture from the pool, includes some rafters and most of the sheeting. The contractor believes at this time that the south end of the ceiling may not need to be removed – the roof may be able to be repaired from the top. Regarding the other major pool work, we are waiting for a permit for installation of the new air-to-air exchange system. Our contractor has ordered much of the equipment and he will be fabricating other of the required equipment at his shop. The tank farm buildings have been painted – they look nice. Second lot mows are done and we'll be mowing the ditches again soon. The Budget ballots have been mailed and Dana is preparing our homeowners' dues and water statements. Dana will be on a well deserved vacation for four weeks – the office will be staffed by volunteers some mornings while she is gone.

7. Information statement: At Tuesday's Study Session the Board discussed revisions to the form to be used in determining whether a hedge exists and the Board discussed the procedure for processing a hedge complaint. The Board will be meeting with its attorney in Executive Session at 2:00 p.m. on Thursday, August 21 to discuss the procedure and to obtain information about the issue of grandfathering. In addition, we may review certain aspects of our first formal hedge complaint with our attorney. If there is a discussion specifically concerning the pending hedge complaint with counsel, Barnhart (who is a party to that complaint) will recuse herself. In light of the Board's desire to consult with counsel on these issues, no motions or decisions were made on these issues at this Board meeting.

8. Member Participation: A member read a statement regarding the hedge issue; it included a reference to "having a tiger by the tail".

9. New Business: Playground Boat -- Scherting moved (passed 5/0) to allow the Social Club to install a small boat donated by Irv Glushenko on the ground in an area adjacent to and north east of the playground equipment. PUD Resolution -- Barnhart moved (passed 5/0) that the Board authorize the signing of the Corporate Resolution required by the PUD concerning the PUD's

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
August 14, 2003

operation as a water provider in an area adjacent to Cape George. Task Force -- Smith moved (passed 5/0) to approve Don Barr's request for the formation of a Wildfire Protection task force (comprised of interested persons including representatives from the Neighborhood Watch and Environment Committees) to evaluate our exposure to wildfire and preventative steps we might take, with Board Member John Garrett to serve as Board liaison. Reserve Transfers -- Barnhart moved (passed 5/0) to approve specific transfers from our reserve accounts (see attached summary) to our operational accounts to allow for payments due at this time for certain of the major repair projects which are being performed at this time.

10. Announcements: (a) Special Board of Trustees meeting (to meet with counsel) on August 21 at 2:00 p.m. at the office; (b) **Free Picnic** at the clubhouse at Noon on September 6 – Meet the new Board Members and reacquaint yourself with the “old” ones; (c) Regular Study Session on September 9 at 3:00 p.m. at the clubhouse; (d) Regular Board of Trustees meeting on September 11 at the clubhouse at 7:00 p.m.; (e) Membership Meeting for in-person voting to ratify the 4th quarter 2003 budget and the annual 2004 budget will occur at the clubhouse on September 11, 2003 at 6:45 p.m. in advance of the regular Board of Trustees meeting. Mail in ballots for these issues must arrive no later than 10:30 a.m. on Wednesday September 10. This ballot will also include an approval for a one time only 15th month audit period (as we convert to a calendar year auditing period) and approval to roll over any remaining assessment funds into our reserves as required by Federal regulation.

10. **Adjournment:** The President adjourned the meeting at 7:55 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
SPECIAL BOARD OF TRUSTEES MEETING
August 21, 2003

1. **Call to order:** Skoien called the Special Meeting to order at 2:00 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Robin Scherting, Barbara Barnhart, Kitty Rucker, Gary Smith and Brian Ritchie. Linda Cooley and Zane Wyll, Managers, also attended. Rick Shaneyfelt, attorney, attended by special invitation.
3. **Purpose of Meeting:** The Special Meeting was called in anticipation of adjourning to an Executive Session for the purpose of allowing the Trustees to discuss and obtain legal advice from attorney Shaneyfelt concerning the hedge/screen/fence rule and to discuss certain other legal issues. The trustees discussed the appropriateness of allowing Barnhart to attend the Executive Session and to participate in the general policy discussions concerning interpretation and general application of the hedge rule in light of the fact that Barnhart is one of a group of six members who have combined to file a hedge complaint against a specific property. At issue was whether Barnhart, who has recused herself from any discussion of the particular hedge complaint to which she is a party, might nonetheless participate in the general over-all policy discussions so long as they were conducted without reference to the specifics of any particular case including the case to which Barnhart is a party. Rucker moved (passed 5/0 with Barnhart abstaining) that the impending Executive Session be conducted in two parts (quasi-judicial and policy making) and that Barnhart be allowed to attend the portion of the meeting dealing with policy making and then be excused from the quasi-judicial portion of the meeting where discussion would focus on the impending hearing on the individual complaint to which Barnhart is a party. Thereafter, Garrett moved (passed 6/0) that the Board adjourn at 2:30 p.m. to Executive Session to consult with counsel in a two-part meeting concerning general policy and then concerning a particular case.
4. **Executive Session:**
 - (a) **Part 1 - Discussion of General Policy:** The Trustees discussed general policy concerning the hedge/screen rule with counsel Shaneyfelt, asking questions and receiving legal advice from him. Part 1 of the Meeting was concluded at 4:00 p.m. and Barnhart excused herself from the meeting and left the premises.
 - (b) **Part 2 – Discussion of Quasi-Judicial Role on Particular Hedge Complaint:** The Trustees continued to consult with counsel concerning a particular hedge complaint and whether one or more of the alleged violations might exist. At the conclusion of the discussion, by general consent, the Executive Session was adjourned at 5:15 p.m.
5. **Resumption of Special Session:** The Board agreed to hold an additional open meeting to finalize its procedure. The President will set the date.
6. **Adjournment:** There was no further business to discuss so the President adjourned the Special Session at 5:20 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
MEMBERSHIP AND BOARD OF TRUSTEES MEETING
September 11, 2003

