

DRIFTWOOD HEIGHTS ASSOCIATION, INC.
370 N. EAST CAMANO DRIVE, STE. 5, PMB 219
CAMANO ISLAND, WA 98282-7279



INCORPORATED 1970

Minutes of Annual Membership Meeting
May13, 2023

Members present: 19; members represented by Proxy: 8.

Board Attendance:

President – Randy Barry (Acting)
Executive Vice President - Vacant
Treasurer – Sherri Hall
Secretary – Vacant
VP Operations – Mike Cona
VP Grounds and Maintenance – Leonard Visser
VP Water Quality – Genelly Carranza

The meeting was called to order at 8:20 AM.

Randy Barry welcomed attendees and recognized new members for 2022. Board and Membership thanked Steve Casteel for over 20+ years of participation in the Association and service to the membership.

Old Business

The Board conducted review of the following 2022 and first quarter 2023 Board Actions:

1. Reviewed all Association Contracts, updated signed new contracts. Reinitiated service contract for emergency generator.
2. Reestablished routine preventative maintenance of water system equipment. Conducting a 100% audit of water meter location, condition, and operation.
3. Reviewed all Member information against Island County Records, verified property ownership. Created "Master Member List". In process of contacting all members to update association records.
4. Creating formal policies and procedures for operation and administration of association functions. Assembling Duties and Responsibility Manuals for Board positions.
5. Reviewed all financial records, Completed audit of 2021 and 2022 Financial Records.

DRIFTWOOD HEIGHTS ASSOCIATION, INC.
370 N. EAST CAMANO DRIVE, STE. 5, PMB 219
CAMANO ISLAND, WA 98282-7279



Prepared 2023 Budget for Membership approval.

6. Formed Bylaw Committee and completed review and revision for Membership approval.

7. Completed an Engineering Assessment of association water system.

New Business

1. Review of Board Position Changes since October 2022. In an effort to fully populate board positions, stagger Board Member terms, and establish a quorum in accordance with the Bylaws, the following actions were taken by the Board:
 - a. The Board reinstated L. Visser as Grounds and Buildings until 2025
 - b. The Board voted R. Barry to be acting President until 2024
 - c. The Board voted M. Cona to Operations position until 2026
 - d. G. Carrenza requested a position change to Water Quality, Board approved position change until 2025

Acting President requested a motion to approve the recommended changes to Board Positions as listed above: Motion made by S. Casteel, Seconded by R. Canady, Motion carried 27 Yea/0 Nay

2. Board thanked the Bylaw committee for their time and efforts to complete revision of our Bylaws. Members were informed, by annual meeting letter, that a copy of the revision was posted on our website and if they did not have access to view or print a copy, they should contact board and we would provide them one. The floor was opened to a question-and-answer period. After no further questions N. Wilson made a motion to approve the revision, seconded by W. Lien, vote was 27 Yea/0 Nay.

After review of our current Bylaws and discussion with our Lawyer it was determined we did not meet the higher standard to amend the Bylaws. In order to approve the revision, it requires a majority of Board present, and 25 Members present, which we did not meet with only 19 attending the meeting. All other votes conducted during meeting meet the threshold of majority of board members plus 10 additional members present.

DRIFTWOOD HEIGHTS ASSOCIATION, INC.
370 N. EAST CAMANO DRIVE, STE. 5, PMB 219
CAMANO ISLAND, WA 98282-7279



INCORPORATED 1970

3. Treasurer provided a review of 2022 financial report. She reported that Pearson Accounting conducted a review of our 2021 and 2022 financial records. Pearson's report found that all was documentation was correct and in order. They complemented the job our Treasurer was doing and stated that our records far exceed the requirements for our type and size of organization.

Treasurer presented our 2023 Budget for review and approval. Motion was made by W. Lien to approve, seconded by M. Othman, vote was 27 Yea/0 Nay motion carried.

