

**CAPE GEORGE COLONY CLUB**  
**MEMBERSHIP MEETING**  
**July 17, 2004**

1. **Call to order:** Barnhart, as acting president, called the Annual Membership Meeting to order at 2:00 P.M.
2. **In Attendance:** Members and Trustees Barbara Barnhart, John Garrett, Kitty Rucker, and Robin Scherting,
3. **Action on Minutes:** Robin Scherting moved (passed unanimously by the Members) to approve the minutes of the Annual Membership Meeting of July 19, 2003.
4. **Treasurer's Report Summary:** The written report is attached to these minutes. Cape George Colony's financial status is very good. We expect to finish 2004 on budget after providing proper funding to the reserve balances. Over the last two years CGC has shifted its budget period from Oct. to Sept to the new period of Jan. to Dec. This allows the managers and the Board to more closely monitor the budget through the busy summer and to avoid unexpected surprises toward the end of the year. Our yearly audit was again successful this year. We also had a complete review of our insurance coverage. We now have a computer program and a review process that allows us to keep an accurate account of our infrastructure (valued at about \$4,000,000) and to establish reserves to fund replacement and repair of our facilities. Some of the major expenditures over the past year included: opening the new maintenance garage, replacing windows at the pool and community center, opening the super main water system and getting Well #6 on line to prepare us for a full buildout of all CG lots, installing new flow meters for the water system, installing a new pool building ceiling, roof, and fitness center, installing a new pool dehumidification system, and purchasing a new John Deere tractor, for a total cost of about \$285,000. Most of our reserve funds are in laddered CD accounts earning slightly over 2%. Our co-Managers, Linda Cooley and Zane Wyll, did a fine job coordinating the work on the clubhouse, the super main and the maintenance garage.
5. **Committee Report Summaries:** Building: Oral presentation and written report attached. The Committee approved the following requests this year: thirty-five for tree cutting, twelve for earthwork, six for new residences, one permit for a garage, and one for replacing an existing home. Environmental: Oral presentation and written report attached. 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. We received a grant from the Social Committee for plants at the Village entrance. Fitness Room: This is a new committee. The fitness center was opened in mid-April. It was built by and contains equipment obtained through fundraising events and donations. The hope is that these will eventually be replaced with commercial grade equipment. We are still accepting donations. We will be outlining future goals and developing a budget. Marina: Oral presentation and written report attached. The Marina crew has completed a crab cooking facility at the dock, replaced 12 pipes and valves, built 4 new dock boxes and repaired several others, built a bench for the pool, repaired the south dock, built a new section on the dock and added new floats, dredged the entrance to the marina, investigated having the inner harbor dredged with a clamshell crane, bought a new metal hacksaw, an oscillating sander, and a belt sander with money from the first marina equipment sale. Membership: Oral presentation and written report attached. During the past year there were seventy-three real estate transactions at Cape George including the sale of 48 homes and 25 lots. This is about 50% more transactions than last year. Within the Village, 9

