

Cole Point Association Special Membership Meeting

Saturday, January 31, 2026, 11:00 am

Martha Smith Room / Riveria
Community Club



Welcome to
the special
membership
meeting.





Meeting Agenda

A lot to go over today.

15 meetings last 5 months.

Post Meeting Minutes Nov.
Dec. Jan.

Copy of Slide show.

- **Board Updates and Introductions**
- **CPA Association History Highlights**
- **Current Board Initiatives & Future Vision**
- **System Audits and Results**
- **Financial Report**
- **New and Future Policies and Guidance**
- **NRWA Loan Status & Update**
- **Small Water System Plan**
 - ✓ Planning
 - ✓ Engineering
 - ✓ Construction
- **Water Policies**
 - ✓ Shared Infrastructure (Association)
 - ✓ Private Service Lines
- **Cole Point Drive & Cole Point Drive Heights Drive**
- **Question and Answer Session**
- **Closing Remarks & Adjournment**

Board Updates



Meet the Board 2025-2026



NANCY KVINGE
PRESIDENT



VACANCY



MIKE CARVER
TREASURER



BILL PETSCHL
SECRETARY



KEKOA ANDERSON
MEMBER AT LARGE

Association History Highlights

The more we understand our history, and what we are building upon the more we **appreciate the challenges and achievements of the prior Boards, and the better we can serve our community.**



• **Harold Kooley**

- In November of 1976, Harold Kooley was issued a Certificate of Water Right for a ground water well (well #1) that was completed in 1977 (Cole Point Heights HOA area).
- **Also in 1977, he recorded Protective Covenants, conditions, and Restrictions for the Cole Point Heights development that said the 29 lots in the subdivision may not have private water wells and must obtain water from Kooley's newly established private community water system.**
- In 1986, Kooley was issued a second Certificate of Water Right for Well #1 which allowed for additional service connections (41) and annual withdrawal volume (Waterfront Lots area).
- **Harold and his family did all the work to maintain the roads and water system.**
- When Harold died in 2005, his estate transferred ownership to the newly created CPA in May 2006.



Cole Point Association

- 2006 Chuck Granoski writes Bylaws & Incorporation Documents for Cole Point Association.
- **2006 Cole Point Heights HOA had lapsed, so Chuck also reincorporated the HOA and became their first President.**
- The well was nearly 30 years old at that time.
- **Cole Point Heights is an HOA inside the boundaries of the larger Cole Point Association, which is not an HOA. A significant difference between an HOA and an Association is an HOA has Covenants, Conditions and Restrictions (CCR's) and Associations do not.**
- After Harold's death, the responsibility for maintenance transferred to the association which began charging road maintenance fees and charging water fees of approximately from \$35.00- \$45.00 per month on the unmetered system.
- **Initially, billing was handled manually by the first volunteer treasurer.**
- Later, the association paid an outside bookkeeper who performed the accounting on a desktop version of QuickBooks.



Rich Young
Tenure as
CPA
President

- **Infrastructure shows signs of issues and aging.**
- Rich Young expresses concern over water quality.
- **Decision to hire/ pay Washington Water to manage our water system.**
- In 2012, water quality monitoring revealed saltwater intrusion.
- **2012 DOH decreased the number of connections from 41 to the 28 we currently have.**



John Saatela
Tenure as
CPA
President

- **In 2015 CPA became legally required to start metering.**
- **In 2016, the Board changed the Water Rates from a flat rate of \$45.00 per month to \$26.75 plus usage.**
- In 2017, the board changed Water Management company to NW Water Systems.
- **In May 2019 Well #2 drilling was completed but not approved for use until 2023.**
- Also, in 2019 the board was working with the DOH and NW Water to determine the next steps to get authorization to restore all 41 of the originally approved hookups.
- **In 2021, the Board applied for and receive approval for a USDA Grant to hire an engineering company to develop a Small Water System Management Plan (SWSMP).**
- In 2021 they Hired Gray & Osborne to write our SWSMP.
- **Also in 2021, the board updated the accounting system. Treasurer, Mike Carver, began doing the billing and financials on QuickBooks 2018 .**
- His volunteerism for the last 5 years has saved **the association** approximately \$15,000.00



Lora Davis
tenure as
CPA
President

- 2022 DOH & DOE approve the SWSMP.
- **As stated in the approval letter from the DOH, The community and DOH are currently working toward source approval for Well #2; when that process is complete, the system will regain approval for the original 41 connections.**
- When E.coli was discovered in well #1 at the beginning of 2023, it was no longer compliant for use. The DOH approved the use of Well #2 right away, and once again we were back to one, insufficient Well, so we couldn't add back the 13 connections.
- The board investigated a lining for well #1 and water from the Riviera.
- **As stated earlier:**
 - ✓ **Website**
 - ✓ **Water Conservation Plan as required by the DOH**
 - ✓ **The Board also completed the new main water infrastructure**



Last Sept, the current board talked about our vision:

- Work on funding: We have solutions but no money – Oct. 2nd applied for NRWA Loan.
- **Expand community input, suggestions, knowledge of needs, & greater access to information.**
- Much of what you will hear today should demonstrate how we want to interact with this community.
- **The care, maintenance, and long-term planning of our infrastructure.**
- Establishing collective internal oversight of all systems including CPA financial health – *which requires more communication within the Board.*
- **Ensure full compliance with all government and environmental regulations.**
- Research legal written guidance and Review/Update old policies and write new policies.

Current Board Initiatives & Future Vision

System Audits and Results

- Every new board member brings new eyes.
- Business and Government Compliance.
- It really takes a dedicated group of volunteers to work together and vote on solutions.
- Sometimes outside consultants are also necessary.



