

Edelweiss Board of Directors Meeting

Date: *September 27, 2008*

Present: Leonard Yerkes, Pat Leigh, Dick Lindblad, Karen Reneau, Kris McMullen, Mary Kiesau, and Stan Wentzel (via phone)

Absent: Larry Goldie, Derek Phipps

Staff Present: Dick Volckmann

Chair: Pat Leigh

Minutes Recorder: Mary Kiesau

1. Prior minutes were approved over email

2. President's Report – see the emailed report (Pat)

- Pat reviewed what she had emailed.
- **Operating Manuals:** Edelweiss is creating an operating manual for the water system – manual is quite extensive now for standard operating procedure for current and future staff. Other manuals are on the way – (How to run tractor, sewer, garbage, etc.). It's been suggested that we have a maintenance schedule for equipment.
- **Sewer System:**
 - We now have the original design (from 1987) for our Large Onsite Sewer System (LOSS). Pat Leigh located an individual who had a copy. The original designers are no longer in business and a second company was hired at a later date that provided additional engineering of the system. Copies of their work have been obtained from the County. This gives us a start on an operating manual for our Central Sewer System.
 - We are having an inspection on Oct 1 with a private contractor who is expert in the design and operation LOSSs. From this we expect to get a recommendation for needed repairs and improvements.
 - Technically, our system is large enough to require an operating permit. To date, the County has not obtained a permit for the Edelweiss LOSS as required by WA State, which has allowed the County to operate our system without filing the required annual reports with WA State. Having a permit will put us on WA State's radar screen and annual reports will be filed.
 - State rules will eventually require that we upgrade the system.
 - Karen worked with the County to do an audit of the Edelweiss money that the County has collected since 1991 from Edelweiss lot owners who are either on the system or required to hook up to our system if and when they develop their lot.
 - Many questions ensued, including, "The County owns the system so don't they have an obligation to maintain it? Who looks over the County, and if there's a problem who has oversight?"
 - Lots of information was shared about the history, what the county does, etc. The county doesn't have to report to the State b/c our system was never properly permitted. We have 3 lift stations – one recently replaced and two that need repair and/or upgrading. The county paid for the recent replacement with our Edelweiss account funds.
 - We are awaiting more information before deciding whether we want to take the system back from the County.
 - We need to do an audit of all the homes in Edelweiss to determine whether they are hooked

into the central sewer system. There are several that are hooked in that never should have been; there are some that have never paid, etc.... and we need to figure this out.

- If we need to repair the system, who pays for it? The people who are on the system are billed by the County. The County has the right to adjust fees.
- A letter was mailed out to everyone that we know is on the system reminding them of the need to maintain their tanks and asking that they let Dick V. know if they want to be included in a group service plan with J.A. Wright.
- The general consensus was that we should get a permit regardless of whether the County or Edelweiss is overseeing the sewer system. (NOTE: Since this meeting the Permit has been obtained.)
- Some BODs felt Edelweiss should take over the sewer. There is still a lot of information to sort out before we decide.

- **Budget Review**

- **Roads:** The lignin discussion has come back up. See pre-meeting notes from Pat and Dick. The first year cost of about \$10K (now that our roads are prepared) is in our budget. Dick V. and others think we can absorb it in the budget without a special assessment or increasing the dues. Two bids are coming in – we will discuss it more and make a decision at a later meeting.

- **Bid Process:** We briefly discussed whether we should have a bid process. Dick L. says we discussed this at a prior meeting. Will look for the notes.

- **Snow Grooming:** An anonymous donor will match all the donations that come in. Pat will email all Edelweiss residents (that we have emails for) about donating to fund snow grooming, and include it in the newsletter. The track groomer cost us about \$700. Volunteers will groom the trails, but we'll need fuel. We plan to build a shed to store it, to be funded from contributions and donations of materials. A team of volunteers has agreed to help build the shed.

- **Finance Admin:** Quick review of some things -- We have tightened up and better protected how money can move, etc. Currently, two BODs are allowed to sign checks (Pat & Dick L.), along with Dick V. and Linda McWhirter. There are no rules about who should sign. Historically about 15-30 checks have been signed every month by Linda McWhirter and Dick V. Linda writes all the checks. Karen Reneau reconciles all the checks. We briefly discussed whether staff should continue to sign checks without a Board member signature.