1. **Call to order of Membership Meeting:** Brian Ritchie, Acting President, called the Membership meeting to order at 6:45 p.m. and in the absence of members present for the purpose of casting votes on the Ballot issues, did adjourn the meeting at 7:00 p.m.
2. **Call to order of Regular Board Meeting:** Ritchie, as Acting President, called the regular meeting of the Board of Trustees to order at 7:00 p.m.
3. **In Attendance:** John Garrett, Robin Scherting, Kitty Rucker, Gary Smith, Barbara Barnhart.
4. **Action on Minutes:** Barnhart moved (passed 5/0) to approve the minutes of the 14 August 2003 regular Board of Trustees Meeting and the minutes of the 21 August 2003 Special Meeting of the Board of Trustees.
5. **Treasurer's Report:** The written report of Gary Smith, Treasurer, is attached to these minutes. The account balances as of August 31, 2003 were: Checking - \$494.88; Operational Investment - \$26,811.33; Reserve account - \$65,141.06; and four CDs at \$400,000 for a total of \$494,447.27. The memorial and fundraising funds, maintained in a separate account, totaled \$12,830.74 as of August 13, 2003. Twenty-two members had delinquent accounts for a total indebtedness, including late fees, of \$5,497.69. The bulk of these accounts owed \$127.00 or less and just two accounts owed more than \$970.00. Smith reported that our delinquent Member account rate, as we near the end of our fiscal year, is low. He noted that the Board will need to approve some transfers from our reserve accounts to our operational account in order to pay sums due between now and December 30 on our three large on-going projects. These three projects will cost about \$210,000: about \$70,000 for pool construction; about \$60,000 for pool dehumidification and about \$80,000 for the super main project. We have paid \$58,000 with a balance remaining of \$152,000.
6. **Committee Reports:** Building: Oral presentation and written report submitted. During the last month the committee approved three tree-cutting requests and a drive-way and building request. Environmental: Oral report but no written report. The Environmental Committee is sponsoring a pancake breakfast on September 13, with proceeds to be used for ground maintenance. The Cape George Road litter clean-up is scheduled for September 15 from 1:00p.m. until 3:00 p.m. The committee recently spent \$2,000 of its funds for grounds maintenance work. Finance: See Treasurer's report. Marina: Oral and written report. The crab house is just about done and looks great. It will have a propane fueled cook top – the propane valve will have a lock on it to prevent the possibility of misuse. The lock is expected to be keyed to the dock or gate key so that marina tenants may access it. The lights for the community center parking lot and near the boat basin may be changed – Zane is working on this. Some members are continuing to tie open the dock gates – please stop! This creates a risk of loss and a liability issue for everyone. The committee bought a pipe bender and has used it to bend pipes to make piling hoops. We needed to replace the hoops (which are hard to find) so making our own is a great solution and saved us about \$500.00 in costs. Some committee members have asked that the Board and others consider the advisability of putting some kind of fence or chain barrier near the top of the pilings at the north side of the marina channel. The Board was also asked to think about approving the placement of red (port) and green (starboard) lights to mark the channel. The committee asked for the Board's approval for the placement of a speed limit sign (10 mph) for the gravel road on the east side of the marina basin and for permission to place a bike rack near the swing set. Membership: No report. Neighborhood Watch: No report. Pool: No report. Roads: No report. (If you want to help with this committee call the office.) Social Club: Oral and written report. A quarterly meeting for the

CAPE GEORGE COLONY CLUB
MEMBERSHIP AND BOARD OF TRUSTEES MEETING
September 11, 2003

club is scheduled for the clubhouse on September 22 with lunch at 12:00 and the meeting at 12:30. The lunch will cost \$4.00 - make reservations for the lunch by calling Nancy Stilbert and then pay at the door. Mary Maltby and her crew have finished making those pies. The apple pies are for sale – a 10 inch (5 lb.!!) pie may be purchased for \$8.50. We will be having October fest hosted by Linda and Mark Morris again this year – make reservations (required) for this event scheduled for October 18. Water Advisory: Oral presentation and written report submitted. The county engineering staff has submitted our road cut request to the County Engineer with a strong recommendation for approval. We hope this will be out for bid in October. Zane has started to track our actual costs for water hook-ups for Members – we have been charging a flat fee of \$500.00 but some jobs have been time consuming and complex – we need to make sure that we are covering our costs. The electrical installation for well #6 has been delayed while our contractor waits for parts.

6. Managers Report: Oral presentation with written report attached. The maintenance garage has been painted and the gutters are up. Thanks to Ann Simpson for doing the trim painting! We will have a final inspection when the sheetrock and fire blocking work is done. Once our electrical contractor gets the remaining parts to finish up Well # 6 we can test and go on-line with that well. We are waiting for a response from the county concerning our road-cut request in connection with our Super Main project. On the pool contract, the roof repair is done and the interior work on the new room is proceeding nicely. Our costs for plywood for this job are about \$1,100.00 more than expected because we needed 75, not 20, sheets. Our air-to-air exchange equipment is on its way to Seattle. Once the equipment arrives, the contractor expects that the installation of the equipment will take less than a week. He is planning to arrive the week of September 22 to begin the job. The pool is colder right now for a reason – the dehumidifier broke (this is part of the equipment we are replacing later this month) so we are operating with no dehumidification. This has caused the pool temperature to drop from our ideal temperature of 84 (85) degrees down to 82-83 degrees. A note on the pool door alerts swimmers to the cooler temperature. The temperature will go back to around 84 after our new equipment is installed. The dues assessment coupons have been prepared and will be mailed out next week. Dana is on vacation – while she is gone the office is being covered by four members who are volunteering their time – thanks to Rhebe Greenwald, Robin Scherting, Carol Maynard and Kitty Rucker. Our manganese levels are well below the minimum required. We continue to have periodic reports of brown water. We will begin a regimen of monthly flushings of the entire water system for the next 6 to 7 months to see if that solves this problem. We plan to flush the first Wednesday/Thursday of each month and will put a notification in the newsletter to that effect. Members are reminded to please give notice to the office if you have sold your home or lot – that helps us keep our records up to date. The Title company will no longer notify us of changes in ownership within our community. If you know of a change in ownership of a lot or home near you, please let us know so we can make certain that our records are current. The marina area lights will be replaced with nine lights which will light the area in a manner less obtrusive and more effective than the existing lights. We will lease rather than buy these lights (we now lease four). Leasing assures us of repairs and bulb replacement (on these 13 foot or so high poles) at no cost. It was too difficult for us to repair and maintain the lights we owned – some were simply abandoned because we could not gain access to the light bulb.