Compliance Audit Results: Two Administrative Oversights

- **IRS Administrative Oversight**
 - ✓ Tax filing inquiry.
 - ✓ **No 990-tax filing for since 2020.**
 - ✓ **Revocation of Non-Profit Status – May 15, 2024.**
 - ✓ **Concerning. Attorney – CPA.**
 - ✓ **Common for rural volunteer boards.**
 - ✓ Board member transition – Covid.
 - ✓ **Legal corporation – no grants, taxable, fewer legal protections.**
 - ✓ **Straight forward to bring us into compliance.**
 - ✓ **Corrective Action: Hire a CPA to represent us before the IRS .**
 - ✓ **Status - in process.**
- **Banking Administrative Oversight**
 - ✓ **Former board member still signer on bank account.**
 - ✓ **Happened the same time as the IRS Filings.**
 - ✓ **Corrective Action: All Board members immediately went to the bank with a written motion passing the removal of the prior board member and adding our secretary.**
 - ✓ **Status – Completed.**

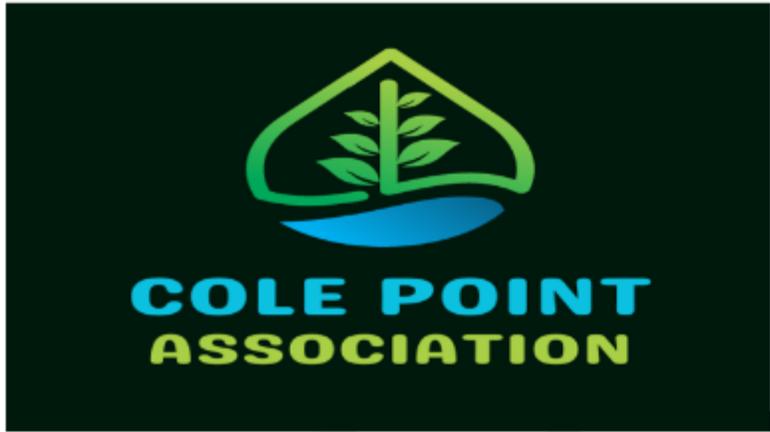
Preventative Measures



- **Every Legal non-compliance needs a corrective action (fixing the immediate issue) and a preventive measure (stop it from happening again).**

These are our preventive measures:

- CPA Board of Directors Handbook: move from a mostly oral to written succession plan for transfer of knowledge.
- **Transition Document to use for every time there is a board member change.**
- Historical Data Documents in Google Documents – add and update documents.
- **Company Information Document - update board information page.**



COLE POINT
ASSOCIATION BOARD
OF DIRECTORS
HANDBOOK

*Guiding effective governance and board member
responsibilities*

CPA Board
of Directors
Handbook

Handbook Table of Contents

double-click to hide white space

v.1 - 2026

Table of Contents

1. Cover

2. Table of Contents

3. Transition Document

4. Mission and Vision Statements: An overview of the organization's mission, vision, and core values to provide context for board members.

5. Service Area: Map

6. Association History

10. **Succession Planning:** **The handbook is a written** document that passes on knowledge to ensure the Cole Point Association can continue to operate smoothly and effectively, especially during times of transition or disruption.

11. **Board Members Contact Information:** A directory and Board members, and key contacts within the organization.

12. **Historical Documents:** Archived meeting minutes, annual reports, and other historical documents that provide context and continuity.

13. Organizational Structure: Information about the organization's structure, including its bylaws, articles of incorporation, and governance structure

14. Board Roles and Responsibilities: A clear description of the duties, expectations, and responsibilities of board members, including their fiduciary duties.

15. Board Meeting Procedures: Guidelines for scheduling, preparing for, and conducting board meetings, including agendas, minutes, and meeting protocols.

Board of Directors Transition Document



Cole Point Association Board of Directors Transition Document

Any Time a Director Leaves the Board, a New Director Joins the Board, or at Least Once Per Year in January, this Document Must be Reviewed

1. Does this change in directors affect our **authorized bank signers**?
2. Does this change in directors affect who is responsible for **filing our IRS 990's**?
3. **Does this change in directors affect who is responsible for filing IRS 1099's & getting forms W-9? 1099-NET must be filed by January 31, one month after calendar year end. See Google docs for more information.**
4. Does this change in directors affect who is responsible for filing our **SAM.gov Registration**. **Current expiration date is May 13, 2026, which must be updated every year. Info is available on Co Info doc and google drive file.**
5. Any change in directors must be filed with the **Washington Secretary of State and annually before April 30th**. Information available in Google Drive.
6. Is the insurance up to date? Currently good through April 18, 2026.
7. Any change in directors requires a **website update, Google Docs Company info page update, and Director Contact Information page update.**
8. Any new director must receive a copy of the **Cole Point Directors Handbook.**

Historical Document Files – Google Drive



Company Information Document

Comercial Plumber (off island)	We hired these folks to fix the large leak at the well house last year. They did a professional and quality job. Good for a large pipe leak beyond the ability of those listed above.
Bank	Key Bank: <i>Current Signatories Raymond Carver & Willam Petschl</i>
Gray & Osborne	
QuickBooks Backup	
DOH Engineer	

	Cole Point Association - Company Information
Riviera Community Club 11016 Country Club Dr., Anderson Island, WA 98303	
Company ID numbers	
Established	
Pump house	
CPA ID#	
Federal TIN	<i>IRS Form 990 is due each year by March 31st - See Google Docs Drive for Information</i>
WA TIN	<i>Washington Secretary of State Annual Reporting due before April 30th each year -info is in Google Docs Drive</i>
DUNS number	

Communication, Transparency & Trust Audit Results: Improvement Needed

Feedback from the community tells us we need greater communication and transparency.

Transparency and effective communication garners trust.





Strengthening Board- Member Relations

Effective Communication

Clear, ongoing communication to keep members informed and involved in the Association, promoting engagement and stronger community.

Working on open Board meetings for members.

Transparency In Decision-Making

Open decision processes to build credibility and increase member participation.

Share financial statements quarterly.

Cultivating Trust

Consistent updates, honest dialogue, and openness about challenges foster trust and a unified, supportive community.

Accounting Audit results: System Upgrade Needed

- First off, we all owe Mike a dept of gratitude for taking sole responsibility for our accounting system over the last 5 years.
- He greatly improved our accounting system. It has been a great deal of work, and he generously saved us a lot of money.
- QuickBooks Desktop was discontinued sooner than they previously stated and is no longer supported nor are they providing security updates anymore.
- System Upgrade from QuickBooks Desktop 2018 to QuickBooks Essential Online

The good news is that QuickBooks Essential offers enhanced financial transparency and accountability including:

- Enhanced security.
- A robust audit trail with full transaction details and transparency
- Improved efficiency and accuracy
- Additional Payment options like credit cards
- Beginning and ending balances on invoices
- Turnkey solution for Board director changes where a new director or outside accountant could step right in for continuity with a clear system to follow.

