

**SOUTH BAY COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
December 11, 2020
9:30 am**

MINUTES

1. Call to Order at 9:31 a.m.

2. Determination of Quorum

6 of 7 Directors present by remote video or phone conference.

DIRECTOR	PRESENT	ABSENT
Bruce Birch – Sec.	X	
Bart Clark – Pres.	X	
Dick Grieves		X
Dave Jurca	X	
Chris Spagle – Treas.	X	
Tom Sprandel – VP	X	
Bill Wight	X	

3. Approval of Agenda

Moved: Treas. Spagle
Second: Dir. Jurca
Carried w/o Objection

4. Approval of Meeting Minutes from Nov 13 2020

Moved: Dir. Jurca
Second: Treas. Spagle
Carried w/o Objection

5. President Bart Clark’s Remarks

President Clark expressed his thanks to all for their patience during this difficult time of Covid and his hopes that we will be able to re-open the Bay Club by July 2021. He also noted that the Board will, at a future Board meeting, have to consider whether to develop a policy and procedure for verifying and recording members’ Covid vaccination status.

6. Special Guest: Greg Brotherton, Jefferson County Commissioner

Mr. Brotherton was not able to join the meeting due other obligations, but mentioned that an online Public Hearing is tentatively planned for Jan 25th regarding the potential speed limit adjustments in Port Ludlow. Information will be forwarded to the members when available.

7. General Manager’s Report

General News & Announcements:

We concluded the fundraiser for the Tri-Area Food Bank at the end of November. The SBCA members donated \$10,850! The funds were given to the Tri-Area Food Bank Manager on Dec. 1st.

Completed Projects:

1. Annual fire extinguisher inspection and re-certification/conditioning took place. No issues of concern to report.
2. HVAC system are being turned back on to stabilize temperatures and prevent condensations/moisture buildup during winter. Interior setpoints for all thermostats are now at 60 degrees (instead of OFF).
3. The 3-year recurring update to SBCA Reserve Study has been completed. Finance Committee will report on Reserve Specialist's conclusions to the Board.

Other Active Projects:

1. Pool resurfacing – is still scheduled for January.
2. Review of HVAC and lighting efficiency upgrade financing is still an ongoing project for finance committee. The committee should have recommendations for the Board next month.
3. Priority projects continue to be addressing long and short-term operational revenues and reserve funding strategy/concerns.
4. Updating all SBCA policies continues to be a priority, however this effort has yet to begin. This was identified as a Board priority back in July. Expectation is for this project to begin no later than February. GM is working on (list) prioritizing existing policies that require immediate committee/Board update/review.

Admin:

1. Savings
 - a. Overall Expense savings YTD is 30% but is actually more like 40% and since position is affected temporarily by excess additional expenses in budgeted Legal Fees associated with the TLV resident lawsuit: Other savings of significance - Utilities Expense down by approximately 70%, Payroll Savings: down approx. 40%, Supplies expense down 94%.
 - b. Total savings to-date is averaging approximately \$14K per mo. However, if legal fees from lawsuit are recovered within the remainder of this fiscal year, impact to savings YTD would be additional (approx.) \$24K, and result in nearly \$100K less in planned expense (due to closure) from period July 1 to November 30.
 - c. Continuing to work with HR committee to help advise on staffing models and retention strategy (while closed) in order to preserve an easier means to prepare for reopening the Club, when allowed to.

8. Treasurer's Report

Treas. Spagle gave the Treasurer's Report. A copy is available upon request and will be posted on the SBCA website. For period ending Nov 30, 2020.

9. Board Communications

- a. LPV1 Homeowners – No new communications to date
- b. eBlast for 3rd Qtr. fiscal year 2020 - 2021 will be sent to the membership during the week of Dec 14th with a planned dues reduction for the quarter approved by the Board

Motion: Move to authorize the GM to send the eBlast as approved.

Moved: Dir. Jurca

Seconded: Treas. Spagle

Carried w/o Objection

10. Committee Reports

a. Activities and Amenities – No report

b. Architectural Review (ARC) –

- The Committee reviewed 6 applications involving tree removal and roofs.
- The Committee acknowledged and approved of the recent Board action to approve the proposed amendments to SBCA Design Standards. The Committee recognized January 1st as the date new design standards become effective and also acknowledged the approved changes will require notice (to SBCA owners). The ARC Chair, in consultation with the Chair of the Communications Committee, will draft a message to members to serve as notice of the revised Design Standards.
- The Committee acknowledged a need to further revise the design standards, specifically those standards that apply to yard signs and flags, however the subject was tabled and will be addressed at a future meeting.

c. Communications –

The Committee is considering the following possible recommendations to the Board, and will schedule a meeting inviting input from village HOAs and other interested parties before making a final recommendation to the Board:

- Closing our JustHost account on May 31, 2021.
- continuing to provide basic information for villages on our website:
 - Listing village board members
 - Setting up an email forwarder for village boards.
 - Providing links to village websites
- Some villages currently rely on SBCA to maintain their domain name registration. We may discontinue that service May 31, 2021, in which case we will help villages set up their own domain name or transfer their existing domain name to their own account. This does not require programming skills, nor is it expensive. Cost for a custom domain name is generally less than \$20 per year.
- Some villages host their websites as sub-folders or add-on domains of plsbc.org. We may discontinue those options on May 31, 2021, in which case villages would need to get their own hosting accounts. Hosting accounts are available starting at \$100 to \$150 per year. Most webmasters offer web hosting services or we can help villages set them up on their own.
- Why are we considering doing this? Villages are using different webmasters; allowing all of them access to a single hosting package creates confusion and security issues.
- Communications Committee is down to 3 members and would like to have more participation from the community.