Motion to require all checks to be signed by one Staff person and one Board member:

Mary moved; Leonard seconded

Motion Passed Unanimously

3. Staff Evaluations (Pat)

- Pat agreed to find or design an evaluation form. Peer evaluations among the staff were suggested and agreed to as one element of the review process. Pat will send an email to BODs about an evaluation date.

4. Manager's Report (Dick V) – See emailed report

- **Yurts:** Brief discussion.

Motion to edit the architectural guidelines to include “yurts or other”. (The sentence will now read: “No trailers, mobile homes, tent houses, *yurts or other* temporary structures shall be installed upon any lot in Zone A, except as necessary during active construction, or for temporary recreational use not to exceed 30 consecutive days in any one calendar year.”)

Leonard moved; Pat seconded

Motion Passed Unanimously

- **Water Line:**
 - A 6-inch line will replace the 4-inch line in the upper meadow as part of the upgrade and build-out of our water system. This will provide adequate pressure for a hydrant (between Highland and Crabapple). The cost is about \$70K. Is it possible that the line dug for this could coincide with Co-Op utility lines to be dug?
 - We have just over \$97K in the water budget for this. We replenish this fund with new water hook-ups, though we have fewer and fewer water hook-ups. Leonard asked how we determine the hook-up figure (\$3500+). What are other similar water hook-up costs in the valley?
 - We have enough tanks for build-out now – we just need to maintain the lines and install new lines. We have a 120,000 gallon tank above ground (not used in winter b/c it could freeze) and 70,000 below ground (we can't currently combine them)
 - Mel is still working on the Edelweiss comprehensive plan (mostly the water system). We need to get the Co-Op on board for the rest of the comp plan.
- **Snow Plowing:** Jerry will do it again for a flat \$36K. Discussion on billing of property owners. Dick V. will talk to Linda and clear things up for the BOD – will send an email on how this all works.
- **Chipping:** Dick V. suggests increasing the fee to \$70/hour with a \$35 minimum. The cost of the equipment, time, etc. is too high for Edelweiss to continue subsidizing. Private contractors would cost about \$90/hr. Brief discussion. The increase was agreed to.
- **East Fawn:** Do we want to contribute any Edelweiss funds for improving East Fawn Creek Road? Some discussion of history. The NFS has given some indication that they may have a source of funding that would cover the cost of minimal improvements. Funding wasn't discussed further.
- **Garbage:** We'll put more signs up about paying by volume.
- **Pool:** Still trying to work out the issue with the drain with the State. Additional project – to research the cost of installing solar power to heat the water if financially feasible.
- **Illegal Nightly Rentals:** Dick discovered a new illegal nightly rental. He will speak to the owners and let the County know if they do not cease. There is some confusion about how the County issues licenses or permits for nightly rentals. It is unclear whether the County Dept. of Health and the County Business Licensing department are communicating with each other. It appears that an owner may be able to obtain a nightly rental certificate from the Dept. of Health without necessarily being properly licensed to do business.
- **Bork Lot:** Dick received a letter from the County stating their taxes haven't been paid for an extended amount of time. The lot will go on the market on Dec. 15th if they do not pay their taxes. Just FYI. Brief discussion on whether Edelweiss should attempt to purchase the lot. No decision made.

Notes for 9/27/2008 Board Meeting
Submitted in advance by Pat Leigh

Operating Manuals

I have stated that one of my goals as President is to see that every aspect of our infrastructure be documented in an operating manual to be passed on to future employees and Board members.

Water Manual: Craig Hook has been carefully documenting the information that he has gathered about the operation of our water system. Dick Volckmann and I worked together on documenting

an overview of the same. Dick and Craig are developing a Water System Manual that will provide the information needed to understand what it takes to keep our community in clean water and meet the County and State Health Department requirements.