Financial Report: CPA - Profit & Loss Y/E 2025



- **Current financial statements comments/ categories.**
- **I'll be sending financial statements quarterly in March, June, September & December.**
- **Comments on aging.**
- **Importance of paying on time.**
- **SAP monthly interest payments on outstanding balance.**
- **Feel free contact me for any financial questions.**

New & Future Policies and Guidance

- **Current Drafts:**

- ✓ History Document
- ✓ Road Rules revision
- ✓ Water Standard Rules and Fees Revision – First Rate increase in 10 years
- ✓ Cole Point Association Water System Equitable Guidance Document

New & Future Policies and Guidance

- **Upcoming Plans and Policies**

- ✓ Finish Handbook and transition document.
- ✓ **Upcoming Special meeting for Connection Policy's in 2-3 months.**
 - ✓ Equitable Fees Document Guidance.
- ✓ **Written Planned Maintenance Schedule.**
- ✓ **Open board meetings quarterly.**
- ✓ **Bylaws review.**

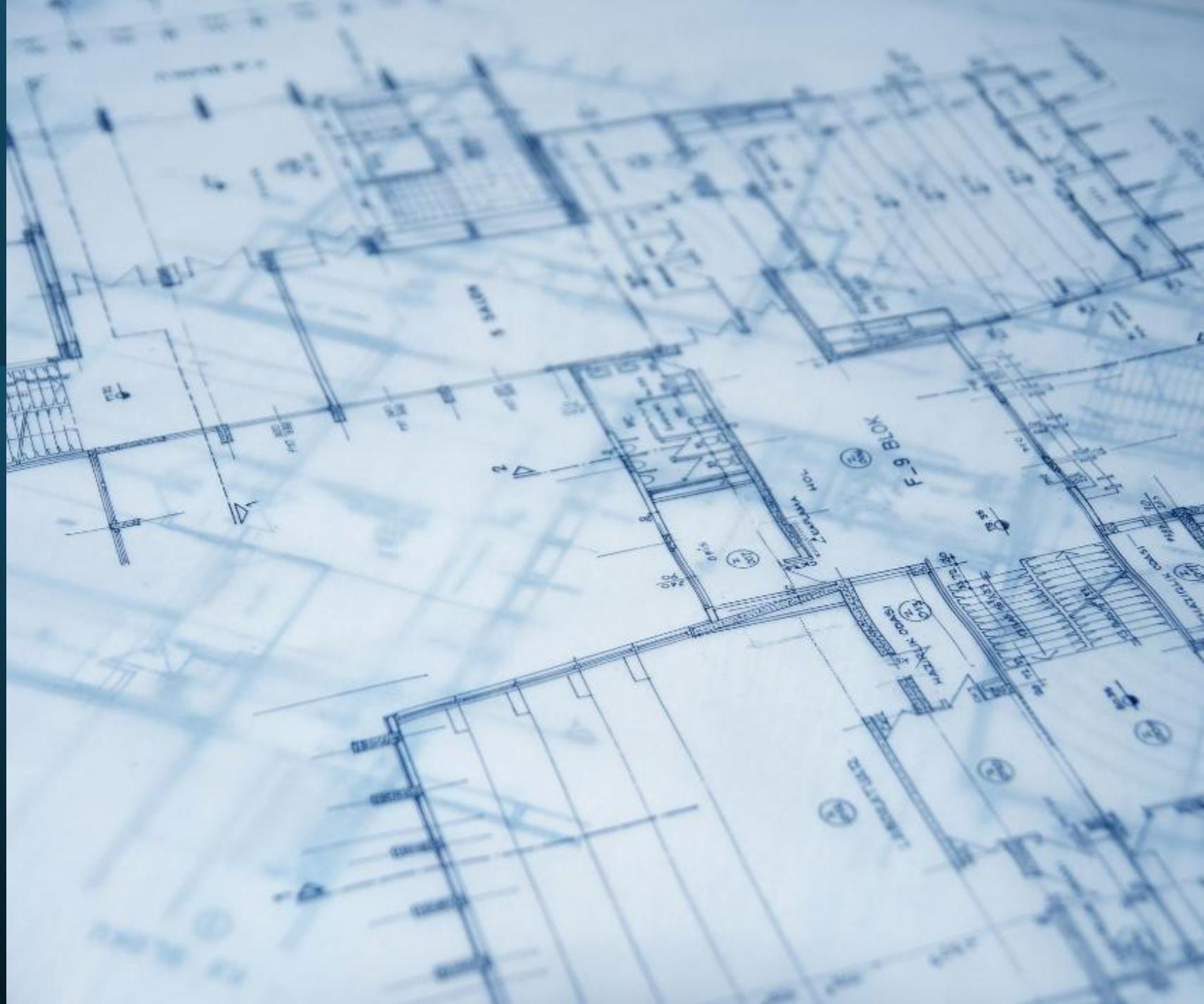
NRWA Loan Application Status

- Applied Oct 2nd, 2025.
- **Status: Pending approval.**
- Funds are needed to pay off a \$53,615 debt to SAP. This would be a \$900.00 assessment to avoid CPA monthly interest payments of \$536.00 per month, and would hold us over until we either get the loan or have another assessment. The debt is largely attributed to cost overruns as well as assessment delinquencies.
- **Continue waiting for the approval on the loan to:**
 - ✓ **Put well #1 into service including connect to main.**
 - ✓ **12 months of E.coli free testing to add 13 new connections.**
- Any leftover funds would go to the storage tank / filtration.
- **If we are not approved for the loan, we will need another assessment to be able to put well #1 into service.**

