

BOARD OF DIRECTORS MEETING
March 9, 2023 9:30 am
Draft Minutes

1. Call to Order

Meeting was called to order at 9:32 am.

2. Determination of Quorum

Quorum present to start the meeting with 7 Board members in attendance; Gil Skinner, Christine Spagle, David Jurca, Randy Edwards, John Cacho, Peggy Ponto, and Peggy Thuotte. Five SBCA members were in attendance along with SBCA's GM, Mark Torres.

3. Approval of Agenda

President Skinner made a motion to approve the agenda. The agenda was seconded and approved. 7/0.

4. Approval of meeting minutes for February 9, 2023, and special meeting minutes from February 21, 2023.

A motion was made and seconded to approve the February 9, 2023 minutes. 7/0. Motion was made and seconded to approve the February 21, 2023 special meeting minutes. Motion passed 7/0.

5. President's remarks

President Skinner welcomed the SBCA members in the audience.

6. Manager's report

Club operations:

a. Staffing

1. Bonnie Anderson and Ed Mathers' service has ended with good wishes for their future endeavors.
2. Transitions have been made with regard to staffing. Melinie has been promoted to GM Admin. Assistance and SBCA Event Planner. She will handle accounting issues in the GM's absence. She will manage all planned events occurring in the Bay Club meeting spaces. She will also provide support and direction to Kate and the Front Desk Staff as needed.
3. Kate Lore is the Front Desk Supervisor. All Front Desk staff will report directly to her.

4. Julie Forville is the new Food and Beverage Event Lead. She will help the GM plan and execute Lounge Services and Member events. Audrey Rodgers has been hired for all-around event (banquet) support. She has experience in all facets of events – set up, food service, and bar tending.
5. Ross Axiotis will continue to work the Front Desk on Sunday and fill the vacated maintenance role.
6. Mark plans to submit a draft version (updated) of the SBCA employee handbook to HR committee for review and approval.

Bay Club equipment/active projects.

- a. The TV was installed in the pool area. Health and Fitness Committee is working on an instruction guide to on line videos consolidated on the SBCA Fitness page within the SBCA website.
- b. The Roof Replacement Project is scheduled between June and July. It will be a three-week project.
- c. The (SBCA) Member Lounge had a soft opening with reservations. The caterer had some problems due to staff covid issues. Feedback has been positive. We have been able to achieve a cash neutral position.
- d. Mark plans on moving forward with regard to Food & Beverage services to Members with the Wednesday and Thursday 4pm-6pm Lounge, and to have one larger (paid) event each month.
- e. A few pieces of equipment in the cardio area have malfunctioned and are being replaced or repaired. Two ceiling fans are being replaced.
- f. A large new dust extraction system has been purchased and installed in the wood shop.

Administrative Project:

- a. Preliminary draft budget for the next fiscal year has been created and distributed to the Finance Chair. The budget needs to be modified to a form that can be loaded into QuickBooks. Mark is continuing to work on a new 5-year future forecast for Finance Committee. Hopefully this will help guard against significant increases in annual assessments in the coming years.
- b. A new procedure and accounting policy is being drafted relative to the lounge service. Issues driving the changes are: cash handling, credit card payments, tips, and separating expenses and supplies tied

to the amenity. Now that we are able to accept credit cards, other discussions are also occurring: consideration of broadening card use beyond the Lounge to also make cards available as a payment option for all other member costs.

- c. Mark is our certified Food Protection Manager. Changes in WA State Food Code, now requires at least one person in an organization to be a Certified Food Protection Manager when the facility has a commercial kitchen. The certification requires an 8-hour course and a proctored exam at the end of the course. The certification is good for 5 years.

7. Treasurer's Report

Christine Spagle reported that we have adequate money to meet our quarterly expenses. There has been a reduction in both the dollar amount and number of delinquent homeowner dues. SBCA continues to make scheduled deposits into the reserve fund. The full report is available upon request.

8. Board Communications

- a. Thank you note from PLVC Trails
- b. Thank you note from Hospice Foundation (Pancake Breakfast proceeds donation).

9. Committee Reports

a. ARC

GM Torres reported there were 8 applications, 8 were approved, 1 was a ratification. Fire pits were discussed and then tabled again for further discussion; no actions taken.

b. Activities and Amenities

- i. 85 Members attended Prosecco and Chocolate.
- ii. 100 people attended the Crime Prevention Program, a second program on Personal Security is scheduled.
- iii. For the May 20th Garage Sale tables will be available for rent for \$15. Advertising will be coordinated with LMC.
- iv. Jim Rough will be presenting his "Moving the World Forward" program on April 27th.
- v. April 20th Linda Cochran will present a program on Pacific NW wildflowers and rock gardens.