7. Information statement: The Environmental Committee pancake breakfast is on Saturday,

CAPE GEORGE COLONY CLUB
MEMBERSHIP AND BOARD OF TRUSTEES MEETING
September 11, 2003

September 13 at the clubhouse. A formal hedge hearing is scheduled for October 14, 2003 at 2:00 pm at the clubhouse.

8. Member Participation: A member asked what time in the morning and evening the automatic gate on Marina Drive opens and closes. This will be checked by the Manager. A member asked about water damage to the ceiling tiles in the main meeting room at the community center. The Manager said the damage occurred in connection with the roof work. The tiles will be replaced.

9. New Business: (1) **Ballot results on budget vote:** Marilyn Hider reported that all four ballot issues presented to Members passed with large majorities. She reported that 217 Members voted but that only 212 votes were counted as five Members forgot to sign their ballots. The results are:

- Three month budget for 10/1/03 through 12/31/03: Approve: 207. Disapprove: 5
- Ratify 2004 Budget: Approve: 203. Disapprove: 8
- Place remaining funds into Reserve Accounts: Approve: 199; Disapprove: 8
- Authorize a one time only audit for a 15 month period: Approve: 207; Disapprove: 5

(2) **Diet/weight reduction and Stress Workshops:** Barnhart moved (failed 1/4 as amended) that a Member be allowed to offer a series of classes for a fee at the clubhouse concerning diet/weight reduction and/or stress reduction to Members (only). Some members of the Board indicated that they might consider allowing classes to be offered for a fee at the clubhouse, to Members only, if a group of members asked for the classes – i.e. approving a class in response to member interest.)

(3) **Reserve transfer:** Smith moved (passed 5/0) that the Board authorize the use of funds from water operations reserves to pay for the rebuilding of two pumps for the Highlands water pressure system.

(3) **Resolution regarding Excess Funds:** Garrett moved (passed 5/0) that the Board authorize its officers to sign the Resolution permitting the transfer of specified funds from General, Water Growth and Water Operations Reserve Accounts (totaling \$24,878.47) maintained in the Bank of America Reserve Account #W77-861901 to the Bank of America Checking Account #30620918.

(4) **Reserve Transfer:** Barnhart moved (passed 5/0) that the Board authorize its officers to sign the Resolution, approved by Members in the recent balloting, to transfer funds collected in excess of expenses to reserve accounts for future major repairs and replacements all as set forth in the attached Resolution.

(5) **Hedge/Fence Complaint Documents:** Barnhart moved (passed 5/0 as amended) that the Board approve the following documents to be used in connection with the Hedge/Fence/Retaining Wall Complaint Process: (1) Notice of Hearing (Form BG-06-c[03]); (2) the Notice of Fine (Form BG-06(e)[03] (except for the correction of a clerical error within Section 3); (3) the Letter and Attachment to Alleged Violator (Form BG06-a(03); and (4) the Letter and Attachment to Complainant (Form BG06-b(03). The amended documents are available at the office and will be posted on the web-site. The Attachment to be provided to persons with complaints and to those whose property is complained against will include specific relevant excerpts from the covenants and excerpts from our rules and regulations including provisions and definitions concerning hedge, fence, retaining wall, trees and natural shrubbery.

(6) **Hedge Procedure and Worksheet:** Barnhart moved (passed 5/0 as amended) that the Board adopt as final the revised document entitled (Proposed) Procedure for Hedge/Fence/Retaining Wall Complaints with the Work Sheet (Form BG06-d(03) as an attachment thereto. (Secretary's note: a flow-chart showing the Hedge/Fence/Retaining wall procedures has been prepared as an unofficial summary of the process and is available at the office.)

(7) **Speed Limit and Bike Rack:** Garrett moved (passed 5/0) that the Marina Committee be authorized to post a 10 MPH speed limit sign on the gravel road on the east side of the boat basin and that they be authorized to install a bicycle

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rack near the swings.

10. Announcements: (a) Hedge/Fence hearing at 2:00 p.m., Tuesday, October 14 at the Clubhouse. (b) Regular Study Session on October 14 at 3:00 p.m. at the Clubhouse; (c) Regular Board of Trustees Meeting on October 16, at 7:00 p.m. at the Clubhouse.

10. Adjournment: The President adjourned the meeting at 9:30 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Brian Ritchie, Acting President

CAPE GEORGE COLONY CLUB
MEMBERSHIP AND BOARD OF TRUSTEES MEETING
October 16, 2003

1. **Call to order of Regular Meeting of Board of Trustees:** Joyce Skoien, President, called the meeting to order at 7:00 p.m.
2. **In Attendance:** John Garrett, Kitty Rucker, Gary Smith, Barbara Barnhart, Brian Ritchie.
3. **Action on Minutes:** Barnhart moved (passed 5/0) to approve the minutes of the 11 September 2003 regular Board of Trustees Meeting.