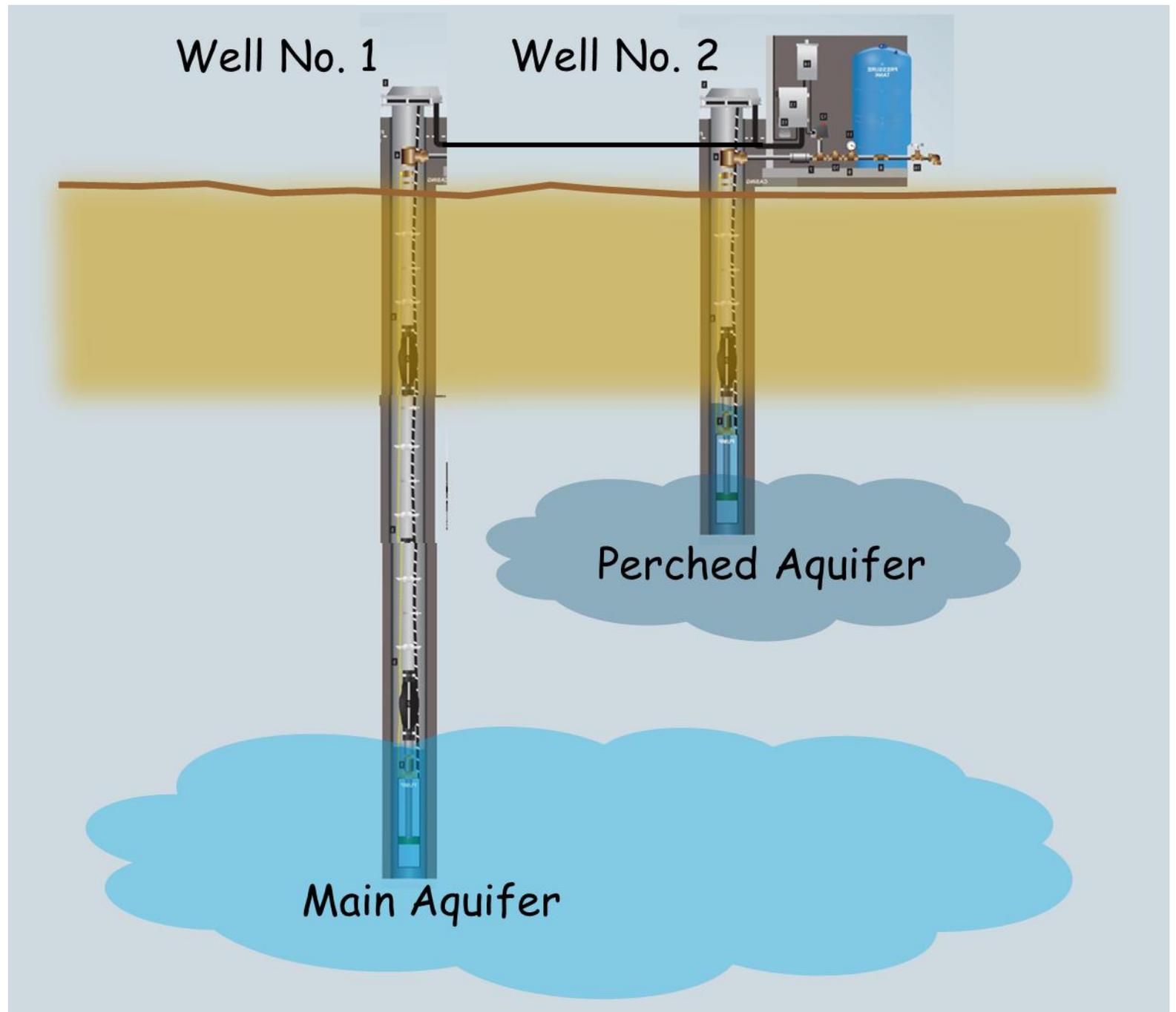


Water System

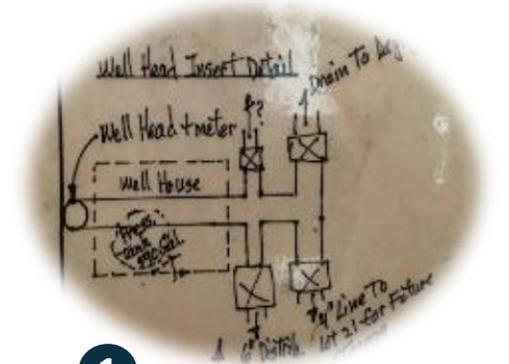
Planning
Engineering
Construction



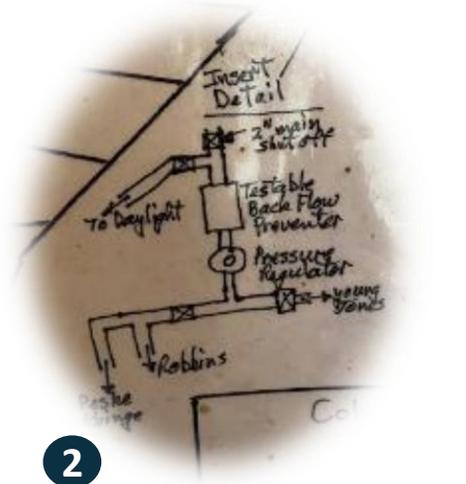
Existing Water Sources



Existing Water System



1



2

We are transforming from this 1970's existing water system



Existing Water System



Existing System has served it useful life and pending retirement sooner than later. The Association has been nickel and dimed for years with costly repairs and fine tuning for ultimately a throw aways system.

Examples of these include (but not limited to):

- ✓ Replacement Parts - Hard to get/Not available
- ✓ Does not meet current standards
 - Confined Space
 - Electrical System (Current Code & Expansion Options)
- ✓ Pump Types & Efficiency



