

CANTERWOOD STEP SYSTEM ASSOCIATION

Minutes of Meeting of the Board of Directors

Date: December 12, 2023

Board Members Present: Ken Sadoian, Dan Lott, Rich Richardson, Joe Tellez

Absent: Jack Quigg

Summary of pre-meeting with Greg Parker, President of Canterwood Development Company and Canterwood Commercial to discuss areas of mutual interests and responsibilities between these entities and the Canterwood STEP System Association.

- Canterwood Development Company (CDC) now only owns a small amount of property in and around Canterwood. One is a parcel just outside the Baker Gate on the left side of the street.
- Canterwood Commercial still owns 5+ acres between the power lines and Canterwood Blvd adjacent to Baker Way across from the commercial building on the corner of Baker Way and Canterwood Blvd.
- Discussed the responsibility for the common sewer piping that runs from our vault area to Canterwood Blvd.
 - Property under the power lines is owned by Tacoma Power & Light. There is an easement for the sewer line that runs under this property. **Need to find out who owns the property from there to Canterwood Blvd. Also, who owns the property where our vault and meter are located?**
 - Does the responsibility for the sewer piping lie with the entities that use this system to discharge their sewage to the City for processing or the landowner?
 - The entities are:
 - Canterwood STEP Divisions 4-11 & 14
 - Canterwood Division 12 STEP
 - Canterwood Division 11B homes (Rush homes just inside the Baker Gate)
 - Canterwood Division 11C homes (Garrett homes that border on Baker way)
 - Commercial building at the corner of Baker Way and Canterwood Blvd
 - **Mr. Sadoian to discuss the above questions with Eva Hill and Lynn Singleton (Division 12 President)**
 - Mr. Parker handed us a bill from Tacoma Power (for \$208) for use of their property for the sewer line that runs under it. Canterwood Development has paid for this in the past, but Mr. Parker says he doesn't believe it is their responsibility any longer. Not sure it's the STEP System's responsibility

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either as we don't own the line and are not the only entity that uses it. **This issue needs further clarification & review.**

- Mr. Parker wants to clear out the office in the commercial building where our STEP files are stored. **We agreed that we would go through and clear out the relevant STEP material by the end of January 2024.**

The official meeting was called to order by Board President Ken Sadoian at about 2:35 PM

Additions to the Agenda: None

Approval of 11/7/23 Board Meeting Minutes:

- The minutes were approved as submitted.

Financials:

- Reviewed the first 5 pages of the STEP System monthly financials for October 2023 (note that this is the public portion of the monthly financials, which are also posted on the STEP System website).
- **Treasurer's Report:**
 - The financials for October 2023 were reviewed and approved by the Board. It was noted that we are under budget so far this year for City charges for sewer service by about \$6600 and for total expenses of just over \$14,000.
- **2024 Budget:**
 - The 2024 Budget will be considered in January/February of 2024 at which time another fee increase will be considered if necessary to balance the budget for 2024 and to possibly have a planned contribution to the Reserve Account each billing cycle. There will be no increase in sewer rates by the City of Gig Harbor for 2024 (confirmed in telephone call to the City Utilities Dept on December 7, 2023).
- **Reserve Account:**
 - Reserve study to be performed in 2024 to determine the adequacy of our current reserve account balance.
- **Delinquent Accounts:**
 - Wahlers – No update since our last Board meeting. Will request an update from Mr. Alexander
 - US Bank - No update since our last Board meeting. Will request an update from Mr. Alexander if there is any hope of collecting the STEP fees they did not pay while they owned the former Wahlers residence.
 - Other Delinquent Accounts – have requested that Mr. Alexander file liens against any accounts that owe \$1000 or more if he has not already done so. There are currently two accounts in this category.

- The Board agreed to take a more aggressive approach on all delinquent accounts to try to prevent them getting out of hand. As a reference the current policy is reviewed below as provide by Kalles:
 - A late fee of \$25 is assessed after the account is one month (30 days) in arrears.
 - If the account is still in arrears after the second month another late fee is applied, and a notice sent to the homeowner.
 - If the account continues not to be made current the late fee will continue to be applied each month until the account is paid in full.
 - The collections attorney does not get involved until directed so by the STEP Board
- A revised more aggressive policy will be discussed at the next Board meeting after the first of the year.

Administrative:

- **Rate Increase for 2024:** to be considered during preparation of 2024 budget after the first of the year.
- **Board Elections:** to be scheduled after the first of the year in conjunction with Kalles and the Canterwood HOA.
- **Annual Meeting:** the necessity of holding an Annual Meeting in 2024 will be decided after the first of the year.

Operations/Maintenance:

- Aerator Replacement including New Lid
 - David Kopchynski of Water Works Engineers has agreed to review our current design and work with us to come up with a revised design that will be compatible with grinder pumps in the system.

Other Business:

- **Annexation/John Morrison:** no updates to report.
- **Investigate Combining with Division 12 STEP:** no updates to report.

Next Meeting: TBD depending on conference room availability.

The meeting was adjourned at approximately 3:20 PM

Approved: Ken Aslar, President

Date: 1/16/24