5. **Treasurer's Report:** Oral report presented. The written report of Gary Smith, Treasurer, is attached to these minutes. The account balances as of September 30, 2003 were: Checking - \$29,218.57; Operational Investment - \$109,090.60; Reserve account - \$67,276.94; and three CDs at \$300,000 for a total of \$505,586.11. The memorial and fundraising funds, maintained in a separate account, totaled \$12,830.74 as of August 31, 2003. Eleven members had delinquent accounts for a total indebtedness, including late fees, of \$4,600.69. The bulk of these accounts owed \$127.00 or less and just two accounts owed more than \$952.00. The Finance Committee and the Managers are now preparing for and will soon meet with our Auditor for the year end audit. Smith expressed appreciation to the Membership for passing the recent budget issues. He noted that it will facilitate planning to now have our fiscal year be the calendar year. He noted that in terms of our expenses, we were under-budget for many categories – this allows for a proper rollover of excess funds into the relevant reserve accounts so that those accounts are well-funded. For our revenues, we were on-target for water, dues and the marina. For the year we spent our money as predicted for major areas such as water delivery, maintenance and roads. We did not spend quite as much for lot mowing. In response to a question about collection of delinquent accounts the Manager indicated that we do bring collection actions in court and make every reasonable effort to collect after a judgment is obtained. In some instances, there are simply not assets available to collect against – a debtor Member's property might be so encumbered that collection is not possible. Members are reminded that the new assessment coupons have been mailed out. No, despite what it looks like the dues assessments have not gone up – each payment is larger because we will now make three rather than four annual installment payments.

6. **Committee Reports:** Building: Oral presentation and written report submitted. During the last month the committee approved five tree-cutting requests, three earth-work requests and one building permit. Environmental: No written report. Finance: See Treasurer's report. Marina: No written report. The Crab cooking shed is fully operational. Because of limited space, the Committee is considering limiting Members to storing only one boat trailer at the ground storage area at the south end of the marina. Members will be asked to provide the license number of their trailer to the office. The Committee suggested that the Board consider using an empty lot in the Highlands owned by Cape George as a storage yard for boat trailers. Membership: Leah and Scott Hill of Seattle purchased a home in the Colony. Georgette Semick and Gary Rossow of Lake Oswego, Oregon purchased a home in the Colony. Christopher and Dawn Sudlow purchased a home in the Colony. Bernard and Mercedita DelValle purchased a home in the Colony. Lawrence and Karen Hoffman purchased a home in the Colony. Karen Lull and Varn Brooks purchased a home in the Colony. Charles and Diane Limerick purchased a home in the Colony. Stephen and Janet Goff of Stockton California purchased a lot in the Colony. Margaret Leaf of Portland, Oregon purchase a lot in the Village. Neighborhood Watch: No report. Pool: No report – see Manager's report. Roads: No report – see new business regarding appointment of new committee chairman. Social Club: No report. The Octoberfest dinner is sold out – it will be Saturday October 18. Water Advisory: No report. Wildfire Taskforce: John Garrett, Chairman, reported that a

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nonmember local landowner may be interested in working with us concerning wildfire risk assessment and prevention. The time to take preventive measures concerning wildfire is in the winter months. Inquiry will be made to determine if grant money from state, federal or other sources might be available.

6. Managers Report: Oral presentation with written report and separate pool up-date and hedge complaint resolution summary attached. Special thanks to Rhebe Greenwald, Kitty Rucker, Robin Scherting and Carol Maynard for volunteering in the office while Dana was on vacation. Jefferson County has approved our request to do a road-cut on Cape George Road (rather than having to tunnel under it) in connection with our Super Main project – this saves us thousands of dollars. The super main completion and the fire hydrant retro jobs have gone out to bid – it is hoped that the Managers, our engineer and the Water Advisory Committee will be able to present the bids to the Board with a recommendation at the November Board meeting. When the Electrician finishes the electrical work at Well #6 we will be able to start the well pump, take the samples and perform the tests required by the State and with their approval, bring the Well on line. There was a power outage on October 11 at the Tank Farm- the managers and staff started the emergency generator and the systems continued uninterrupted. The new Marina area lights, which substantially reduce the unwanted glare, have been installed. All Members are to have the new automobile stickers on their cars by January 1, 2004. Townsend Builders has completed most of their work on the Pool building. Even with extras which they have needed to do we are under budget. Some of the work they did was in connection with the work being done by our air-to air exchange contractor as he installed our new equipment. The air-to-air exchange system is in place and operating and the new boilers are warming the pool. That contractor expects to have work completed next week. An underground leak (as a result of a small hole in a pipe) was discovered and repaired. There is a possibility that over time, some leaks may develop in some of the other sections of underground pipe which serve the pool. The contractor stated that if we held up on this repair (doing the repair would mean digging up pipe and redoing the floor area around the pool) there was not likely to be any catastrophic problems, just small leaks that might occur over time. The Board will not be asked to take action on this at this time. After the first of the year, the men's and women's locker rooms and the outside bathroom should be spruced up. The entire floor in the pool area should be painted. Future projects include considering a pool cover (to reduce heat loss and evaporation) and considering using oil rather than propane for fuel. There are 13 informal hedge complaints where discussion or resolution efforts are being considered and 1 complaint where the property is in probate. One complaint has been presented to the Board and will be decided today.