New Water System

COLE POINT ASSOCIATION
PERCE COUNTY WASHINGTON

2022 WATERLINE REPLACEMENT

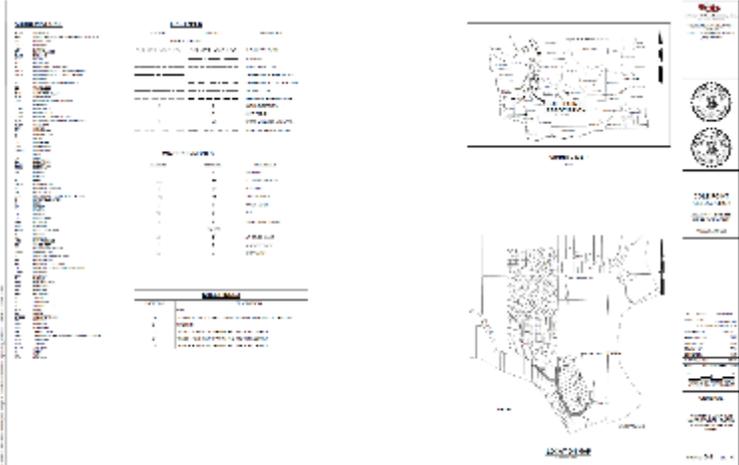
ASSOCIATION OFFICIALS

JOHN SAMTEL
PRESIDENT

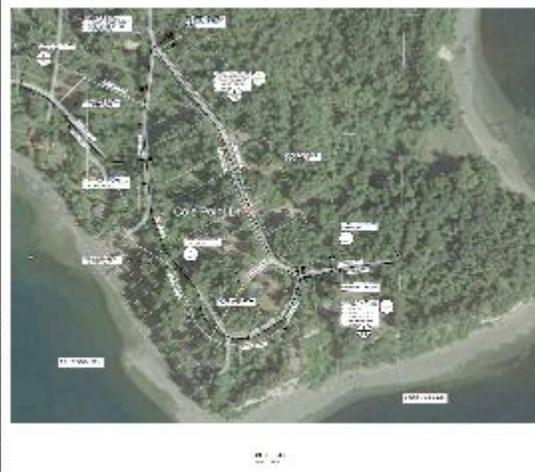
CHARLES BRADSKI FOR PRESIDENT **LORA DAVIS** SECRETARY

MIKE CARVER TARRANT **KKODA ANDERSON** TARRANT

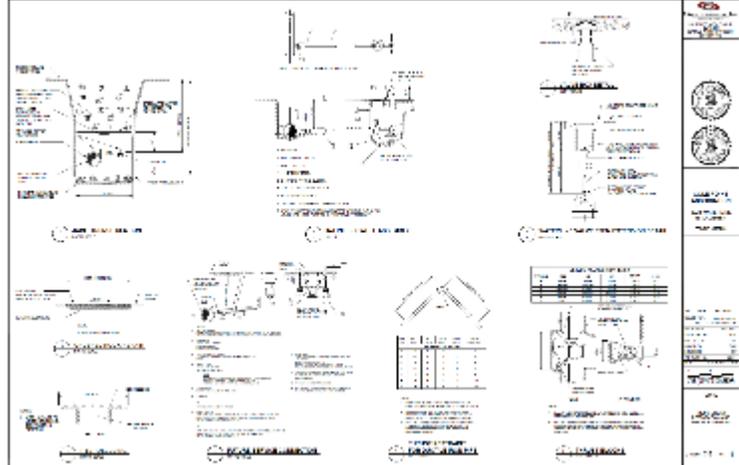
July 2022
DAC JOG #21555



Site plan showing waterline layout with various annotations and a north arrow.



Aerial photograph of the Cole Point Association area with overlaid waterline and property boundaries.

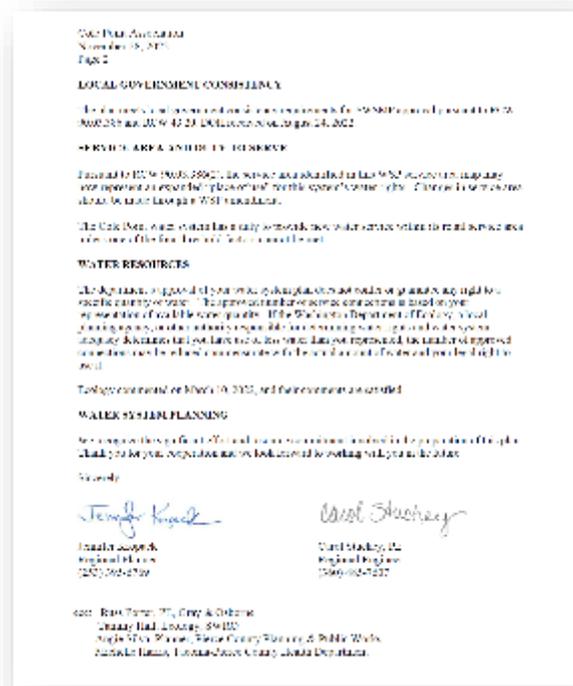
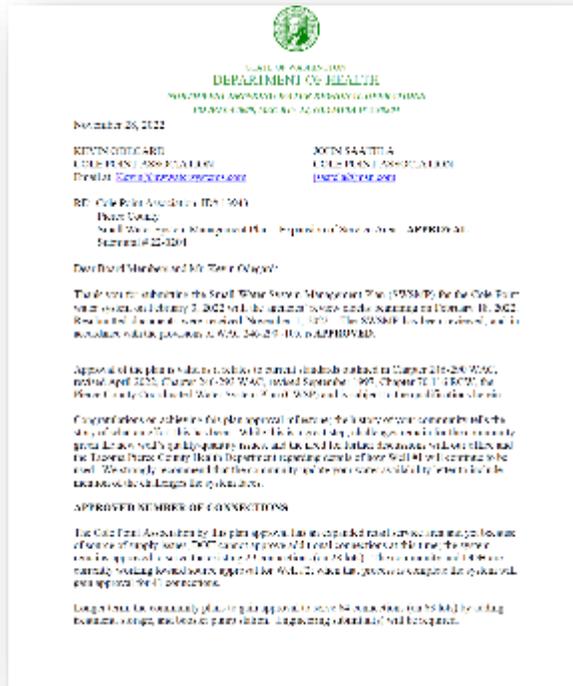


Detailed technical drawings of the waterline system, including cross-sections and flow diagrams.

Engineered & Pierce County Permitted System



Small Water System



Completed Steps to Date

- ✓ The Small Water System was approved November 2022
- ✓ This is a planning document for the complete buildout of the entire system.
- Cost: \$27K (Grant Funded)



Watermain Distribution System



Completed Steps to Date:

- ✓ Watermain Distribution System
- ❑ Waiting on final *As-Builts*
- ❑ County approval
- Cost: \$383K



Water System

Next Steps
&
Timing of New
Connections



Water System Next Steps

Well No. 1 Repairs



Water System Next Steps

Well No. 1 Repairs



Corrugated Well Patches

Corrugated patches are specifically manufactured to match the diameter of the well-casing they are repairing.