Sewer Manual: I was able to obtain a copy of the original design of our Central Sewer System, aka Large Onsite Sewer System (LOSS). I have made 6 copies of the same. This information is the tip of the iceberg, but it gives us a starting point. The County has hired Fred Cooley, an engineer certified in the design of LOSSs, to inspect our system. They have provided much more detailed information to Dick Volckmann and Fred Cooley. In other words, our Sewer System manual is underway.

The original design of the central sewer system includes a map of the specific lots that were intended to hook-up to the system. This is an essential part of keeping our system operating smoothly, as a single tank that is not properly maintained can spoil the drain field. We must know who is hooked up and that each owner is properly maintaining his or her tanks. Sadly, no one (not the County or Edelweiss) has kept accurate records to show who is hooked up. We are currently conducting an audit of Edelweiss properties to bring our records up to date.

Sewer System update:

Our system is currently in a state of disrepair. At this time, we do not know how serious or how expensive a matter this is. We have goaded the County into replacing one of three lift stations. That project cost roughly \$15,000 and essentially drained most of the County's Edelweiss funds. All indications are that the other two lift stations should also be replaced, but are currently limping along. Unfortunately, the County is rapidly running out of Edelweiss money and our annual fees are not adequate to cover the cost of a single lift station, let alone two. This may mean that we will be subject to an increase in the fee structure.

A public engineer has been hired by the County to inspect our system. His first visit is scheduled for October 1. We will attend, along with representatives from J.A. Wright, with whom we have negotiated a group rate for inspecting and pumping our individual septic tanks. I've spoken with Jim Wright and he has agreed to attend the inspection without charge.

The information that I have been able to gather from the WA State Health Department would indicate that new law requires that old systems meet new standards in the not too distant future. Upgrades will be expensive. At this time there is no source of financial assistance for upgrades needed in order to bring an old system such as ours into compliance with new standards. If such funding were to become available, is it more likely to be available to the OK County DPW or to private operators? It's impossible to say at this time.

Our Sewer Agreement with the County gives us the right to audit their Edelweiss records once a year. To the best of our knowledge, Edelweiss has never exercised this right. Karen Reneau has completed our audit of the OK County Public Works Department (DPW) income and expense records from their Edelweiss accounts for the past 17 years. She designed a spreadsheet (copy attached) to segregate expenses into categories. The worksheet shows the income from fees collected from Edelweiss residents and how that money has been spent or perhaps more accurately, how the County has allocated a portion of their overhead and operating expenses against the Edelweiss account. We believe that this audit reveals beyond a doubt that the County spends an inordinate amount of money on administrative expenses and overhead and that so little of

our fees has been spent to physically operate and maintain our sewer system, it's no wonder that the system is currently in a state of disrepair, if not complete failure.

It is clear that the EMC could manage the sewer system much more efficiently, putting all of our dollars toward operations and maintenance. The question is whether to ask the County Commissioners to release ownership of our system and hire a private company to operate and maintain it or to continue working (more closely) with the County. We don't know yet what we will recommend.

Here are Karen's comments on her findings.

"Pat,

Lori got all the updated information to me yesterday so here is the final spreadsheet. You can forward all of this to the board. Below are my notes after reviewing the data.

Here are a few comments on expenses:

Wages: The County keeps records of employee time spent on Edelweiss administrative and bills accordingly. They keep time sheets for employees who come over to inspect or troubleshoot problems. They have not been consistent in how they have accounted for wages as you can see in the spreadsheet. It is not possible to prove or disprove time spent attending to Edelweiss.

Expenses:

The County bills Edelweiss proportionally for Eden systems, a utility billing and accounting system and also for supplies and maintenance of this system. This is about \$200 - \$400 per year.

Edelweiss pays a proportion of the counties liability insurance, but charges have been inconsistent. Some years Edelweiss was billed \$350, some years \$100 some years nothing.

Edelweiss pays a vehicle "rent" expense every time a county employee drives to the valley to inspect or troubleshoot, but these charges were minimal and not consistent from year to year. It appears that inspections were rarely scheduled in the early years. Between 1991 and 1996 there were no charges for vehicle rent, so one would assume they inspect the system at all during this time. There was a \$100 charge in 1997; zero for 1998 then in 1999 and 2000, it looks like some inspection took place. Then zero again for 2001 and 2002. Beginning in 2003 until the present charges appear consistently. It is amazing that the county spent only \$2,779 for 17+ years. This is very important number because it is so small.