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lots and 18 homes were sold. Within the Highlands, 2 lots and 6 homes were sold. Within the Colony, 14 lots and 24 homes were sold. The written report indicates the names of all buyers and sellers. Neighborhood Watch/Emergency Preparedness: Oral presentation and written report attached. There are now 25 block captains and several co-captains for our neighborhood watch program. Most of Cape George is now participating in this program, except for the Highlands and a few other streets. The committee developed emergency telephone trees and distributed them to every household. New residents will be added as their addresses and phone numbers become available. There have been several get-togethers to promote neighborliness and awareness in CG. An emergency preparedness plan is being developed. New Block Watch signs have been placed at each entrance to the community. Pool: Oral presentation and written report attached. A new air-exchange system was installed. The pool floor was painted and new tiles were installed in dressing rooms. A new fitness room was constructed and opened. Shower curtains were installed in the men's dressing room. Four benches were made and installed by the Marina group. There are plans to install a railing in the baby pool and on the west side of the pool as safety factors. A survey was conducted to determine use of the pool and to address concerns. Roads: Oral presentation and written report submitted. A new committee was formed this year. They have done the following: reported on tree removal on Marine View Place; drafted a snow and ice plan; developed a plan to improve pedestrian safety at the intersection of Cape George Drive and Palmer Drive, (recommending the placement of traffic buttons and a painted stop bar to direct traffic); research was done on speed bumps to reduce excessive speeding; developed new driveway standards; and reviewed a number of requests for driveway and culvert permits. Social Club: Oral presentation and written report attached. Activities this year included the Salmon BBQ, the Oktoberfest, the Holiday Bazaar, the Christmas Families Project, the Christmas Party Buffet and Gift Exchange, Granny's Attic, the Easter Egg Hunt, and an Easter Sunrise Service and Breakfast. We purchased and installed playground equipment for small children; donated funds for the completion of the Fitness Room; installed a new card lock system; paid for The Block Watch signs; paid for plants for the Environmental Committee to plant at the entrances to the Village; donated money to the Literacy Council; gave money to the Salvation Army for Children at Christmas; purchased two new stoves for the kitchen; paid for half of the cost to replace 100 folding chairs for the community center; formed a new Welcome Committee to greet and inform new members; and held four meetings during the year to conduct business. We encourage members to attend our meetings on the fourth Monday of Sept., Jan., April, and June. Everyone is welcome. Water Advisory: Oral presentation and written report attached. 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) was completed. Well #6 went on line. These two projects complete our infrastructure to build out to all CG lots. We are in the process of obtaining permission to install an additional storage tank, which we hope to install this winter. Our water quality is good – it meets all state and federal standards. We had trouble with the manganese removal system. We have been working with technicians from the manufacturer to remedy the problem. Results, to date, are very encouraging. If the filter media does not deteriorate rapidly, a schedule for periodic media regeneration will be set up. Wildfire Task Force: Oral presentation. We have had fire experts come to study the community and to make recommendations about preventing fires. We hope to have a class for members to learn how to protect their property from fires after the summer fire season is over.

6. **Summary of Joint Statement of President and Managers**: Oral presentation with written report attached. Since we have a good reserve system in place we did not have to go out to Members for approval of special assessments. We completed the following major projects: replaced the pool

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heating/dehumidification system; made major repairs on the west side of the pool roof, replacing truss members, plywood sheathing and shingles. For the air-exchange unit to work properly we needed to reduce the (room's) footprint. This allowed us to carve out a very nice space adjacent to the pool for development as a Fitness Center. This year we installed a 12 inch super main from the tank farm to the Village, to supply adequate water pressure to the Village. We went on line with Well #6 which will allow us to install a new tank to allow for future build-out of the community. We purchased a new John Deere tractor with a front loader and backhoe. The Marina Committee built a crab cooking facility from donated funds. The Social Committee raised funds to purchase and install children's playground equipment and a wooden boat was donated, refurbished and added to the playground area. We installed card lock systems on the fitness room and clubhouse entrances. New lights that shine down, not out, were installed at the marina and clubhouse. We installed surveillance cameras in the pool, clubhouse, and fitness room to cut down on vandalism. We are almost finished with Mac's Maintenance Building. As usual, the Environmental Committee worked diligently to maintain our common areas. The Board made headway on interpreting the hedge rule and the tree/view issue. We have sent our governing documents and other materials to an attorney in Seattle for a legal opinion on this issue. We expect to have a rule for members to review and approve or disapprove by the end of the year. As part of this issue, the Board has promulgated a guideline regulation for managers on maintenance of the Club's right-of-ways. This guideline will be printed in the August newsletter. Other board activities included the following: establishment of a Wildfire Task Force with John Garrett as Chairman; approval, for another year, of renters' access to certain of our common areas (not the clubhouse, pool or marina); revision of the Policy For Emergency and Designated Reserve Funds, FIN05(04); agreeing not to sell water to the PUD; modification of the maintenance person's job description; approval to clean the water tanks; an authorization for the managers to vary the pool temperature and track the costs of that change; authorization for the managers to sell the marina dredge; authorization for the removal of trees situated in the right-of-way in the Village; installation of neighborhood watch signs at all of our entrances; establishment of a Fitness Center charter and the appointment of Phyllis Ballough as Chairman; preparation of an addition to our building regulations on ancillary structures that will be presented to the membership for approval later in the year; designation an ad hoc mailbox committee to research costs and designs for the purchase and installation of locking mailboxes (to be presented to the membership for vote later in the year); authorizing managers to hire NTI to prepare documents to start the process for obtaining approval from the state for the installation of a new water tank; installation of 10 mph speed limit signs for the roads in the boat basin area; revision of the Culvert and Drainage Form BG02(00), as recommended by the Building Committee; reactivation of the Road Committee and the appointment of Larry Southwick as Chairman; approval of two variances, one for height on Victoria Loop and one for roof pitch on N. Rhododendron Drive; a decision to limit members to storing only one boat trailer/boat in the parking area at the south end of the marina; amending Regulation PP02, Maintenance of Property, to include the removal of certain noxious weeds and to establish mowing requirements; approval of a summary statement of members' rights and responsibilities to be included in the Welcome Committee's new member packet ; establishment of the View Preservation and Restoration Committee with Don Lee as Chairman; modification of the variance criteria on Form BG04; and the hiring of Don Weathersby as our maintenance man. Joyce thanked all the members who supported her during her six year tenure as president.