4. Hawthorn LN Association made a request that Driftwood Heights Association approve and set aside 2023 funding for asphalt chip sealing for the portion of Hawthorn LN that borders our well site (820 Hawthorn Ln). Their association is currently working with its members and the contractor to schedule for later this year. The board requested that we meet with them to get all required information. The board will review and present to membership for their approval to set aside funds.
5. An injury to a guest at our beach, who was accompanied by a resident, and a request by the property management company that manages an apartment complex in our association prompted the board to contact our insurance provider to confirm liability insurance coverage of association community properties. Insurance provider informed us that we do not have and have never had liability coverage at the beach. We requested copies of old policy and confirmed we did not have coverage. Board requested quote to provide same liability as that at the well site. Premium for remainder of this year is \$389 Board voted to buy for this year and bring a motion to membership to approve renewal at and \$1000 per year going forward. Motion was made by R. Canady to approve additional insurance for beach, seconded by S. Casteel, vote was 27 Yea/0 nay
6. March 2023 Billing Cycle had several Issues that caused delays in receipt and payment of member assessments. Heritage bank stopped accepting payments made out to King Water. Checks must be made out to "Driftwood Heights Assn". Membership reported not receiving their bills and long delay between mailing and seeing those payments clear at their financial institutions. As a result of discussions with members of the association regarding these problems the Board voted to waive late fee for March 23 billing cycle only. The billing process was reviewed during the meeting and a copy of the policy was placed on the

DRIFTWOOD HEIGHTS ASSOCIATION, INC.
370 N. EAST CAMANO DRIVE, STE. 5, PMB 219
CAMANO ISLAND, WA 98282-7279



INCORPORATED 1970

website. Members were instructed to contact the board if they paid late fee during the cycle and wanted a refund, if not the late fee will be credited to their account and will be applied to the next billing cycle.

7. The board and several members of the association visited the beach and access trail recently to assess conditions and determine what could be done to improve condition of the area. We contacted the contractor we have used in the past for this type of work to obtain quotes. The Board did not present the quotes to the membership due to permitting concerns by the contractor and discussion with the Island County Engineer who recommended that we have a geotechnical evaluation of the area prior to conducting any maintenance or repair work. The Board will obtain quote and request approval from membership prior to conducting any work.
8. The Board requested nominations and volunteers for Vice President and Secretary positions in the annual meeting notification letter. No responses have been received as of May 13, 2023. The board has to have participation of the membership in order to continue functioning. We cannot conduct routine business and make decisions without a quorum as required by the Bylaws. We are personally reaching out to membership to improve participation in meetings and solicit for volunteers to fill vacant board positions. At the end of the meeting, we were approached by M Othman who is considering volunteering for the Vice President position. She will be working with us and will hopefully volunteer after determining what is required to fulfill the responsibilities of the position.
9. The Treasurer received a notice letter, (May 12, 2023) attached to our King Water April billing. As of May 1, 2023, King Water has been purchased by NW Natural Water. The letter stated that the current water and administrative services provided will remain the same. NW Natural Water is a large provider located in Portland, OR. They manage more that 140 water systems located in TX, OR, ID, and WA serving more that 1.4 million customers. They have promised more information as the process continues. We have been provided little information so far but will keep membership informed as we are updated.
10. Garrison Engineering completed an assessment of Driftwood Heights Water System. The document provides information regarding the age, condition, and includes recommended capital improvements that are needed to keep our water

DRIFTWOOD HEIGHTS ASSOCIATION, INC.
370 N. EAST CAMANO DRIVE, STE. 5, PMB 219
CAMANO ISLAND, WA 98282-7279



system operational for the future. A brief overview of the scope of the proposal was conducted at the meeting. The board is scheduling a special Membership meeting to allow Garrison Engineering to provide a formal presentation to the membership. Attendance for this special meeting by members is critical as it will provide information on scope and cost assessments to members to fund the project. A notification letter with date, time, and location will be sent out as soon as schedule is confirmed. A copy of the assessment with cover letter and cost breakdown is posted on our website "Driftwoodheights.net " and we encourage all to review it

No additional discussions, President requested motion to adjourn, motion to adjourn made by S. Casteel, seconded by several members, and carried by unanimous vote.

Submitted/reviewed by: Board

Approved by:
President:




Randy Barry

Executive Vice President:

Vacant

Treasurer:



Sherri Hall

Secretary:

Vacant

Vice President Operations:



Mike Cona

Vice President of Grounds:



Leonard Visser

Vice President Water Quality:



Genelly Carranza