I think our number one priority is to hold the County accountable for the system

and make sure in the next year or two we get everything fixed and upgraded where needed.

It is my hope that we can eventually take the burden of overseeing our community sewer system off the county and contract with a local person to inspect and proactively maintain it. I also believe Edelweiss could manage the homeowner sewer fees more efficiently than the county. It would be additional work for the bookkeeper, but could be combined with billings already being done to become a routine matter after setting it up.

Karen Reneau”

Roads:

Mel Hartwig and Mike McHugh have been very pleased with the results from applying lignin sulfonate for two consecutive years on the Stud Horse Mountain road system. They highly recommend it. Buying it from the local supplier, Cascade Concrete, would make it affordable. Just to be sure that we are getting the best possible product, I have asked for a second bid from a Spokane company called, EnviroTech Services. They have visited Edelweiss to take soil samples from our newly resurfaced roads, and once their lab completes testing, will recommend a surface treatment intended to provide both dust abatement and longevity. Having EnviroTech visit has prompted us to learn more about the product offered by Cascade Concrete, such as the formula for their product, how diluted it is, whether it is calcium based or ammonia based and the advantages of each, etc. I feel satisfied that once we have EnviroTech’s information, we will be able to make an informed choice between the two suppliers. EnviroTech claims that they will guarantee their application of the product and return to make necessary repairs free of charge. Like Cascade Concrete, they will work in conjunction with McHugh to see that the surface treatment is applied immediately after grading and re-surfacing is done. EnviroTech will call back their fleet if rain looks likely and wait for the best possible weather conditions.

Bids process:

I anticipate that over the next year, we will be spending a significant amount of our savings on improving and maintaining our infrastructure. We may well be looking at the largest expenditures since the beginning of Edelweiss.

We are the stewards of Edelweiss finances and as such, I want to be satisfied that we are approaching these projects in a responsible manner. In the Methow Valley, we sometimes have little choice in selecting contractors. Other times, there are companies willing to come to our community from 200 miles away for contract work.

To ensure that we are getting the best value for our investment, I generally feel the need to compare services and products. There has been some indication that others feel satisfied to go with whoever is recommended for a given job. I’d like to invite some discussion on this subject. Should we be satisfied to simply go to the local provider or recommended contractor so long as we are satisfied that they will do an adequate job and their price appears to be reasonable? One alternative would be to require a closed-bid process whenever a job will exceed a certain dollar amount, say \$10,000?

By that I mean that we design a job with exact specifications, publicly announce the opportunity to bid and a date for all interested contractors to participate in a walk-through, and accept bids by a deadline. Once bids are accepted, they are under seal and only Edelweiss management/BOD has access to them. We choose the contractor based on his or her bid. If we decide to use the closed-bid process, I think it would be best if we establish a written procedure for doing so. I would appreciate some discussion on this issue and will abide by whatever the Board decides.

Firewise:

I spent many volunteer hours helping Dick evaluate Edelweiss lots for Firewise clean up, designing and maintaining a spreadsheet, seeing that the Methow Forest Owners Coop (MFOC) had everything they needed in order to get our grant application approved, and getting our initial letter out to lot owners and attending meetings with the MFOC. I've handed the implementation phase off to Dick but remain available for spreadsheet management and communications needs.

Trailblazers:

Their work has cost very little. They have spent very little of the \$400 that we allowed.

Snow grooming:

We appear to have a small group of committed individuals who are willing to help construct a shelter for the groomer equipment and volunteer to spend time grooming this ski season. We'll see how it works out and adjust our plan as needed next year.

