

SOUTH BAY COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
March 12, 2026 9:30am
Draft Minutes

1. Call to Order
The meeting was called to order at 9:31 am.
2. Determination of Quorum
Quorum was present to start the meeting with all Board members in attendance: Carolyn O'Keeffe, Christine Spagle, Faye Beuby, Owen Dennison, Donna Colosky, and John Cacho, present. There were approximately seven SBCA members in attendance along with the SBCA's General Manager, Mark Torres.
3. Approval of Agenda
Members in attendance and the Board were provided with the opportunity to suggest changes or additions to the agenda. No recommendations or comments were received by the Members in attendance. *Motion to approve the agenda.* **Approved 6/0.**
4. Approval of meeting minutes for February 12, 2026, *Motion to approve.* **Approved 6/0.**
5. President's remarks – Carolyn O'Keeffe
 - a. Pres. O'Keeffe commented on the great turnout for the March Pancake Breakfast for Port Ludlow Trails Committee. She thanked Committee leader, Larry Scott for the exceptional preparation and presentation of the Committee's work and mission.
 - b. Pres. O'Keeffe commented on the limited attendance for the February Member's Social. She also announced that the March Member Social would be on Friday, March 13th and be themed for St. Patrick's Day.
 - c. PLVC matters. Pres. O'Keeffe summarized discussion points at the last PLVC meeting. The following items were acknowledged:
 - i. A cell tower being proposed for the Mats Mats area.
 - ii. The Port Ludlow Recycle Center will be closed down on March 25th.
 - iii. PLA continues to progress on their plans to sell, for residential development, the area near the PL RV Park known as "Falls Terrace".
 - iv. LMC announcement of plans to sell off a portion of the LMC parking lot areas to the PL Yacht Club.
6. Manager's report – Mark Torres Club Operations
 - i. General Manager Torres reported on a number of matters.
 1. The General Manager noted there were no changes in staffing levels (shortage).
 2. The GM provided more information on recent Trails Committee Pancake Breakfast, nearly 90 attendees, and nearly \$750 in contribution paid to Trails (proceeds and direct donation).

3. The GM reported on Member's Lounge. Attendance remains somewhat consistent, albeit low 15-20 people per service. The GM indicated that the Member's Lounge is being incorporated into the budget planning of next year's draft budget, although scope of service will remain at one day per week.
4. Club Projects were discussed:
 - a. GM workstation remains as the last item to be completed for the IT project to be fully complete, the redundant (old server) will be retired, and the new server will run independently starting next week.
 - b. The locker shower water mixer cartridges were replaced. One handle in the men's locker room broke during the repair and will be replaced later this week.
 - c. The locker rooms were closed earlier this week so that tile and grout repair and refurbishment could occur. This will be an ongoing maintenance routine that will occur on a schedule of every 3-4 months.
 - d. The Bay Club damaged sidewalk was replaced.
 - e. The next phase in front entry repairs are the plant and shrub beds. Remaining surface roots will be ground down then the project will start preparing beds for planting in the spring summer by reconditioning the soil.
 - f. The spa sand filter failed and was replaced.
 - g. There was a leak in the men's bathroom, coming from the ceiling. First assessment was a roof issue. Roof was checked out and there was a small issue (that was fixed) but not the cause of the leak. In investigating what was thought to be the cause of the leak, the real cause was discovered, it was plumbing related, a (water) line in the crawl space above main electrical room. Swift Plumbing came out and resolved the issue within one day.
 - h. There is a current lighting problem in the auditorium. One or more of the lighting controllers have failed. There are sources for repair, but none that will be repaired on site. There is no replacement option, since the controllers are now outdated and discontinued. Bird Electric is scheduled to come out and provide options for resolution.
 - i. The rower in the Fitness area has a small issue that is being worked on.
 - j. There was a power outage on Sunday, March 8th, Ian and I addressed it and there were no incidents or damage to any of the Clubs electrical components once power was restored.