Patch for a 12-Inch Well (internal diameter)

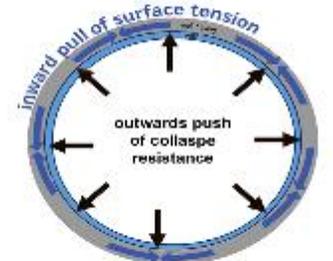


A 5-foot, 12-inch corrugated patch has a perimeter of 38.07 inches and a diameter of about 10.5 inches. When formed into a round shape its circumference is slightly larger than the inner diameter of the 12-inch well-casing it is designed to repair. The patch is secured using hydraulic-swage pressure to bond the two pipes together. For longer repairs patches may be overlapped or welded together.



Pressure Bonding

Also known as cold or hot lead working

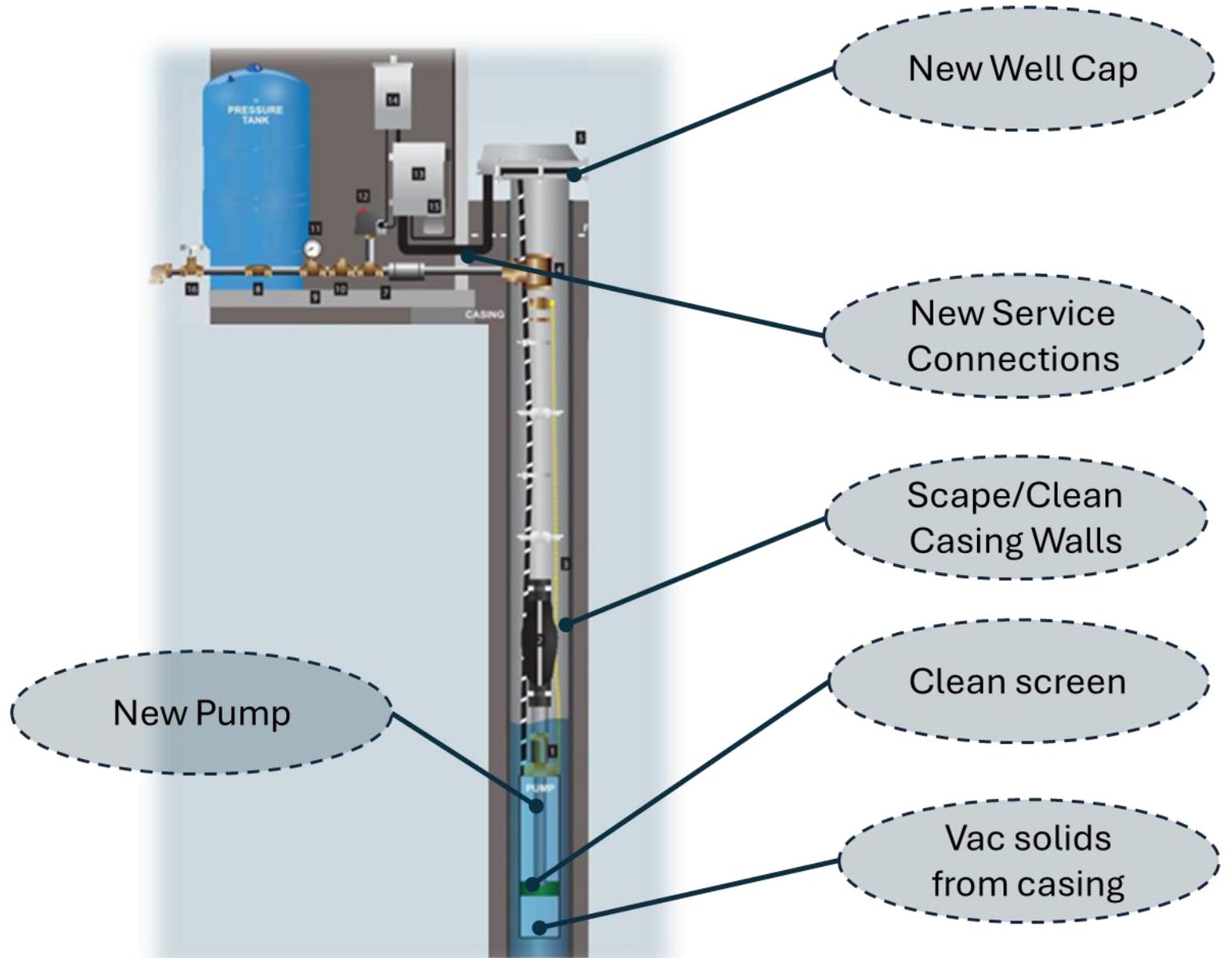


When two round metal surfaces of equal diameter are pressed together under sufficient pressure, their contact areas form an interlocking pressure bond that is as strong as welding the two surfaces together.

Swaging Method
has been approved by DOH

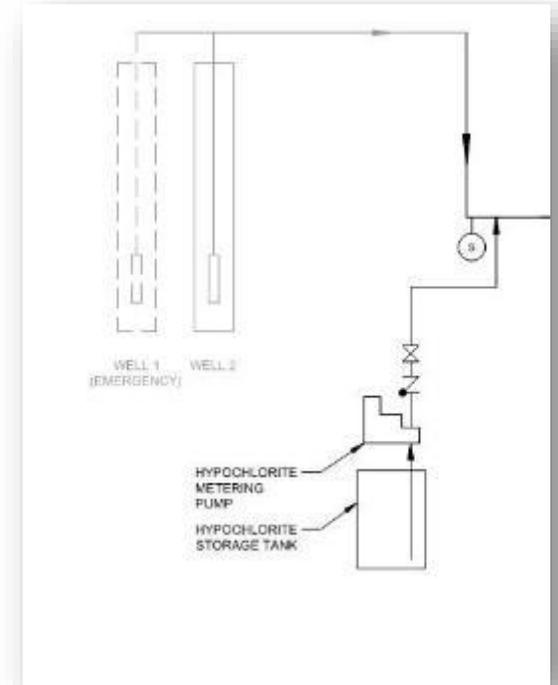
Water System

Upgrades to Well No. 1



Water System Next Steps

Pump System Upgrades



Steps to Complete:

