

**SOUTH BAY COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
January 8, 2021
9:30 am
MINUTES**

1. Call to Order at 9:33 a.m.

2. Determination of Quorum

7 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: VP Sprandel
Carried w/o Objection

4. Approval of Meeting Minutes from Dec 11 2021

Moved: Dir. Wight
Second: VP Sprandel
Carried w/o Objection

5. President Bart Clark’s Remarks

President Clark’s remarks were short noting that that 2020 was a remarkable year and hopes that 2021 will be a better year for the community as a whole.

6. Special Guest: Greg Brotherton, Jefferson County Commissioner

Mr. Brotherton was not able to join the meeting due to other obligations.

7. General Manager’s Report

General News & Announcements:

I received several thank you cards from our staff addressed to the Board. The staff were very appreciative for the holiday gift and acknowledgement.

Completed Projects:

1. A comprehensive inspection and preventative maintenance service occurred on the fitness equipment. There was concern that there could be problems developing after 9 months of dormancy. There were some problems found and resolved.
2. Club gutters were checked and cleaned out.

3. New ARC related documents including the newest version of Design Standards have been uploaded to the website.
4. Assessments notices were sent out just prior to year-end.

Other Active Projects:

1. Pool resurfacing – is scheduled to begin January 11.
2. There are a few plumbing issues to resolve. Plumbers will be in next week to inspect and resolve.
3. Updating SBCA policies continues to be a priority, however this effort has yet to begin.
4. Preparing for HVAC project is ongoing – I will be gathering a list of action items required by the bank and contractors to begin the project.
5. The annual budget process has begun. Finance Committee has provided me with the necessary operating assumptions needed to build the new fiscal year's budget. Comprehensive review will occur over the next 60 days.
6. Melinie and I are currently working on processing all the special and regular assessment payments, as well as doing account review/reconciliation for the growing number of delinquencies. I will be reporting to Finance and the Board in the following weeks to announce progress on collections.

Admin:

1. Savings
 - a. Overall Expense savings YTD (mid-year) remains at 30%. Savings of significance come from - Utilities Expense down by approximately 75%, Payroll Savings: down approx. 40%, Supplies expense down 93%.

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 Dec 31, 2021.

9. Board Communications

a. eBlast: Informational Update to Membership regarding quarterly assessment payments

Discussion: The Board reviewed a draft of the proposed eBlast and decided to continue minor editing of it offline among the Directors and to send it to the membership upon reaching agreement on the minor editing changes via email correspondence.

10. Committee Reports

a. Activities and Amenities – No report

b. Architectural Review (ARC) –

- The SBCA-ARC Regular Meeting was held on December 18, 2020 via a web-based conference call.
- A Quorum was established and the meeting agenda approved.
- The November 20, 2020 meeting minutes were approved.
- The Committee received, considered and conditionally approved 1 new homeowner SBCA-ARC application.
- The Committee received and acknowledged one 90-day automatic extension approval.

- Since one Committee member was not present at the meeting, the Committee tabled further discussion of DS 5.1.21 (signs) and DS 5.1.27 (flagpoles) until such time that all Committee members can be present for the discussion.
- The Committee acknowledged, but did not review, one new application due to the location and scope of work being affiliated with Village Limited Common Area and governed under the jurisdiction of the Village HOA Board and not SBCA-ARC.

c. Communications –

- The Committee will work with the Board to finalize the informational update to membership regarding quarterly assessment payments as noted above.
- Overview for voice is in development for the February issue.
- Committee will propose an eBlast for emergency preparedness and access by fire department to the Bay Club radio room.
- Roadway Safety committee is working with PLVC and County to host a general information meeting for the community. An eBlast will go out when details are available. It was noted that the SBCA Board does not have a position on the Roadway Safety proposal.

d. Facilities –

- Although the Bay Club remains closed, activities continue for facilities:
 - Storage policy for the Bay Club is in development for future review by the Board
 - Policy for access by PLVC to the radio room is under consideration
 - Tennis court group met to start discussions on maintenance and usage of the courts
- Facilities Committee Member Notice of Resignation. On January 3, 2021 the SBCA Board received written notice from Bill Dennis that he is resigning from the SBCA Facilities Committee (including Facilities Committee sub-groups focused on specific projects), effective February 10, 2021. **Acknowledged.**
- Dir Grieves agreed to assume the Chair position for the Facilities Committee effective immediately.