Finances:

When I was elected President, we had 2 employees, Linda McWhirter and Dick Volckmann, along with one officer, Steve Cleaves, as signers on our investment accounts. Our investment firm, Dean Rauscher, sent new signature forms, which made it clear that only officers of the corporation were to be designated signers on the accounts. Those officers are now me and Dick Lindblad. In addition, when we need to transfer funds, rather than calling Dean Rauscher and asking them to mail a check, we have arranged for an electronic transfer that may go solely into our EMC checking account with the North Cascades National Bank. Previously, we had absolutely no protection. A check could have been requested to be made out to anyone and sent anywhere in the world. We have also added protection to our checking account with NCNB by purchasing new checks that require 2 signatures. The signers on the checking account are: Pat Leigh, Dick Lindblad, Linda McWhirter, and Dick Volckmann. I would like the Board members to decide if we want to require one employee and one officer, or whether to continue the practice of two employees, Linda McWhirter and Dick Volckmann, signing our checks.

Letterhead:

By using letterhead with our EMC logo, we spend a lot of ink when we print individual letters for mass mailings. I have purchased 500 sheets of letterhead to reduce our costs.

New look for newsletter:

Feedback?

Evaluations:

We are past the one-year mark for our new General Manager and Operations Manager. They, along with Linda McWhirter, deserve to have some feedback through a Board evaluation of their work for

us. Please bring your calendars and be ready to decide on a date when we can work on this together and discuss salary and benefit adjustments.

MANAGER’S REPORT & RECOMMENDATIONS TO THE EDELWEISS BOARD

September 27, 2008

▪ **YURTS AGAIN**

Another request has come from a property owner (Helen and Gerry Evans) about the possibility of building a yurt as a permanent structure on an Edelweiss lot. The Board may have some discussion on this subject; however, my position as Manager, and as the lead on the Architectural Control Committee, is that yurts are glorified tents and as such do not qualify for review as permanent structures. I have emailed the Evans with that opinion.

RECOMMENDATION:

In order that we put the yurt issue to bed once and for all, I have obtained the approval of the majority of the Architectural Control Committee to add the following wording (in red italics) to our architectural guidelines (shown in blue).

“No trailers, mobile homes, tent houses, *yurts or other* temporary structures shall be installed upon any lot in Zone A, except as necessary during active construction, or for temporary recreational use not to exceed 30 consecutive days in any one calendar year.”

▪ **WATER LINE UPGRADE**

As the continuation of a long-range plan for our water system, next season we are planning to install a new 6-inch water main across the upper meadow. This will replace the 4-inch main that exists there now. The increased capacity will assure continued reliable service to the community and will allow the placement of a hydrant in the vicinity of Highland/Crabapple. Mel Hartwig is putting together some preliminary figures on the cost, which I hope to have by the time of our meeting.

▪ **WATER METERS**

I had been under the impression that all water hook-ups in Edelweiss were going to be required by the State of Washington to be metered by the end of 2009. Happily I have found that impression to be unfounded. The actual requirement is that all water hook-ups will have to be metered by the year 2017!

Beginning in July 2009 we will be required by the State to file a report stating how much water we have pumped from our wells minus the amount of water used by consumers. This would give us the amount lost to leakage in the system, (water main breaks, etc.). Of course, because not every one is metered yet and we don’t read the meters anyway, there is absolutely no way to determine the actual ‘usage’. When

I pointed this out to the representative I spoke with at the Health District, he said ‘Estimate it!!!’ So I will.

We will, however, begin a program next spring to locate all existing meters, and, where they are lacking, to have them installed, at homeowner’s expense. Our intent is to install meters that can be read remotely as most meter vaults are difficult at best to access. This means that some existing meters will have to be upgraded or replaced. This program is going to take awhile. We will keep you informed as to the progress.

▪ **NEW LANGUAGE FOR WATER ‘HOOK-UP’ FEES**

Recently we received a request from the owner of lot #306, Tom Lasater, to transfer the fee he paid for water hook-up to a new lot he has purchased - #311. He has been using water on #306 from a frost-free hydrant on lot #306 while camping there. He never received a meter nor was he billed for one. In reviewing our records Linda has found that there is more than one lot that has been hooked to the Edelweiss water main but has not paid a hook-up fee. We find that the wording in our water-use requirements has been to the effect that ‘water hook-up fees must be paid prior to *the beginning of construction.*’ Some of these properties have never begun construction so they were never billed for their hook-up fees!