- vi. The committee is looking for volunteers to set up for the St. Patrick's Event.

c. Communications

No issues.

d. Facilities

1. Peggy Ponto reported the committee looked into soundproofing for the wood shop to reduce the noise in the conference room during meetings. The decision was made to try to coordinate certain activities in the wood shop while meetings are in session.
2. The landscape ad hoc committee determined there are three main items to be focused on from the landscape architect report.
 - i. Add a curtain drain to fix the drainage in the back yard area.
 - ii. Add a paved patio area off the existing indoor pool to create more of an outdoor pool effect.
 - iii. Add to the existing paved patio area to allow for larger outdoor events.
3. As a part of the annual inspection of the facilities and buildings the committee visited the tennis courts. The committee found problems with the entry steps, not enough parking area to accommodate players, the resurfacing is failing, a new foundation is needed, and poor original construction.
4. Since 2006 SBCA has spent approximately \$174,000 to maintain the courts. The Committee voted to recommended the Board terminate the lease with PLA.
5. The committee discussed installing cameras to monitor certain areas of the club. The idea was dropped due to liability issues involving monitoring the cameras.

e. Finance

1. Christine Spagle reported that the Committee recommends holding a Townhall Meeting to inform the membership about the landscape project and associated costs. To provide members with the best

“picture” of the project, an artist 3D rendering of the landscape project is needed. Spagle moved the Board approve an expense not to exceed \$2,400 + tax for an artist rendering of the proposed landscape improvements of the area behind the Bay Club building. Motion was seconded and passed 7/0.

2. General Liability insurance cost for the next fiscal year has increased about \$4,000 over the prior year. Spagle made a motion that the Board approve the General Liability insurance coverage for next fiscal year at a cost of \$27,946. Motion was seconded and passed 7/0.
 3. A professional reserve study is due in the Fall of 2023. The inspection will validate the remaining useful life of components, validate components added or deleted, review assumptions made, and assess our percent funded and make any necessary recommendations. Spagle made a motion that the Board approve the contract with Association Reserves to perform a reserve study early next fiscal year the expense not to exceed \$4,860 + tax. Motion seconded and passed 7/0.
 4. There are 4 members with balances due in excess of \$1,000. The largest is in the hands of the attorney the second largest delinquent amount, has not responded to any contact from the staff and has had a lien filed for some time. Spagle moved the Board approve referring member Luke to the SBCA attorney for collection action. Motion was seconded and passed 7/0.
 5. The tennis courts need substantial work. The Finance Committee concurs with the Facilities committee in favor of the Board terminating the lease with PLA. The cost to maintain the courts over the life of the lease will exceed \$500,000 for property SBCA does not own. The Board will address the problem at the next Board meeting after hearing comments from the membership. There is no penalty involved in terminating the lease.
- f. Health and Fitness
1. Randy Edwards reported that two pieces of cardio equipment were repaired.
 2. The old pool cover is going to be discarded.
 3. The TV is in the pool area with various videos soon to be available.

4. The committee is considering having an open house to acquaint the membership with the water aerobics program.
5. The committee is working to find physical therapists to assist as trainers on the equipment.

g. HR

The committee reviewed job descriptions and salaries.

Skinner made a motion to accept the committee reports. Motion seconded and passed 7/0.

10. Old Business

a. Update landscape plan

The focus has been narrowed to three main areas.

1. Improve the drainage in the back lawn.
2. Enhance the patio area.
3. Add a patio to extend the pool area.

b. Landscape enhancement plan – Member Town Hall meeting.

The current cost associated with the improvements is \$110,000. In addition to the construction costs, we will need new furniture for the patio and pool area, so we can assume the cost will be \$120,000 or a little more.

The Board decided to set March 30th for the Town Hall meeting to present the membership with the rendering and a ball park costs per lot.

11. New Business

a. Renewal of Insurance Policies

i. Commercial GL Package (CAU)

ii. Employee Health Care (Regence) There is an \$8,000 increase over last year. Motion to approve the Employee Health Care for next year was made, seconded and passed. 7/0.

iii. D&O (CNA) The cost is \$61,000 to renew. If a claim is made SBCA will have to pay the \$5,000 deductible fee. Motion was made and seconded to renew the D&O insurance. 7/0. Jurca amended the motion. Motion was made to renew the D&O insurance by March 30th. Motion was seconded and passed. 7/0

12. PLVC report
 - a. Randy reported the local pizza restaurant is closing.
 - b. Olympic Water and Sewer is requesting an increase in water rates.
 - c. Chief Black reported that the fire department staffing is up to 13 employees, a total of 15 are needed.
 - d. PLVC has improved their website.
 - e. Dave Jurca reported that the county commissioners approved a Plat alteration for OT2 Phase 2, subject to several conditions. DCD and Public Works are still disputing whether the roads serving the new houses should be public or private. There will be “separated process” for Public Works to make a determination about that, which will then be subject to approval by the county commissioners.
 - f. A number of residents in OT 1 & 2 want PLA to require contractors to use the access road. PLA is willing to put the use of the access road in the contracts.
 - g. The proposed 37 new lots in OT2 Phase 2 will not have SBCA voting rights or be subject to a special assessment until there has been final plat approval.
13. Member comments
 - a. Soozie Darrow asked what happened at the Special Meeting on February 21, 2023.
 - b. Bert Loomis stated that that Board should have a five-year plan when we report to the membership at the townhall meeting. There needs to be a current plan, a plan for 3 years out, and 5 years out. He also stated that SBCA is a business and with that comes financial responsibility. Keeping the tennis courts is not financially responsible.
14. Adjournment

Motion to adjourn at 10:49 am. Motion seconded and passed 7/0.

Next SBCA Board Meeting: April 13, 2023. Next SBCA Board workshop date: TBD