7. Member Participation: None.

9. New Business: (1) No Hedge Violation Found: Smith moved (passed 4/0, Barnhart recused) that “ there is no violation of the hedge rule at the Arthur's residence at 411 Sunset Blvd and that our formal written findings be sent to all the complainants and the Arthurs and that these findings are to be printed in the November newsletter and become part of the Regular Board of Trustees minutes at its November meeting. (2) Revised Hedge Procedure: (3) Food Donation Collection: Rucker moved (passed 5/0) that a food collection site for WAVE be allowed by the Colony mailboxes on Saturday October 25. (4) Culvert and Drainage Revisions: Rucker moved (passed 5/0) that Form BG02(00) be revised as per the recommendation of Don Lee, Chairman of the Building Committee. (5) Overnight at Clubhouse: Garrett moved (passed 5/0) that music students be allowed to stay overnight at the Clubhouse on May 14, 2004. (6) Reserve Transfer: Barnhart moved that certain officers be authorized to sign a Bank Resolution providing for the

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transfer of funds from a Reserve account to an operational account at Bank of America to pay expenses previously authorized. (7) Road Chair Appointed: Barnhart moved (passed 5/0) that Larry Southwick be appointed as the Chairman of the Roads Committee. (8) Storage Lot Committee: Garrett moved (passed 5/0) that a Storage Lot Committee be established and that Brian Ritchie serve as Board liaison to prepare a Charter, seek members and a chairperson for the Committee. The purpose of the Committee is to study and report to the Board concerning the feasibility, costs and other issues related to the use of a vacant Cape George Lot in the Highlands as a boat trailer and RV storage area. (Interested persons should contact Brian Ritchie.)

10. Announcements: (a) Variance Hearing at 2:45 p.m., Tuesday, November 11 at the Clubhouse; (b) Regular Study Session on November 11 at 3:00 p.m. at the Clubhouse; (c) Regular Board of Trustees Meeting on November 13, at 7:00 p.m. at the Clubhouse.

10. Adjournment: The President adjourned the meeting at 8:10 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Brian Ritchie, Acting President

**CAPE GEORGE COLONY CLUB
ARTHUR HEDGE HEARING SUMMARY
OCTOBER 14, 2003
2:00 – 3:00 p.m.**

1. The meeting was called to order at 2:00 to gather information on alleged hedges at 411 Sunset Blvd., Mr. Arthur's residence. The Complainants are Jack & Kay Cason, Don & Carolyn Lee, Bob Tuttle, Art & Olympia Brehm, Barbara Barnhart, and Dick & Alice Damon.
2. Ms Barnhart and Mr. Arthur handed out a package of information to all Board members. Mr. Don Lee supplied each board member with a written statement indicating he believed hedges existed on the Arthur property.
3. Joyce explained the procedures: (1) The complainant(s) would have 15 minutes total to present their case, followed by Mr. Arthur with 15 minutes. Each side would then have 5 minutes of rebuttal time.. Board members would have an opportunity to ask questions of either party after the presentation. There would be no input from the membership. (2) The Board would meet in Executive Session on Thursday at 1:00 p.m. in the office to discuss the case with our lawyer. No formal decision would be made at that time. (3) The Board would vote on whether there is a hedge violation at its regular Thursday Board meeting with decision and findings to be distributed to the complainants, Mr. Arthur, and the membership through the November newsletter and appended to our November regular board minutes.
4. All of the complainants gave their time to Barbara Barnhart to state their case for six hedges they feel exist on Mr. Arthur's property at 411 Sunset Blvd, Colony. Ms Barnhart summarized the information given to us in her handout, using a rendering of Mr. Arthur's property to indicate where the 22 trees are planted. Mr. Arthur presented his side of the issue as written in the handout the Board received. He also referred to the letter the Board received from his attorney. These packages are appended to these minutes, along with a tape recording of the hearing. All the above material is available at the office for membership review.
5. The meeting was adjourned at 1:50.

Respectfully submitted:

Approved by:

Joyce Skoien, President

Brian Ritchie, Vice-President

CAPE GEORGE COLONY CLUB
SPECIAL BOARD OF TRUSTEES MEETING
16 October 2003

1. **Call to order:** Skoien called the Special Meeting to order at 1:00 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Kitty Rucker, Gary Smith and Brian Ritchie. Linda Cooley and Zane Wyll, Managers, also attended. Rick Shaneyfelt, attorney, attended.
3. **Purpose of Meeting:** The Special Meeting was called in anticipation of adjourning to an Executive Session for the purpose of allowing the Trustees to discuss and obtain legal advice from attorney Shaneyfelt concerning the Arthur hedge complaint. Smith moved (passed 4/0) that the Board move into Executive Session at 1:05 p.m.
4. **Executive Session:** The Board discussed the information received during the hearing and from previous sources as to how it pertains to our covenants and rules and regulations. Each Board member had an opportunity to present his/her opinions with input from our attorney. Smith moved (passed 4/0) to resume the Special Session at 3:00 p.m.
5. **Resumption of Special Session:** The Board agreed it was ready to vote on the Arthur complaint at the regular board of trustee meeting that evening.
6. **Adjournment:** There was no further business to discuss so the President adjourned the Special Session at 3:05 p.m.

Submitted by:

Approved by:

Joyce Skoien, President

Brian Ritchie, Vice-President

**CAPE GEORGE COLONY CLUB
VARIANCE HEARING
NOVEMBER 11th, 2003**

1. **Call to order:** Skoien called meeting to order at 2:30 p.m.
2. **In attendance:** Joyce Skoien, Robin Scherting, John Garrett, Kitty Rucker, and Brian Richie. Gary Smith and Barbara Barnhart absent.
3. **Business:** Wes Dixon spoke for his daughter and her husband who live in California. They plan to build on Lots 2&3, Div 1, Blk 1, Victoria Loop (Colony) after they retire next year. He said (a) that they were changing their request for a variance to 5 feet instead of 7 feet, (b) the house would not interfere with anyone's view because it is set back into the trees and there is only one house above it; (c) because the lot slopes down to the back, they would have very little view without the variance; and (d) he has spoken to immediate neighbors, and they are not concerned except as indicated below.

The neighbor above in the A-frame, Monique Flickinger, posed a concern that her view from her bedroom might be affected if the new house is gabled out more than 2 feet from the footprint as marked. The builder said that he could move the house back on the lot to protect her view if needed. He will meet with Ms. Flickinger on Wednesday on the lots to measure.