Because of the vagueness of the language, and because this situation had not arisen in the past, it was decided to return the money originally paid by Mr. Lasater. He has agreed, in turn, to pay a new water use fee at the current rate (an amount greater than that which he paid originally) when he taps in and uses water on his new property. Also, the water meter on lot #306 will be locked until such time as the new owner of the #306 wishes to receive water. He will then be charged a water use fee at the current rate.

RECOMMENDATION:

The new language that will go into effect immediately is:

“Edelweiss water use fees (currently \$3540) must be paid in full and a meter purchased (currently \$180) and installed before water will be made available to any property. A service tap may be made prior to the payment of the water use fee but only with notification to, permission of and supervision by the Manager. If a meter is not installed at the time of the tap-in, the line must be capped until such time as the water use fees are paid and a meter is purchased and installed. No water use will be permitted until water use fees and meter charges are paid.

▪ **SNOWPLOWING**

I am pleased to inform the Board that I have negotiated our snow-plowing contract with Jerry Palm at the same rate as last year. He has agreed to take care of all our snowplowing for \$36,000. This in spite of the great amount of snow we had last year and the increase in fuel costs. Resident’s contribution to snow-plowing costs for the 2008-2009 winter season is at 80%.

This causes me to ask:

Can anyone tell me why EMC is still subsidizing the cost of snow-plowing?

Why are the residents not paying the whole tab?

RECOMMENDATION:

We go immediately to 100% of resident contribution to snowplowing.

▪ **BRANCH CHIPPING**

Because of the increased costs of fuel, and the wear and tear on our equipment, it no longer makes sense for EMC to subsidize the cost of chipping.

RECOMMENDATION:

Beginning with our chipping program in 2009, the cost per hour will go from \$45.00 to \$70.00 with a minimum of \$35.00.

▪ **REAL ESTATE SIGNS**

Although we cannot, to my knowledge, control the placing of real estate 'For Sale' signs on an individual's property, we have been successful in persuading agents to remove 'For Sale' signs from Edelweiss common property (such as those at the end of a road).

▪ **FIREWISE**

We are progressing slowly with our firewise program. Judy Swank, representing the Forest Service, is scheduled to start Monday the 22nd, marking trees on properties that have signed up for the firewise program. After marking the properties and prioritizing them in terms of their importance to the program, we will then be able to send out bids to those logging companies who may wish to participate in the program. We will also be notifying property owners that their trees have been marked, giving them a chance to reverse the markings if they so desire.

▪ **EAST FAWN CREEK ROAD**

Recently I spoke with Arlo Vanderwoude at the US Forest Service with regard to the possible upgrade of East Fawn Creek Road (resurfacing, widening). If you have driven up (or scarier) down that road you know that the road is sorely in need of upgrading. We need to be able to safely use the road, not only for normal access to Edelweiss, but also as an escape route in the event of a forest fire. Arlo has indicated that the Forest Service may be able to help with the road upgrade under a program referred to as their 'legacy roads program'. This program identifies roads which have existed for a long long time and which may have a deleterious erosional effect on the Methow River. Whether East Fawn Creek Road affects the Methow or not, if we can get some upgrade on this road we will be most grateful to the Forest Service.

Arlo also assured me that the Forest Service intends to do some major clean-up of the blow-down tangle of trees at the bottom of East Fawn Creek Road, extending that clean-up up the gulley from the bottom. This will remove a major fire hazard in that area. Along with that clean-up there is the intent to log a part of that slope up toward Edelweiss. This is in the inception stage and I will keep you informed as I learn more of their plans.

▪ **GARBAGE**

We have successfully made the switch from garbage cans for the full-time residents to four shiny new dumpsters. Most homeowners are happy with the new program, and the garbage guys are ecstatic (actually, I've never seen an ecstatic garbage guy). It's just making it easier on everyone.

BUT: There exist those folk who now seem to think that the dumpsters are a substitute for the transfer station. Craig and I go through the dumpsters (a messy job, but someone has to do it). We find old ice coolers and cardboard boxes full of junk. Last week I found a drywall pail half full of hardened dry wall paste, a plastic bag full of bricks, sticks, plywood, etc. In the part-timers dumpsters this last week I found lots of gift boxes.

