

CANTERWOOD STEP SYSTEM ASSOCIATION

Minutes of Meeting of the Board of Directors

Date: January 16, 2024

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

The meeting was called to order by Board President Ken Sadoian at 2:05 PM

Additions to the Proposed Agenda:

- None, but for future leave off item concerning Annexation until there is something to update.

Approval of 12/12/23 Board Meeting Minutes:

- The minutes were approved as submitted.

Financials:

- Reviewed the first 7 pages of the STEP System monthly financials for November & December 2023 (note that this is the public portion of the monthly financials, which are also posted on the STEP System website). It was noted that we need to check Item #4205 (Interest on operating & Reserve Accounts) for consistency on the different tables). **Mr. Sadoian to follow-up with Kalles**
- **Treasurer's Report:**
 - The financials for November & December 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 of about \$9800 and for total expenses of about \$19,500.
- **2024 Budget:**
 - The 2024 Budget will be considered at the February meeting at which time another fee increase with potential timing 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. As noted at the last meeting there will be no increase in City sewer rates for 2024.
- **Reserve Account:**
 - Reserve study to be performed in 2024 to determine the adequacy of our current reserve account balance.
- **Delinquent Accounts:**
 - Wahlers – per email from Mr. Alexander: Wahlers are to provide certain information and attorney fees by 2/1/24. If not received Mr. Alexander will schedule another hearing.

- HPA Borrower 2017 – this home was purchased in October 2021 (from HPA Borrower) but Kalles was not notified of the sale through escrow and as a result no STEP payments have been made since then. The Board decided to start their STEP payments as soon as they are notified that they belong to STEP and to waive all past due fees since this was not their fault.
- Other Delinquent Accounts – Mr. Alexander will file liens against any accounts that owe \$1000 or more if he has not already done so. **Will instruct Kalles to notify Mr. Alexander when delinquent accounts reach this threshold.**
- The Board agreed to take a more aggressive approach on all delinquent accounts to try to prevent them getting out of hand.
- A revised more aggressive collections policy is to be instituted as outlined below and to be approved at the next meeting:
 - At 30 days late assess \$25 late fee and issue first delinquent notice letter.
 - At 60 days late assess additional \$25 late fee and issue second delinquent notice letter.
 - At 90 days late assess additional \$25 late fee and have attorney write letter.
 - At 120 days late assess additional \$25 late fee and have attorney file lien against the property.

Administrative:

- **Board Elections:** to be during first quarter of 2024 in conjunction with Kalles and the Canterwood HOA.
- **Annual Meeting:** the necessity of holding an Annual Meeting this year will be decided later in the year,

Operations/Maintenance:

- **Aerator Replacement Including New Lid:**
 - Need to get update from David Kopchynski of Water Works Engineers.
- **Common Sewer Line Ownership and Maintenance Responsibility:**
 - The property owner where the common line is located leaving the vault area is apparently Canterwood Development Corporation
 - Tacoma Power owns the property under the power lines (STEP or Canterwood Development has a license or easement agreement to cross the TPU right of way with the sewer line). **We need to locate this agreement.**
 - Canterwood Commercial owns the property that the sewer line is on from the TPU right of way to Canterwood Blvd where it joins the City sewer line.

Other Business:

- **Updating of STEP System Drawings:**

- Will work with Eva Hill to determine what if anything needs updating. We do know that the overall utility plot diagram needs to be updated.
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Next Meeting: TBD depending on conference room availability.

The meeting was adjourned at approximately 3:00 PM

Approved: *Ken Berlin, President*

Date: *2/20/24*