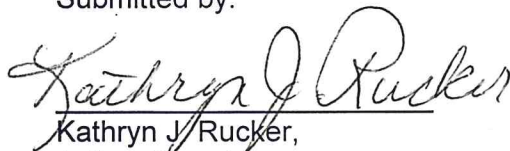
7. **Trustee Election Results:** Election chairman Marilyn Hider reported that 240 members submitted ballots – a slight decrease in participation over last year's trustee election. One ballot was disqualified because the Member voted for 4, rather than 3, candidates and one ballot was

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disqualified because the instructions were mailed in, but the ballot had been forgotten. Four ballots were disqualified because they were delivered to the office during the afternoon of July 16, after the close of the balloting. This year, five persons competed for three positions. The three candidates with the highest total votes have been elected as Trustees, as follows: Barbara Barnhart (199); Ben Fellows (158); Georgette Semick (132). The results for the other two candidates were: Sheila Bender (117) and Karen Frank (96).

8. **Member Participation:** A member asked about road maintenance and asked when they would be repaired again. He also suggested that speed bumps be installed to slow traffic. Another member distributed a letter to members and asked that the Board reconsider its decision regarding the removal of a tree on Marine View Place. A member talked about the proposed mailbox issue and the assessment needed to do this.
9. **Announcements:** Then next annual Meeting will be held on July 16, 2005 at 2:00 P.M.
10. **Adjournment to Special Meeting:** At 3:10 P.M. and there being a quorum of trustees present, Kitty Rucker moved that the Board adjourn to a Special Meeting at the Office to hold an Executive session to select Board Officers because it was necessary to have officers to conduct business. The motion was passed unanimously, and the Membership meeting was adjourned to allow the Trustees to attend the Special Meeting.
11. **Special Meeting and Executive Session:** The Special Meeting convened at the Office at 3:20 P.M. with Barnhart, Garrett, Rucker and Scherting attending in person and Trustees Ben Fellows and Brian Ritchie attending by telephone. Telephone contact could not be made with Georgette Semick. During the meeting the trustees by consent adjourned to executive session to discuss the selection of officers for the next year. Rucker moved (passed 6/0) to reconvene the Special Meeting.
12. **Reconvening the Meeting.** The Special meeting was reconvened at 3:45 P.M. Rucker moved (passed 6-0) that the new officers be: President – Barbara Barnhart, Vice-President – Robin Scherting, Secretary – Kitty Rucker, and Treasurer – Georgette Semick.
13. **Adjournment:** The Acting President adjourned the meeting at 3:47 P.M.

Submitted by:

  
Kathryn J. Rucker,  
Acting Secretary

Approved by:

  
Barbara Barnhart,  
Acting President