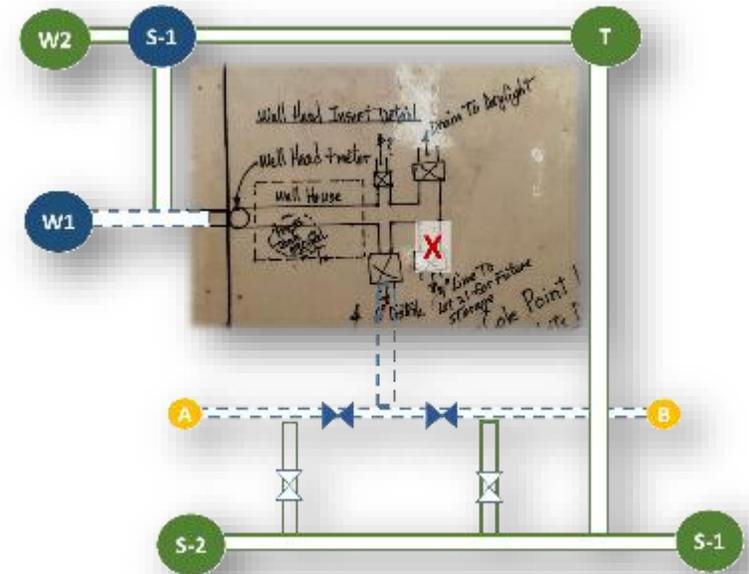
- Flow Meters
- Pipe Manifold
- Valves

➤ Cost: Pending Design Plan from Gray & Osborne



Water System Next Steps

Interconnect Distribution Systems (Old to New)

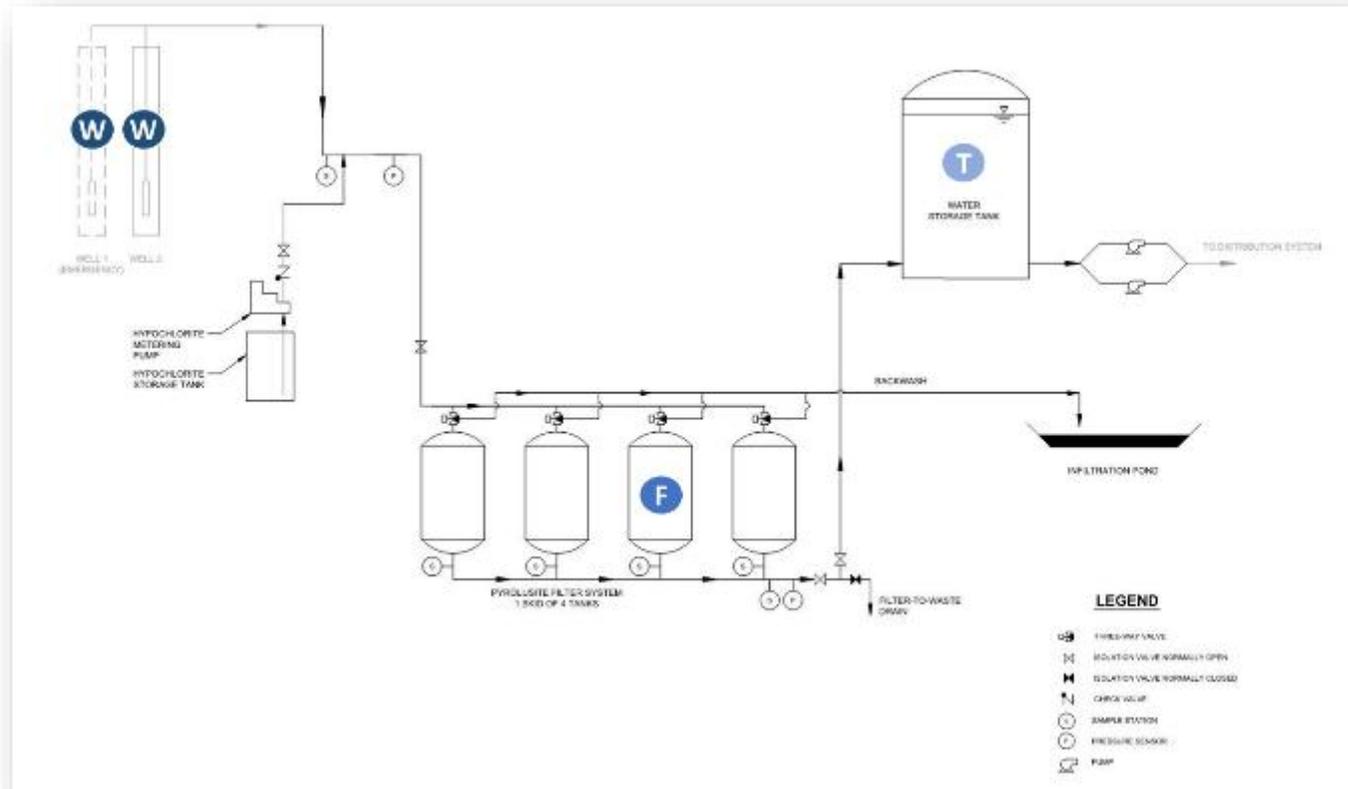


Steps to Complete:

- Final Design of Interconnect System
- Construction of Interconnect System
- Cost: Pending Design Plan from Gray & Osborne

First opportunity to use the new distribution system, after these steps are complete!