Another member said that he was afraid that granting a variance would set a precedent that would allow others to receive variances that would ruin the view of neighbors on Victoria Loop. He asked that letters be read from the Johnsons and the Lorentzens to show their concern with issuing a variance for the same reason (letters attached).

The Building Committee recommended that the variance not be granted based on the variance criteria. (see attached sheet).

Skoien explained that the Board would make its ruling at the regularly scheduled Board of Trustee meeting on November 13th.

4. **Adjournment:** Hearing adjourned at 3:00 p.m.

Submitted by:

Approved by:

Kitty Rucker, Acting Secretary

Joyce Skoien , President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
November 13, 2003

1. **Call to order:** Skoien called the regular meeting to order at 7:00 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Robin Scherting, Kitty Rucker, Gary Smith, Barbara Barnhart, Brian Ritchie.
3. **Action on Minutes:** Barnhart moved (passed 6/0) to approve the minutes of the October 16, 2003 regular Board of Trustees Meeting, the Special Board of Trustees Meeting (Executive Session) of October 16, 2003, and the Arthur Hedge Hearing Summary of October 14, 2003.
4. **Treasurer's Report:** As of October 31, 2003, the checking account total was \$3,146.94; the operational investment account balance was \$138,435.24; the reserve account total was \$37,970.11; the three CD accounts total \$300,000 for a total of \$479,552.29. Memorial and fundraising funds held in a separate account total \$12,214.06. Seventeen members have delinquent accounts with a total indebtedness, including late charges of \$7,890.94.
5. **Committee Reports:** Boat storage lot: No report. Building: No requests except variance request to be determined today. Environmental: Written report submitted. Planting has been completed at the memorial garden for Mac (Mac Marriott) by the maintenance garage. A dedication date is tentatively set for Tuesday, December 9, 2003 at 2 p.m. Approved a request to remove a dead tree, window some branches and remove debris from common property. Marina: The harbormaster submitted a written report. The major repairs on the north dock are about 95% done. The south end ramp will be done next year. The committee needs a portable toolbox to make dock and other repairs easier. The bulletin board has been relocated. Some boats will be relocated to accommodate those who more regularly use their boats. Starting in January members will need to register with the office boat trailers left at the south parking lot. A water line broke and has been repaired. We are refurbishing one of the mooring buoys – we lost one in the storm but it was recovered down the beach. No decision has been made on whether a fence will be installed above the north side of the channel entrance – discussion continues on what kind of fence it should be. Membership: Written report submitted. Rudy and Pam Theobald of Oceanside, CA purchased a home in the Colony. Leigh Bradshaw of Kent, WA purchased a home in the Village. Steven and Elizabeth Corbett of Mandeville, LA purchased a lot in the Colony. Torey and Cindy Hansen are purchasing a home in the Highlands. James Ramirez of Priest River, ID purchased a home in the Colony. Neighborhood Watch: No report. Pool: No report. Roads: No report. Social Club: The Social Club Christmas Party will be held on Saturday, December 20 with the Social hour at the clubhouse to begin at 5:30 p.m. and the gift exchange to occur around 6:30 p.m. We need a volunteer to chair the Christmas day potluck and to chair a New Year's Eve party. The Holiday Bazaar grossed about \$3,600.00 – good job Kathy and Mary. Water Advisory: The Board will select a contractor at today's meeting for the Super Main project. The electrical work is done at Well #6 and we are waiting for the final approval from the State Dept. of Health. Once we obtain final approval from the State we will submit a request to increase our allowable connections from 480 to 515. Wildfire Task Force : Board member Garrett said the task force is still looking for new members.
6. **Managers Report:** Our resources have been concentrated on finishing the pool and keeping up with everything else. The maintenance garage needs some finishing touches and Well # 6 is almost on-line. The Super Main project has been bid – that will be the next major project. The staff wishes everyone a Happy Thanksgiving and is working on the pool temperature.

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
November 13, 2003

7. **Information Statement:** (a) The Board plans to develop a View Protection/Restoration regulation to be presented to and voted on by the membership as an amendment to the Building Regulations. The Board will establish a committee to hold hearings, solicit and review written comments, obtain information from other Home Owner Associations and consult with legal counsel concerning drafting a rule that addresses the concerns of the community. If you are interested in working on this committee please contact Dana at the office or the President, Joyce Skoien. (b) The Ad Hoc Fitness committee will be planning fundraisers to raise money for the room and for equipment. The Managers will over-see contracts to complete the remodel of the fitness room. (c) Volunteers will be placing poles along the west side of the community grass area near the picnic shelter in an effort to track sea water encroachment.
8. **Member Participation:** None.
9. **New Business:** (1) Variance Request: Barnhart moved (passed 4/2) to approve a request for a 5-foot variance from the 17-foot house height limitation subject to the condition that the owner obtain approval from the eastern neighbor concerning the placement of the house on the lot. While two board members voted against this variance, four board members approved it in light of the following factors: (a) no neighbors would be directly affected by the 5-foot variance – i.e. it would not impact the view of any home or lot; (b) the lot is unique because the property slopes away from the adjoining road and away from the view – thus the house must be built up to obtain the view available at the level of the frontage road; (c) the lot is situated on Victoria Loop and then drops steeply down into the ravine that fronts on Marina Drive. The wooded frontage on Marina Drive is akin to a green-belt along Marina Drive and is therefore analogous to a perimeter lot, since obviously there will be no building at the ravine base.; (d) the decision approving this variance is based on a case by case analysis and is based on the unique characteristics of the lot and its quasi-perimeter lot status; (e) the approval of this variance will not serve as a precedent in any subsequent variance request; (f) while some neighbors did object to the variance their objection was based on their apprehension that such a variance would set a precedent for other lots – they were not objecting because of any direct adverse impact to them arising from the allowance of this particular variance. (2) Super Main Project Bid: Barnhart moved (passed 6/0) that the Board direct the Managers to accept the Lydel bid on the project in an amount not to exceed \$120,000.00 (3) Fitness Room Exterior Door Lock: Barnhart moved (passed 6/0) that the Managers be authorized to spend up to \$1,500.00 on the installation of a card lock system on the exterior fitness room door and that the managers be authorized to indicate our interest to the lock company for another lock system for the clubhouse. This work will not be done until a new door is selected for the fitness room. (4) Reserve Transfer: Barnhart moved (passed 6/0) that the Board authorize officers to sign the Bank Resolution authorizing the transfer of funds from a reserve account to a checking account to allow for payments toward the previously authorized pool renovation work. (5) Hedge Forms: Scherting moved (passed 6/0) that the Board formally rescind its prior approval during September 2003 for certain hedge forms and procedures. (6) Boat Trailers: Rucker moved (passed 6/0) that Members who store boat trailers at the lot south of the Marina be required to identify their trailers and trailer license numbers on the moorage registration form which is provided to the Cape George Office. No Member may store more than one boat trailer in the lot. Garrett took exception that there is no specific monetary fine on the general fine schedule to be levied against boat trailer owners who violate this rule.