- k. Modifications were made to the woodshop. The dust collection system floor hoses were transitioned into rigid pipe/lines that are now overhead. Thanks to Rob York & Bob Gilbert for their work on this upgrade.
- l. All of the retired weight room items were given away to SBCA members.
- m. The GM reported that SBCA's legal counsel has submitted another change to what is now expected to be a final version of the update to SBCA's Bylaws. A copy of the working draft was forwarded to all of the Board to review for final edits in advance of presenting to the SBCA Members in July for adoption.
- n. SBCA legal counsel has finalized updates to the SBCA Bylaws; please advise if there are more changes/additions to be made.
- o. The Collections & Fees policy was updated again by our attorney. If approved by the Board as amended, it will then be included with the next assessment notice distribution on Monday, March 16.
- p. The SBCA Enforcement was updated to harmonize with the recent changes to the Collections policy. The GM recommended that the Board approve the updated enforcement policy as amended by our attorney.
- q. The intention to transition website maintenance duties is ongoing. The GM met with a local design firm. The proposal was sent to Finance.
- r. Insurance renewal periods are upon us. The GM informed the Board that there are a number of significant changes coming in the years to come to sustain insurability. Insurance premiums were also noted as increasing significantly.
- s. The GM informed the Board that he had received a referral from SBCA's general counsel for a land use specialist (attorney). The purpose of referral was to address the Board's questions related to risk management associated with the South Bay Trails System. The GM expects to receive an engagement letter (proposal) to provide to the Board ahead of the next Board meeting.
- t. The GM reported that he has received and processed two Capital Contributions from the OT II, Phase II (resumed) development. Richmond American Homes (RAH) adjusted home pricing downward by nearly \$150K. At this new level of pricing, GM conveyed confidence that RAH's conversion pace will continue and should allow for the

remainder of the 14 homes to be sold by end of June 2027. This income will factor significantly in SBCA's forecast for next year's operational budget.

- u. At last month's meeting GM announced the status of Associate Membership. GM provided an update, the SBCA remains at 50 Associate Members. GM stated he had notified local real estate brokers and also copied PLA and RAH on status of Associate Membership as advised by the Board at last month's meeting.
- v. The budget for next fiscal year is actively being worked on. Due to changes in Washington law governing HOAs, the Board should be advised and prepared to review and approve a draft budget at its next meeting. The Finance Committee is already aware and will be ready to render a recommendation to the Board at the April meeting. The GM asked the Board if there were any allocations, additions or reductions of any services or programs that the Board would like the GM to incorporate into the forecast to please advise as earliest opportunity. Otherwise forecast will be based on sustaining services, staffing levels, maintenance standards, and amenities as they are today. The approved proforma budget will be uploaded for members to review by May 1st, 2026.

7. Treasurer's Report – John Cacho

- a. Fiscal year is completing its 8th month. Financially SBCA is in good shape.
 - i. YTD income is up; expenses are down; there is a current net surplus (approx. \$97K). YTD surplus drivers are related to increased income over forecast from (new) Associate Members, delinquent assessment collections and fees, pre-paid member assessments, and additional contribution fees. For expenses, expenses are less than planned - mainly due to timing issues with Repair & Maintenance expenses, and a significant reduction in payroll expense associated with ongoing staffing shortage. The extended forecast for year-end is estimated at a \$30K surplus.
- b. John also provided an update on SBCA's current Reserve Fund and expenditures. Current expenditures and remaining projects should allow the SBCA YE cash flow forecast to finish very close to plan. YE Reserves are estimated to be \$312K.

8. Board Communication

- a. None received

9. Committee Reports

- a. ARC Committee Report (January meeting): The GM reported for the ARC Committee. There were five applications for the Committee to review. Four

applications were unconditionally approved, and one was conditionally approved. There was short discussion regarding temporary displays of US Flags during select holidays, such as 4th of July, Memorial Day, etc. Discussion and questions were related specifically to pole height restrictions. No action taken.

- b. Activities – Carolyn O’Keeffe.
 - i. The following speaking events were acknowledged; First Nations Presentations, Jefferson Health Care presentations and a presentation on the history of the CIA.
 - ii. Carolyn also announced upcoming Member Socials. In April Members can attend a Pasta Dinner Social and in May a Mexican Fiesta Dinner Social.
 - iii. Carolyn acknowledged the great work and effort of the Activities Committee, to create these special events and activities for our members to enjoy.
- c. Facilities – Director Dennison
 - i. Two items were acknowledged as focus of the meeting.
 - 1. Locker replacement. The committee, with additional detailed information verifying the water resistance capabilities of the materials used to build the lockers, had no further objections to the GM moving forward with the purchase of the selected lockers to replace the old metal lockers in the locker rooms.
 - 2. The committee did a comprehensive review of the reserve study components to ensure that the list was complete, that useful life remaining declared was accurate, and assumed cost of repair/replacement for each component was reasonable. This review and validation of components will allow the Finance Committee to review, for budget purposes, the required annual contribution rate to keep pace with full funding of the Reserves.
- d. Finance Committee - John Cacho
 - i. John made the following motion based on the report made by Facilities Committee Chair Dennison; Motion to acquire replacement lockers for the Men’s & Women’s Locker rooms. Finance recommends that the Board approve the \$9,700+ tax expense. Approved 6/0.
 - ii. John announced that a CD at Kitsap Bank was nearing maturity date. John requested that the Board allow him to transition the net funds to Edward Jones. The CD with Edward Jones is preferred to be \$30K. In order to invest an even \$30K, John requested that an amount of approximately \$300 be allowed to supplement the net CD funds to ensure the CD is exactly at \$30K. The few hundred dollars necessary to ensure investment at \$30K would come from Operations Funds. Motion to transition net maturing Kitsap Bank CD funds to Edward Jones CD, with additional approval request to use small amount of Operations funds to supplement to desired CD amount of \$30K. Approved 6/0.