e. Finance –

- December 2020 Treasurer's Report was reviewed and approved.
 - Financials: Items of note:
 - Member assessment receipts down –discussion re: e-blast addressing SBCA actions on delinquent accounts: Bart, Dave, Chris and Mark to work on draft for full Board review
 - Legal expenses exceed budget due to ongoing litigation
 - Surplus running about \$10K per month
- Bill Dennis reported the October review has been completed. For the reviewed payments, the amounts paid reconciled with both the related vendor invoice and the Expense by Vendor Detail Report. Two invoices did not have the initials of 2 SBCA Board members, but the invoices were dated 9/29/20 and 9/30/20. We anticipate the 2 Board

member initials policy to be fully implemented as of November 2020. The November review is not complete, awaiting additional documentation.

- Discussion re: amendment to the Master Declaration providing for annual assessments on unimproved but platted lots within South Bay. Darrow suggested approaching PLA, the most affected lot owner, informing them of SBCA's intent to change the Master Declaration.

Motion: Move that the Board of Directors approve a ballot measure for the 2021 Annual Meeting to amend the Master Declaration requiring annual assessments be paid on unimproved but platted lots within South Bay.

Motion: Treas. Spagle

Second: VP Sprandel

Carried without objection

- GM Report:
 - Mark will begin work on the next fiscal year's budget imminently and asked for confirmation of the following for budget planning purposes:
 - The Club would open 7/1/21;
 - HVAC project would be completed this FY;
 - No change to staffing;
 - Surplus would be distributed to front-load Reserves but leaving sufficient funds to meet unanticipated operational expenditures (e.g., additional costs related to COVID);
 - All members present agreed that the Special Assessment funds that are being collected quarterly should be directed to the Reserves fund.
 - Mark will begin work on the budget and have a draft ready for the February Finance Committee Meeting.
- HVAC Financing
 - The committee recommends informing the Board of review of available types of loans and determined a loan secured by deposits was the most economical, with additional information to be secured from Kitsap Bank and then presented to the full Board for review
- Touchless faucet installation in locker rooms and bathrooms at the Bay Club

Motion: Move that the Board of Directors approve to install touchless faucets in the locker rooms and bathrooms only not to exceed \$6000.

Motion: Treas. Spagle

Second: Dir. Jurca

Carried 6 to 1 with Dir. Wight objecting

f. Health & Fitness –

- The Committee did not meet, but will continue reviewing the WA State guidelines for reopening.
- Policy needs to be established for requirement of proof of vaccination prior to entering the Bay Club once opened.
 - Enforcement and validation concerns need to be addressed.
 - Legal aspect needs to be reviewed by counsel.

g. Human Resources – No Report

11. Old Business

- a. Lewis Complaint – To be discussed in Executive Session
- b. LPV1 Homeowners – No new communication to date

12. New Business

- a. Bay Club Re-opening/Covid status evaluated by Board on a monthly basis.
- b. Outside Storage Violation of construction equipment

Motion: To send a First Notice of Violation Warning Letter for a violation of CC&Rs regarding outside storage of construction equipment in plain view from neighboring properties and/or common areas.

Motion: Pres. Clark
Second: VP Sprandel

DIRECTOR	YES	NO	ABSTAIN	RECUSED
Birch – Sec.				X
Clark – Pres.	X			
Grieves		X		
Jurca		X		
Spagle – Treas.	X			
Sprandel – VP	X			
Wight		X		

Motion failed 3 to 3

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 11:09 AM

Motion: Move to convene Executive Session

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

15. Resume Open Session at 12:01 PM

Motion: Move to resume Open Session

Motion: Dir. Jurca
Second: Dir. Grieves
Carried without objection

Motion: Move to send recommendation from counsel to the Directors for review.

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

16. Adjourn. Meeting was adjourned at 12:04 PM

Motion: Move to adjourn.

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

Next SBCA Board Meeting: Friday, Feb 12, 2021

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

These minutes were approved by the SBCA Board of Directors

Submitted by Bruce Birch, Board Secretary