

SOUTH BAY COMMUNITY ASSOCIATION  
BOARD OF DIRECTORS MEETING  
April 9, 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 five 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 March 12, 2026, Motion to approve. **Approved (as corrected, date reference typo) 6/0.**
5. President's remarks – Carolyn O'Keeffe
  - a. Pres. O'Keeffe commented on high volume of Board activity since last meeting devoted to budget planning and repair projects.
  - b. PLVC matters. Pres. O'Keeffe summarized discussion points at the last PLVC meeting. The following items were acknowledged:
    - i. Port Ludlow Community yard sale.
    - ii. "E-waste" (electronics) recycle day.
    - iii. PLA continues to progress on their plans to prepare "Falls Terrace" for residential development.
    - iv. The PLVC Utilities Committee has been reconstructed.
    - v. Earth Day "Beach Cleanup Day".
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). Recent insurance matters may delay hiring the recently approved leadership position of the FY 2026-2027 (Events/Front Desk).
    2. The GM provided more information on recent Hospice Foundation Breakfast, nearly 70 attendees, and nearly \$600 in contribution paid to the Foundation (proceeds and direct donation).
    3. The GM reported on Member's Lounge. GM advised the Board that continuation of this amenity/service into the 2027-2028

budget plan may end funding for this activity due to escalating insurance premium expense and low attendance.

4. Club Projects were discussed:
  - a. IT project is closed out.
  - b. The locker room showers have all been repaired. Showers and all related systems have been inspected by plumbing and working perfectly. There is now a certain conclusion that hot water use/demand is a capacity deficiency. The Facilities Committee has been advised, and a bid has been received to consider a recommendation to increase capacity.
  - c. The pool deck drains. The drains are currently malfunctioning and need to be cleared/repared. The repair is critical to prevent moisture related damage in the pool areas. The Facilities Committee has been advised.
  - d. The next phase in front entry repairs are the plant and shrub beds. The Board has deferred the remainder of the project into the next FY so it can be completed all at once. Facilities Committee has included this in recommendation for the 2026-2027 Reserve Expense forecast.
  - e. The auditorium lighting system was wired in a way reverting to manual (switch) control, until a similar controller can be located compatible to the one that failed is found
  - f. The rower in the Fitness area has been repaired.
  - g. New lockers for the men's & women's locker rooms have been ordered. Delivery is delayed; the updated delivery and installation date is expected to be sometime in July.
  - h. 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 newest working draft was forwarded to the Board members.
  - i. The updated Collections & Fees policy as well as the Enforcement policy was sent to our Members on Monday, March 16. Early delivery has helped boost on time payments, however to date, there are nearly 175 SBCA members that have not yet paid the April 1 period assessment. If payments are not received by April 15, formal delinquency notice and legal disclosures will be delivered to each of those delinquent members on April 17.

- j. The transition for website maintenance duties is ongoing. The firm has received payment and contract. The GM is now waiting on a time to start working with our specialist.
- k. GM advised the Board that all insurance policies have been renewed. Nearly all premiums for all coverages increased by double-digits. The GM also advised the Board that he was notified by CAU advising the SBCA that underwriting guidelines have changed and may be cause for CAU not to renew GL coverages next year. The GM stated that he is working with the CAU Broker to understand what changes may be necessary to retain partnership with CAU, otherwise the GM is also working with another Broker to research other coverage options other than CAU.
- l. Last month GM reported that he received a referral from SBCA's general counsel for a land use specialist (attorney). Since the preliminary consultation meeting, the GM has not yet heard back from the attorney, but expects to meet with him again early next week.
- m. GM stated that the draft operational 2026-2027 budget has been completed and submitted to the Finance Committee to review. The version the Committee has recommended the Board to approve has been provided to the Board for review.
- n. Associate Membership remains at same level. GM advised the Board that an Associate Membership was cancelled a few weeks ago, only to be replaced by someone else in the Community within days.

#### 7. Treasurer's Report – John Cacho

- a. Fiscal year is completing its 3<sup>rd</sup> quarter. Financially SBCA is in good shape.
  - i. YTD income is up; expenses are down; there is a current net surplus (approx. \$85K). YTD surplus drivers are related to increased income over forecast from (new) Associate Members, delinquent assessment collections and fees, pre-paid member assessments and facility rental income. Expenses: expenses are less than planned - mainly due to timing issues with Repair & Maintenance and insurance expense, and a significant reduction in payroll expense associated with the ongoing staffing shortage. Insurance renewals expense cash flows will be reflected in next month's financials. 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. The latest expenses paid were for final payment for concrete repair and a deposit on the new lockers.