- iii. John stated that the Finance Committee discussed the proposal that the GM presented regarding SBCA website redesign and maintenance. John asked the Board to consider approving the GM to engage with the contractor for purposes of redesigning the current SBCA website so it can reside on a more user-friendly platform (maintenance). Motion to approve allowing GM to engage in contract with Toter Systems out of Port Townsend for the purpose of redesign and support for SBCA's website. Cost for redesign \$4K and cost for month maintenance/hosting at \$41 per month. Approved 6/0.
 - iv. To close, John acknowledged that the Committee was indeed working on the next fiscal year's budget, and that due to capital contributions received this year, and expected next year, is confident that the budget reconciliation for next year will be easy, and yield good news for our SBCA Members.
- e. Health & Fitness – Christine Spagle
- i. Christine announced the Committee is working on a Wellness/Fitness Open House.
 - ii. It was reported that feedback on the new weight room changes is all favorable.
 - iii. Christine noted the Committee discussed some periodic frustration among members discovering missing equipment from either weight room or stretching areas. Members and/or instructors have found to be to the source of temporary “relocation” of items. The Committee is working on a message to Members and users of the fitness areas to remind them of protocols for use of the Club's fitness equipment.
 - iv. In a related matter, the Committee is also finalizing a message for SBCA members highlighting Fitness Area Etiquette & Rules. This development of etiquette and rules is recommended for the Board to add to the SBCA Rules in the manner that Woodshop Rules are. Christine will be providing the equipment, protocols and etiquette/rules information to the Board at its next scheduled workshop.
 - v. Once the new information is approved for release to members, the GM will draft an eblast to support notice to Members (of new rules associated with Fitness Area use).
- f. HR –Carolyn OKeefe
- i. HR Committee did not meet.
- g. Long-Range Planning –Carolyn OKeefe
- i. The next meeting of Long-Range Planning is scheduled for March 17th.
 - ii. Carolyn reported that the new committee is complete and comprised of three Board members and four SBCA lot owners. At the first meeting of the LRP committee, comprehensive onboarding and orientation was the focus of the meeting. The members were given assignments in order to prepare for the work at next scheduled meeting.

h. Motion to approve all committee reports. **Approved 6/0.**

10. Old Business

- a. Timberton Complaint (compliance deadline March 16): Carolyn & Christine will check on progress of compliance at the lot and report back to the Board. Based on progress, the Board can discuss at its next workshop how to proceed to close out the complaint.
- b. Donation Policy: Carolyn reviewed draft Donation Policy with the Board and tabled discussion for the upcoming Board Workshop.
- c. Locker Room locker replacement: already addressed during Finance Committee Reporting period.

11. New Business

- a. Updated SBCA Collections & Fees Policy – Motion to approved as amended. **Approved 6/0.**
- b. Updated Enforcement Policy – Motion to approved as amended. **Approved 6/0.**
- c. Updated SBCA Bylaws – Board was provided with the latest response to Board's questions for the attorney and advised the Board to review the updates made based on attorney' responses. The Board was advised that the Bylaws would require approval as final next month, to allow preparation of the Bylaws as amended to be presented to Members for adoption at the annual meeting of Members in July.

12. Member Comments

- a. No comments.

13. Adjourn at approximately 10:48 AM a Motion to adjourn. **Approved 6/0.**

Next SBCA Board Meeting: April 9, 2026, 9:30 AM.

Next SBCA Board workshop: March 17, 2026, 1:00 PM.