The dumpsters are intended to be used in the same fashion as the garbage cans were used - - for household garbage. And, we are charged by volume - not weight, so an empty cardboard box costs just as much as an anvil. (But don't throw anvils in there either.) There are adequate dumpsters to serve the household needs of everyone, but if folks keep throwing away items that should be going to the transfer station, we may need more dumpsters that will drive up the cost to everyone. If you see someone abusing the system and feel uncomfortable with confronting the individual, let me know. I'll deal with it.

▪ **DUST CONTROL**

We have had a look at the dust treatment that has been applied to the road surface on Studhorse Mountain. The road has received a treatment of lignin sulphonate once a year for the past two years, and is in remarkably good shape for this time of year. The surface is quite hard, with very little dust flying up when driving on it. The road gets a good measure of construction traffic, trucks with horse trailers, etc. Because of the effectiveness of lignin on Studhorse, it is recommended that we apply this material to Highland and Homestead Roads.

I know we have discussed the lignin issue in the past, and have more or less dismissed the idea, however now that we have done the upgrade of Highland and Homestead, Mel Hartwig, our consulting engineer, feels that those roads are in the shape necessary to accept the lignin application. He estimates that to apply lignin to the upgraded 6000 feet of Highland and Homestead should cost approximately \$10,000 for the first year, and approximately \$7000 to \$8000 for the succeeding years. These figures include the cost of the material and the necessary grading, watering, compacting, etc.

Also, Pat has been talking to a company in Spokane, Envirotech, which is apparently expert in dust control. Pat should have some information about process and their costs by the time of our meeting.

We know we can do this job for about \$10,000. I feel that we can accomplish this in our budget without the need for a resident vote or for an assessment. The amount we have saved so far on snowplowing alone will pay for it.

▪ **POOL ISSUES**

1- We were cautioned twice this last summer by Mike Haar, an inspector from the Health Department, for having an inadequate chemical balance in the swimming pool. The problem turned out to stem from our testing device, which was not as accurate as the device that Mr. Haar was using. We have since ordered a testing device identical to his for next year's testing.

2- We are still battling the problem of our main pool drain. The State has mandated that all public pools have two main drains, to alleviate the possibility of a child being trapped by the suction of a single drain. Our pool has no drain at all, the original drain having been plugged with concrete by some unknown previous manager. The State is now saying that because we have no drain in the bottom of the pool, the water can become stagnant. Our response is to say that all it takes is one kid in the pool for about 3 minutes to stir up the water! Not to mention that it is vacuumed from the bottom up every morning. Mike Haar is on our side, however, and is trying to find a way to keep us from having to dig up the entire pool.

▪ **CAMPGROUND BUILDING**

The building that used to be called the sod hut is now the 'campground building' due to the lack of sod. The insulation sheets are scheduled to be installed next week, the overhang has been cut back, the large berm around the building is gone, and work is progressing well. It will be buttoned up before winter. Incidentally, there is a considerable amount of dirt from the berm and from the roof which will make passable top soil with the removal of a few rocks. We have stored it behind the garage in a large pile. If you want some help yourself.

▪ **ILLEGAL RENTALS**

We have discovered the existence of yet another illegal nightly rental here in Edelweiss. We now have a list from the Planning Department of all the homes that are grandfathered for nightly rental. It is my intent to discover the ones which are flying under the radar, ask them to desist, notify the rental agents, and if they continue with nightly rentals, we will inform the Okanogan County Planning Commission.

I am concerned that even the authorized nightly rentals represent a substantial liability to Edelweiss. If a renter gets hurt in the pool, on one of our roads, or anywhere else in Edelweiss, I think we have considerable exposure

In addition, in past years, Edelweiss Management has been plagued with renters who are lost, stuck in the snow because they showed up in a two-wheel drive vehicle in winter, got locked out, etc. I intend to make it very clear to owners and managers of rental units that EMC Management accepts no responsibility for renters, legal or not.

RECOMMENDATION:

[Edelweiss needs to consider language that can help protect the community in the event of a nightly renter accident.](#)

Respectfully submitted by:
Richard P. Volckmann