

Shangri-La Shores Board Meeting

Meeting minutes for the Board of Trustees Meeting

on

February 5, 2022 at 8:30 am

via Zoom

– Virtual meeting –

Board Members: Brian Pulk, Duane Smith, Ron Roberts, Dave Heron, Billie Alcott, Lois Craig, Beth Binger

Also present: Randal Nollan, Amy Shatzkin

The meeting was called to order at 8:30 am by Lois, who also shared working guidelines for meeting protocol.

1) **Approval of Minutes:** October 23, 2021 meeting

Motion for approval provided by Duane.

Motion seconded by Billie.

Motion carried.

2) **Treasurer's Report**

A. **Accounts Receivable Status**

Brian shared that it was a heavy spending year, and the board did exceed its budget. Several expenses included:

- Signs
- Road Sealant
- Buoy
- New well project
- Gate at the top of the access road
- Beach repair

He also noted that the taxes need to be completed, and that the status of receivables is good.

B. **Special Assessment Discussion (tied to second well needs)**

Assessments are due on February 15, and King Water will be collecting them. The March report will indicate who is in the rears for dues.

Additionally, a \$700 assessment is due at the end of June, and the bill comes out in April with the King Water invoice. Lois asked about non-profit status. It was noted that we would still need to pay interest on the investment. Ron noted that he had not received his assessment notice due to the mail slowdown.

4) Water Systems Report

A. Water System Report

Duane reported that everything is working great with the water, which is fortunate due to the snow and cold.

B. Second Well Update

Randal Nollan wrote a letter to Lois about his displeasure regarding the well decision execution. Lois noted that the by-law documents have a section for governing the water system in Article 16, Section 1.

Brian offered that the State requires the Board of Trustees are responsible and accountable for any homeowner owned water system. It is a requirement by the Department of Health that the Board makes decisions for their water system and those decisions do not go out to vote of the community.

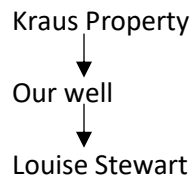
Randal questioned why there was only one estimate, rather than three for the consultants under contract.

Brian said that our current consultants were recommended by the County and have worked with other local HOAs. For drilling, we will get other estimates.

Water intrusion is also a concern for Randal. He questions why we are drilling the well where we are.

Tom reported that the closest well where we want to drill is by Loise Stewart's well. The County does have data on her well, and he doesn't believe there is a saltwater intrusion. Tom offered to send Randal an email with a link to the Island County website to review the saltwater intrusion status on various wells.

Tom reported that the chosen location offers the least risk. He also reported that a consulting engineer has been reluctant to offer variance. They want us to get a "restricted convenance." Our proposal for the new well is on a slope, which will offer low risk. The flow of the slope is:



Lois asked if contamination would be at surface level, or below?

The Department of Health has a required 100 foot sanitary control district around all wells.

Also, if we have an easement, do we need a restrictive conveyance? Tom tried to get this clarification. The Department of Health wants a restrictive conveyance and a 100-foot radius. Island County agreed that we need a restrictive conveyance.

Brian reached out to Louise Stewart and she was not responsive or cooperative. One possible outcome is that we don't get a conveyance. We want to build a 60-person well, and Louise Stewart has a 2-person well.

The Krauses would benefit. They have a 12-acre property to the west of the easement. We could increase the value of their property, as the Krause property is undeveloped.

Lois asked about the difference between a variance and restrictive conveyance.

Tom reported that the State requires a 100-foot radius around the well with no animals or potential contamination that might put that well at risk. If there needs to be a change to that 100 foot radius, the state requires a **variance**.

A **restrictive conveyance** is another State requirement. This document is registered with the county stating as the owner you will honor that legal requirement of 100 feet sanitary zone.

We need a restrictive conveyance from the Krauses and Louise Stewart. Ron noted that if we are within her sanitary control area, we should be covered. Tom noted that the County takes a conservative stance, and they want a document for every well in the county. Louise Stewart could one day move her well and eliminate her restricted conveyance.

Brian said that we might not have a site, as we won't be able to receive a restricted conveyance from Louise Stewart. Tom confirmed that the Krause property is a better location if we can invest in road construction. However, that has not been part of the timeline estimate and would increase the expenses.

Lois also asked if Louise should be concerned about her well drying up. Tom responded that we have the water right which the state regulates, and that right has so have so many gallons per year. The limit is determined by what the aquifer will bear.

Beth asked where the Krauses are? The response was Mesa, AZ. Brian got an address from the County Assessor's office and has sent them a letter outlining the second well proposal. He has not heard back from them.

Duane commended Tom and Brian, and told them they did a great job!

5) Dock & Common Area Report

A. Update on Pier Gate

Ron reported on the gate estimate. He reported that the gate is \$2,000 more than the earlier estimate for a gate on the pier that was received almost two years ago. The gate is over \$5,000, so Brian noted that it must go to the annual meeting or a special meeting. Lois recommended a special meeting. Ron also liked the special meeting idea. Duane recommended having a special meeting in March for the gate.

Board president (Lois) can call a special meeting for a proposal to spend money on the gate. The majority approved by those present.

Actions: Lois will propose a special meeting on March 3 at 6:30pm to discuss the gate. Lois and Ron will draft a letter.

6) New & Old Business

B. Short-Term Rental Future and Next Steps

Beth gave presentation on how other municipalities are handling short-term rentals, and best practices.

Amy commented that Island County is waiting for the cities to manage their own short-term rental policies. Langley is limiting the number of rentals.

It was also noted that home pricing was less in areas where you cannot host short-term rentals.

The issue of dock safety was brought up. Amy agreed that safety is a concern. She also is curious about the rules surrounding ADUs (Accessory Dwelling Units) , since she has a double lot. She noted that the County is revising the ADU regulations.

Duane, who is on the committee, noted that the by-laws state we are zoned as a single-family unit and that there can be only one unit per property.

There are currently six (6) short term rentals, and 53 structures.

Beth recruited members Amy, Ron, and Duane for the Short-Term Rental Committee who were in attendance at this meeting.

C. Revise Welcome/Information Packet

Agenda item tabled for now.

D. Pruning the Chestnut Tree in the Community Park

The chestnut tree is growing taller and restricting property views. An arborist came on June 12, 2021, and noted that the tree was healthy. He suggested applying mulch around the tree. One option is to raise the crown, to make the tree slenderer. It is dormant during the summer. It would cost \$1,200 to \$1,500 to prune the tree to enhance views for some residents. Brian noted that we didn't see a compelling reason to trim the tree.

David said the issue is dead.

Brian brought up the issue of dog noise as a nuisance. Dave shared this issue is being addressed by the parties involved before any action by the Board is needed. Lois also shared the email she got from a community member about three large dogs running unattended on the upper circle entrance. Lois will check into possible dog owners.

E. Set up Next Meetings

Next meetings will be:

- Saturday, April 9, 2022
- Saturday May 21, 2022 (annual meeting)
- July 2022

Lois proposed the motion to adjourn the meeting.

Duane and Brian seconded the motion to adjourn.

The meeting was adjourned at 10:30 am.

Secretary
Beth Binger
On behalf of the SLS Board of Trustees