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
November 13, 2003

10. **Announcements:** (a) Regular Study Session on December 9 at 3:00 p.m. at the clubhouse;
(d) Regular Board of Trustees meeting on December 11 at the clubhouse at 7:00 p.m.
11. **Adjournment:** The President adjourned the meeting at 8:50 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
January 15,2004

1. **Call to order:** Brian Ritchie, as acting President, called the regular meeting to order at 7:00 p.m.
2. **In Attendance:** Barbara Barnhart, John Garrett, Brian Ritchie, Gary Smith.
3. **Action on Minutes:** Garrett moved (passed 3/0) to approve the minutes of the December 11,2003 regular Board of Trustees Meeting.
4. **Treasurer's Report:** As of December 31, 2003 the checking account total was \$10,331.47; the operational investment account balance was \$65,257.63; the reserve account total was \$88,701.95; the three CD accounts (without accrued interest) total \$300,000 for a total of \$464,290.95. Memorial and fundraising funds held in a separate account total \$12,455.81. Seven members have delinquent accounts with a total indebtedness including late charges of \$3,913.04. The three month period ending December 31 concluded the interim quarter preceding the commencement of our new fiscal year which starts on January 1. Our expenditures and income are on track. End of the year reports and our tax returns will be prepared on schedule. A new financial form (FIN05[04]) will be presented to the Board at this meeting to be formally adopted, if approved, at the February Board of Trustees meeting. The Form will be published in the February newsletter to enable Members to consider the Form and, if warranted, present comments or questions to the Treasurer (Gary Smith) at the February study session. The form is being revised to incorporate additional information defining the guidelines and process for providing reserve funding for our Cape George assets. The Treasurer, on behalf of the Finance Committee will also present another new form, Form Fin06(04) for approval by the Board today – that new form, entitled Check Signing Procedure, specifies the review process to be followed in connection with each Cape George check signed by each of the designated board members and the co-managers. The new procedure will facilitate the auditing process and alerts each signer to his/her responsibility to make sure the check is appropriate and is a proper expenditure.
5. **Committee Reports:** Boat/RV storage lot: No report. Building: No activity. Environmental: No report. Finance Committee: A complete write-up of the process for creating and reviewing reserves has been completed as a result of a two-year project. This write-up will be incorporated into the Cape George formal documents as reported in the Treasurer's report. Recently the process followed by the Cape George office staff for check preparation, bank statement reconciliation and physical check handling has been modified to offer better separation of duties and therefore additional safeguards for our funds. The modifications are a result of the recently completed annual audit. Marina: No written report. The Marina Committee will be sponsoring a salmon derby this year. The Committee expects that the entrance channel will not need to be dredged at this time. The 2004 Cape George Tide Books are available at the Marina. For non-Marina tenants the cost is \$1.00. Membership: Written report submitted. Steven and Ardis Beiswenger of Portland, Or purchased a lot in the Colony. John and Betty Boren purchased a home in the Colony. Lee Davis purchased a home in the Highlands. Robert and Gloria Lehnert purchased a home on Huckleberry Place. Thomas Ray, of Port Townsend, purchased a lot in the Highlands. Melvin and Bonnie Reeves of Cottonwood, Az purchased a home in the Village. Neighborhood Watch: No report. Pool: Written and oral report. A special meeting of the Pool Committee was held in early January to discuss disbursement of funds in the Pool fund raising account. The Pool committee has met for the last two months while the pool repair and upgrade work was performed. The Committee members agree to donate \$2,500.00 to the Cape George Fitness Center to help pay for the completion of that room. The Marina committee has completed building three benches and two

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
January 15,2004

of them have been installed in the pool room by Marina Committee members – costs for the benches should be about \$200.00. The pool room is looking great. New banners are up and the dressing rooms have been painted. Interior painting in the pool room is also coming along. Many thanks to Co-Manager Linda Cooley for her personal labors and her dedication to seeing this project completed. Roads: No report. Social Club: No report. Water Advisory: The major project of installing the 12” main is proceeding well. Hydrants have been ordered for hydrant locations on Ridge Drive. The connection at Dennis Boulevard will be underway shortly. The State Department of Health has approved our use of Well 6 and has approved our request for an additional 35 connections, bringing our total of authorized connections to 515. We would need additional water storage facilities to increase our allowed connections beyond 515. Once the current water projects are completed, our next major task is to have an additional water storage tank installed to increase our allowed hook-ups to 565. Our over-all comprehensive water plan provides for an additional tank to allow for a build-out to the 565 hook-ups. Based on the current rate of building in our community, it is anticipated that our currently authorized 515 hook-ups will be fully utilized in less than three years. This means that we should be planning now for construction of the new 25,000 gallon water storage tank in anticipation of the need to build out to the 565 hookups. Wildfire Task Force : Board member Garrett said he has learned that a Department of Natural Resources (DNR) representative may be available to lead a class for Cape George members about how to be “Fire Wise”. This would include a walk in the neighborhood to spot areas which are potential fire hazards.