Motion: Move to authorize Chair Sprandel to schedule a meeting and invite input from village HOAs and other interested parties about these possible recommendations, and also to send an eBlast to membership requesting new participants to consider joining the Communications Committee.

Moved: Dir. Jurca

Seconded: Treas. Spagle

Carried w/o Objection

d. Facilities –

- Tennis Courts
 - Initial meeting scheduled for January 7, 2020 1:00pm.
- Reserves – Association Reserves study (Oct 20)
 - The report was issued December 2 and will be used a guideline/planning tool in developing Reserves portion of budget plan for future years.
- Club tangible personal property
 - There has been an on-gong issue regarding property brought into the Club by members: how long should it stay at the Club? Who can use the property? A small team will prepare a policy document for review by the Committee, with the intent to forward to the Board for approval. Dean Rosenthal has already prepared a suggested draft.
- GM Report for November: Mark covered all items in his report to the Board.
- Fitness Report – No report
- Wood Shop Report – No report
- Comments
 - Dean Rosenthal suggested some of the fitness equipment be “exercised” to keep it lubricated and in working order – GM Torres will have the maintenance vendor out to inspect the equipment and ensure it’s in good working order.
- New Chairperson needs to be identified for the Committee effective Jan 2021. Dir. Dick Grieves expressed a willingness to Chair the committee at a previous meeting but this needs to be confirmed.

e. Finance –

- Review of financials
 - Member assessments down approximately \$11,000, about 60 late payers as of 10/31;
 - Zero outside income as a result of Club closure due to COVID 19;
 - Legal expense exceeds budget but recovery of some of those costs is anticipated;
 - Monthly review: Ed Knodle and Bill Dennis reviewed selected transactions for September and noted no discrepancies.
- GM Report
 - Same as covered in GM general report above.
- Surplus Funds
 - Current FY – anticipated surplus at the end of this fiscal year – committee recommends 3rd quarter assessment reduction of \$40.
 - Lengthy discussion on disposition of operating surplus from prior years and those anticipated for the current fiscal year.
 - Options are deposit to the Reserves Fund or,
 - Use to offset operating deficits for the next several years.
 - The committee tabled the issue pending financing information on the HVAC project.

- f. Health & Fitness – No report
- g. Human Resources – To be discussed in Executive Session

11. Old Business

- a. Lewis Complaint – To be discussed in Executive Session
- b. LPV1 Homeowners – To be discussed in Executive Session
- c. Basketball Hoop Complaint – Basketball hoop removed as requested. No further action.

12. New Business

The Board is looking at the possibility that the Bay Club will be closed through June. Planning will continue for reopening.

13. Member Comments

No comments recorded

14. Convene Executive Session for the purpose of discussing and reviewing communications with legal counsel and considering personnel matters at 10:19 AM

Motion: Move to convene Executive Session

Motion: Dir. Jurca

Second: VP Sprandel

Carried without objection

15. Resume Open Session at 1:07 PM

Motion: Move to resume Open Session

Motion: Dir. Jurca

Second: Treas. Spagle

Carried without objection

Motion: Move to ratify approval of motion in Executive Session to ask counsel for legal advice regarding assessments policy.

Motion: Dir. Jurca

Second: Treas. Spagle

Carried without objection

Motion: Move to ratify approval of motion in Executive Session to authorize Dir. Jurca to respond to TLVA's request regarding potential recovery in Lewis lawsuit.

Motion: Pres. Clark

Second: Treas. Spagle

Abstain: VP Sprandel
Carried without objection

Motion: Move to ratify approval of motion in Executive Session to ask counsel for legal advice on a proposed letter to Escrow for Lewis property.

Motion: Dir. Jurca
Second: Dir. Wight
Abstain: VP Sprandel
Carried without objection

Motion: Move to ratify approval of a motion in Executive Session regarding staff compensation and bonuses as discussed in Executive Session.

Motion: Dir. Jurca
Second: Treas. Spagle
Carried without objection

16. Adjourn. Meeting was adjourned at 1:12 PM

Motion: Move to adjourn.

Motion: Dir. Jurca
Second: Treas. Spagle
Carried without objection

Next SBCA Board Meeting: Friday, Jan 8, 2021

**Via remote access at <https://www.freeconferencecall.com/wall/bayclubgm> (preferred)
or by calling the dial-in number: (339) 209-6193**

Submitted by Bruce Birch, Board Secretary