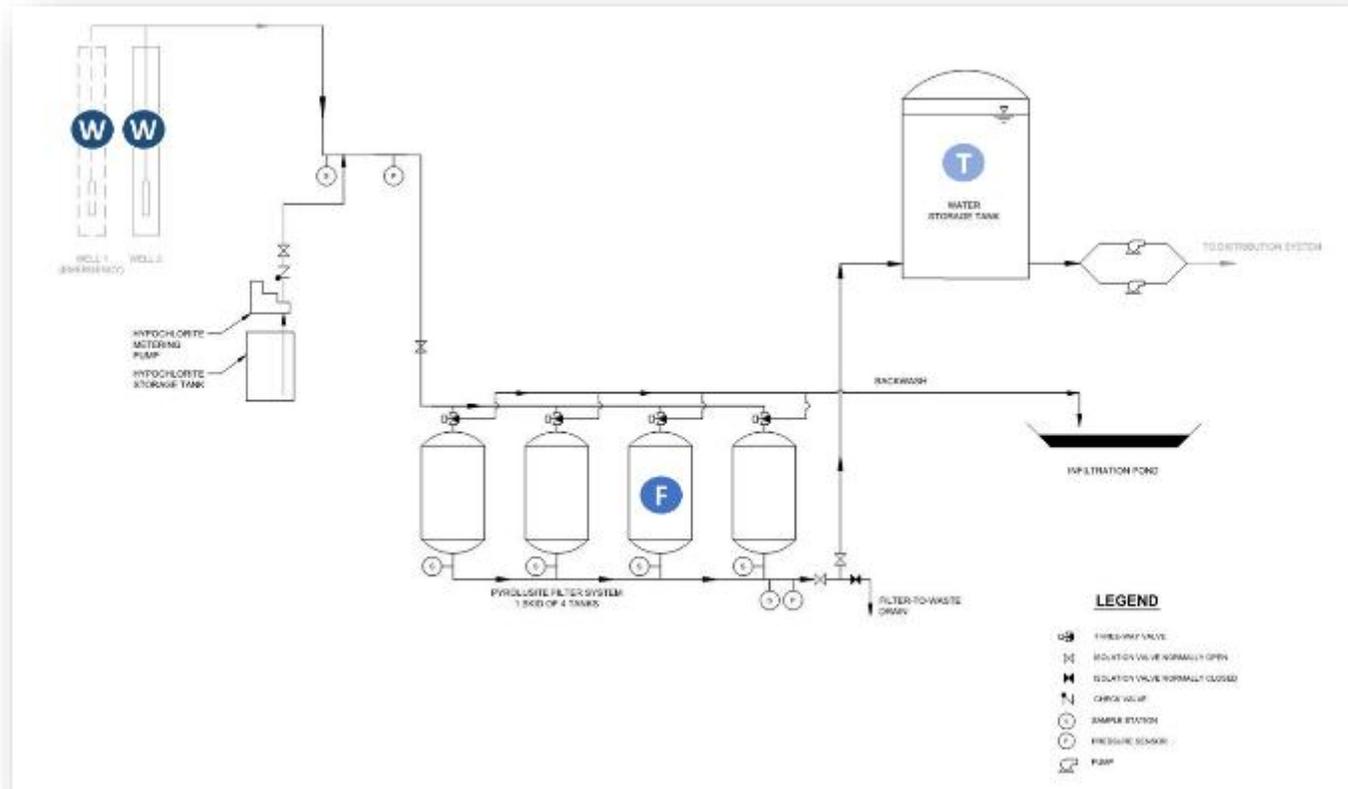
Water System Next Steps Storage Tank



Steps to Complete:

- ❑ Design of Storage Tank & Type
- ❑ Construction of Approved Storage Tank
- Cost: Pending Design Plan from Gray & Osborne

Water System Next Steps Filtration System



Steps to Complete:

- ❑ Final Design of Filtration System
- ❑ Construction of Approved Filtration System
- Cost: Pending Design Plan from Gray & Osborne

Water System

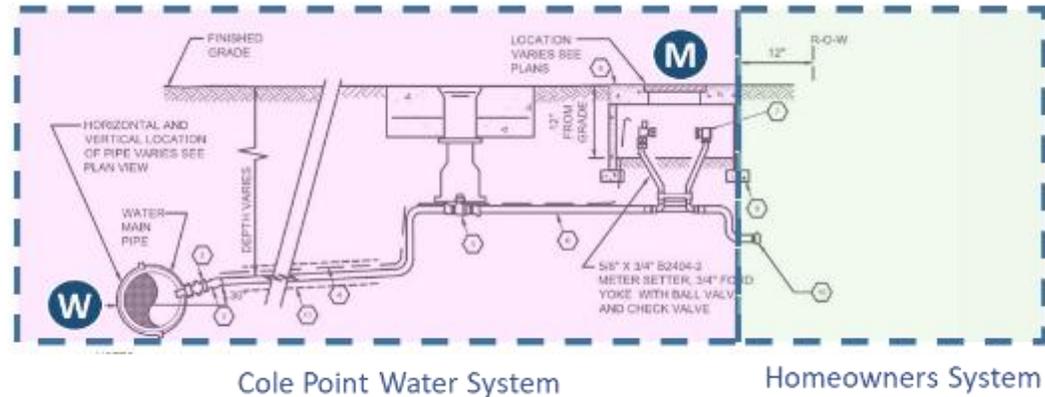
Policy
&
Fees



Shared Infrastructure

Private Service Lines

Service Connections

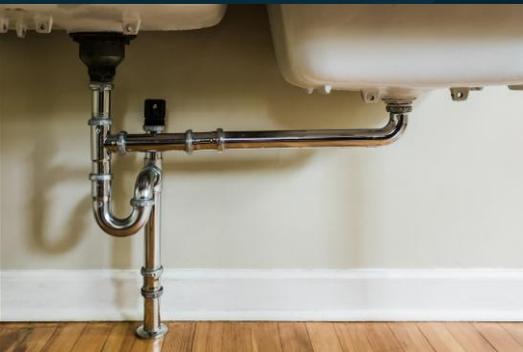


- W WATER DISTRIBUTION LINE
- M WATER METER
- COLE POINT ASSOCIATION
- HOMEOWNER'S PROPERTY



Service Connection Detail

- The Association shall be responsible for the maintenance, repair, and replacement of all **shared infrastructure**, including transmission mains and distribution lines, up to the point of delivery.
- The Resident shall be responsible for the repair and maintenance of the **private service line** extending from the output side of the meter to the building, including all internal plumbing and fixtures.



Note: Private Service Connection can only work when the wells are hooked up to the new infrastructure.

**Cole Point Dr.
&
Cole Point Heights Dr.**

**Needs today
Future Planning
Future Improvements**



Roadways

Needs/Planning



Community Ideas to List and Track:

- Front Entrance Enhancements
- Cross Culverts along Cole Point Drive
- Asphalt Paved Roadways

Questions and Answers

A circular frame containing a sunset scene over a body of water. In the foreground, a dark boat is visible on the water. The background shows a range of mountains under a sky with soft, orange and pink hues. The text "Closing Remarks & Adjournment" is overlaid in white, bold font across the center of the image.

Closing Remarks & Adjournment