6. **Managers Report:** The Super Main project is underway and is scheduled to be completed in early February. There will be periodic water shutoffs affecting portions of the Highlands and possibly the Village – shutoffs will be preceded by a 24-hour notice. Everyone seems pleased with the water and air temperatures at the pool. Recently we have not been shutting the pool heat off at night because we are having a problem with fuses blowing for the backup propane heater. After we receive backup fuses we will again try the nighttime shutdown to lower our propane bill. We will present a plan to the Board during January to shed some light on the clubhouse parking lot darkness issue. After Christmas the Boy Scouts will run a tree dump-off area near the Colony entrance. You can make a small donation and leave your tree for them to dispose of. Parking decals, available at the office, need to be on your vehicles by January 1, 2004. There was a nice ceremony at the Mac (Allan Marriott) Memorial garden. Stop by and look at the memorial flower bed and the plaque on the wall at the garage.
7. **Information Statement:** Bill Stull will continue to serve as chairman of the Nominating Committee.
8. **Member Participation:** Some members plan on refurbishing the Colony mailbox area.
9. **New Business:** (1) Maintenance of Property Rule: Garrett moved (passed 5/0) to amend the Maintenance of Property Rule (PPO2) concerning, among other matters, the removal of certain noxious weeds and mowing requirements. Copy attached. (2) New Homeowner Welcome Letter: Ritchie moved (passed 5/0) to approve an information/welcome letter to be included in the informational packet handed out by our Welcome Committee. Copy attached. (3) Member Rights and Responsibilities: Smith moved (passed 5/0) to approve a summary statement of Member rights and responsibilities to be included in the information packet handed out by our Welcome Committee and for printing in the January 2004 newsletter; copies are available at the office. Copy attached. (4) Holiday Bonuses: Garret moved (passed 5/0) to approve the payment of holiday bonuses to Zane, Linda, Dana, Jay and Ken in recognition of and in

CAPE GEORGE COLONY CLUB
BOARD OF TRUSTEES MEETING
January 15,2004

appreciation of their good work. In a related motion Rucker moved (passed 5/0) to approve a holiday gift as a "Thank you" to George Poole (our mailman) and to Melissa and Teresa, who provide cleaning services. Summary attached. (5) Marina Slip: Ritchie moved (passed 5/0) that, because of extenuating circumstances and conditioned on the payment of moorage for the year, a member/employee be allowed an extra six months (until June 30, 2004) to have his boat in his marina slip. (6) Don Lee to Chair View Committee: Barnhart moved (passed 5/0) that Don Lee be appointed as chairman of the View Preservation and Restoration Committee. (7) Dog Owners Violations: Ritchie moved (passed 5/0) that the Managers be authorized to notify two dog owners that the Board has levied a \$50.00 and a \$25.00 violation against them, respectively, for allowing their dogs to run loose. Copies attached. (8) Modification of Variance Criteria: Smith moved (passed 5/0) that the Policy for Variances (Form BG04) concerning criteria guiding the Board be approved. See attached.

10. **Announcements:** (a) Regular Study Session on January 13, 2004 at 3:00 p.m. (b) Regular Board of Trustees meeting on January 15 7:00 p.m. Both meetings at Clubhouse.

11. **Adjournment:** The President adjourned the meeting at 8:00 p.m.

Submitted by:

Approved by:

Barbara Barnhart, Secretary

Joyce Skoien, President

CAPE GEORGE COLONY CLUB
SPECIAL BOARD OF TRUSTEES MEETING
17 December 2003

1. **Call to order:** Skoien called the Special Meeting to order at 3:00 p.m.
2. **In Attendance:** Joyce Skoien, John Garrett, Robin Scherting, Gary Smith and Brian Ritchie. Linda Cooley and Zane Wyll, Managers, also attended. .
3. **Purpose of Meeting:** The Special Meeting was called in anticipation of adjourning to an Executive Session for the purpose of allowing the Trustees to discuss possible violation of our hedge rule by 12 different members (list attached). In addition there were two items of business that were not taken care of at the regular December Board meeting. Smith moved (passed 4/0) that the Board go into Executive Session at 3:05 p.m.
4. **Executive Session:** The Board reviewed the information available on the 12 hedge violations complaints and how it pertains to our covenants and rules and regulations. All the Board members had visited each site. Each Board member had an opportunity to present his/her opinions. Smith moved (passed 4/0) to resume the Special Session at 4:15 p.m.

5. **Resumption of Special Session:**

Business:

(a) **Hedge Violations:** Garrett moved (passed 4-0) to advise the Managers to pursue Sites 1, 2, 8, and 10 as hedge violations and work with the owners to bring the foliage into compliance. Ritchie moved (passed 3-1) to advise the Managers that they do not consider Sites 4, 6, 9, and 11 as specific violations of the hedge rule but request that the Managers work with the owners to see if there can be some solution mediated. Sites 3, 5, 7, and 12 are being handled by the Managers separately. Will bring to Board if necessary.

(b) **Pool Windows:** Ritchie moved (passed 4-0) to approve \$3,000 plus tax out of general reserves to replace the specified pool windows.

(c) **Check Authorization:** Garrett moved (passed 4-0) to add Robin Scherting to the Club's authorized check signatures as many Board members are traveling, thus leaving the Manager's short of signers.

6. **Adjournment:** There was no further business to discuss so the President adjourned the Special Session at 4:30 p.m.

Submitted by:

Approved by:

Joyce Skoien, President

Brian Ritchie, Vice-President