## 8. Board Communication

- a. None received

## 9. Committee Reports

- a. ARC Committee Report (March meeting): There were six applications for the Committee to review. Four applications were unconditionally approved, and two were conditionally approved. No other actions taken.
- b. Activities – Carolyn O’Keeffe.
  - i. A speaking event was acknowledged, a presentation on the history of the CIA.
  - ii. Carolyn also announced upcoming Member Socials. A Pasta Dinner Social and in May, a Mexican Fiesta Dinner Social, and in June a Member BBQ with burgers and hot dogs.
  - iii. Carolyn noted the Activities Committee is already working on scheduling next year’s events.
  - iv. Jan Clemens was introduced to the Board as a SBCA member volunteering to join the Activities Committee. Motion to approve Jan Clemens as a new Activities Committee Member. **Approved 6/0.**
- c. Facilities – Director Dennison
  - i. Reserves Expenditures review was the focus of the meeting. Five projects were determined to be a priority for the next fiscal year’s budget. The projects recommended to Finance Committee and the Board to approve were as follows; asphalt resurfacing, completing the full scope of landscape project (Club entry), replacing the electric panel and water heater in the pool pump room, and allocating money for the Reserve Study update. One additional project was noted as urgent, the failed pool deck drains. The Facilities Committee advised Finance Committee, so Finance can determine if the drain repair expense should be allocated to come from Reserves or Operational (maintenance expense) funds.
- d. HR –Carolyn O’Keeffe
  - i. HR Committee did not meet.
- e. Health & Fitness – Christine Spagle
  - i. Christine announced the Committee had a great turnout for the Fitness Area Orientation. Orientation for the weight room equipment and other fitness areas will be ongoing. Each week on Wednesdays from 11am-12pm a Fitness Committee member will be available to answer members’ questions on fitness area equipment.
  - ii. Christine announced that member Adina Rivers had resigned from the committee.
  - iii. Christine noted the Committee finalized a message for SBCA members highlighting the development of Fitness Area Etiquette & Rules. This development of etiquette and rules is recommended for the Board to approve. Motion to approve the Fitness Area Etiquette & Rules as

submitted. Approved 6/0. Christine then added that the Fitness Area Etiquette & Rules are intended to be included in the SBCA Rules in the same manner that Woodshop Rules are. The Board will be reviewing all Bay Club rules for consideration of updating at its next Workshop.

- f. Long-Range Planning –Carolyn O’Keeffe
  - i. Carolyn reported that the committee completed its review of the planning objectives and examined the fiscal planning parameters that will guide decisions aimed at reducing operational expenses or developing programs to generate supplemental income. Additional planning-parameter discussions focused on facility usage, including a review of amenity-usage statistics and consideration of a potential process for reassessing the purpose and use of the Bay Club gathering space.
- g. Finance Committee - John Cacho
  - i. John made the following motion based on the report made by Facilities Committee Chair Dennison; Motion to accept and approve the Reserve Spending plan of \$228.5K associated with the following projects; asphalt resurfacing, front landscape modifications, replacing the electrical panel and water heater in the pool pump room and paying for the update to the Reserve Study. Approved 6/0.
  - ii. John provided an overview of the budget review process discussed at the Finance Committee meeting. He noted that the budget forecast includes a significant amount of one-time “windfall” income from Capital Contributions tied to new home sales in Olympic Terrace II. Despite this, the committee determined that a modest assessment rate increase is necessary to rebuild the SBCA Rainy Day Fund and to address inflation-driven increases in projected expenses.
  - iii. John also explained that the committee concluded the pool deck drainage repair should be funded through the Operations Budget rather than drawing from Reserves. The additional Capital Contribution income is expected to be used primarily for one-time new expenses in next year’s budget and to offset inflationary impacts. The increase in the quarterly SBCA member dues assessment would be directed mainly toward strengthening the Rainy Day Fund balance. Motion to approve the 2026-2027 Operations Budget as submitted that includes a \$25 per quarter increase to SBCA assessment rate. Approved 6/0.
- h. Motion to approve all committee reports. Approved 6/0.

#### 10. Old Business

- a. Carolyn O’keeffe informed the Board that a site visit was conducted at the Timberton property associated with the complaint, which has a compliance deadline of March 16. The property was found to be in worse condition than during the initial inspection that confirmed the complaint’s validity. A certified notice was sent to the member responsible, but it was returned as undeliverable. A follow-up attempt was made to deliver the notice electronically. Because the Board has no confirmation that the member has acknowledged the

identified rule violations, the following action was recommended after Board discussion; Motion to direct the GM to send formal notice again, this time gaining Proof of Delivery by the USPS, with additional direction included in notice providing the offending member with 3 days to respond to the Board, regardless of response, the property owner will have two weeks from Proof of Delivery date to resolve all rules infractions, or be assessed any applicable fees, fines, or penalties defined in the SBCA enforcement policy. **Approved 6/0.**

- b. Donation Policy: Carolyn noted updates were made to the SBCA Donation Policy. There was a short discussion on one item addressed in the proposed policy draft for offer of donation of service. After discussion the following motion was made; Motion to adopt the proposed policy draft as submitted with item addressing donation of services, deleted. **Approved 6/0.**
- c. SBCA Bylaws: addressed in the General Manager's report. Carolyn suggested the Board members review one last time and bring any suggestions for further edits to the upcoming Board Workshop, so that the Board will be ready to consider for approval at its May meeting. No action was taken and the matter was tabled.

#### 11. New Business

- a. Board Member Candidates 2026-2027
  - i. A review of open seats on the Board for the fiscal year 2026-2027 was discussed. The total number of open seats for the next fiscal year was unusual, at six open seats. The anomaly in number of open seats is due to the resignation of Michael Stuber in December, and current Director Beuby's disclosed intention to resign in July. The normal number of four open seats in term cycle will be increased by the two resignations. Two Board members with terms expiring have expressed a desire to be candidates for another term. The eblast asking for SBCA lot owners to consider volunteering to serve as Board members was approved. The GM will send an eblast out to membership on April 10<sup>th</sup>, soliciting volunteers and acknowledging six open seats for the 2026-2027 annual meeting ballot.

#### 12. Member Comments

- a. One member wanted to remind the Board to attend the presentation on history of CIA after the meeting and noted that in June a speaker will be scheduled to discuss Snails & Slugs!

13. Adjourn at approximately 10:50 AM a Motion to adjourn. **Approved 6/0.**

Next SBCA Board Meeting: May 14, 2026, 9:30 AM.

Next SBCA Board workshop: April 23, 2026, 1:00 PM.