

SOUTH BAY COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
June 11, 2026 9:30am
Draft Minutes

1. Call to Order
The meeting was called to order at 9:33 am.
2. Determination of Quorum
Quorum was present to start the meeting with four Board members in attendance: Carolyn O'Keeffe, Christine Spagle, Faye Beuby, and Owen Dennison. Donna Colosky, and John Cacho, were absent. 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. There were no comments or suggestions. Motion to approve the agenda. **Approved 4/0.**
4. Approval of meeting minutes for May 14, 2026, Motion to approve. **Approved 4/0.**
5. President's remarks – Carolyn O'Keeffe
 - a. PLVC matters. Pres. O'Keeffe summarized discussion topics at the PLVC meeting in June. The following meeting discussion items were acknowledged:
 - i. JC Commissioner Greg Brotherton reported cell tower DCD application and banning fireworks this season.
 - ii. Chief Black from EJFR was in attendance and spoke to current County fire risk status and noted two new ambulances were added to the fleet.
 - iii. PLA updates included acknowledging ongoing work in “Falls Terrace” area for the planned 53 new residential units, also noted all surveys related to OWSI services were received, and that backflow prevention checks were now due.
 - iv. PLVC noted there is now a Friday Farmers Market in the commercial center from 9am-1pm.
 - v. PUD representatives spoke to upgrades in Broadband access in the County and also announced that sales of “Carbon Credits” will result in proceeds that will be used to enhance the PUD support for residential consumers that are financially challenged.
6. Manager's report – Mark Torres Club Operations
 - i. General Manager Torres reported on several matters.
 1. The General Manager noted there were no changes in staffing levels (shortages). The GM also asked the Board to advise HR that there is a new modification to the proposal to replace the Board approved new leadership role, that will better serve the original

intention of strengthening the staffing model for the SBCA. Next HR meeting is scheduled for July 6, at 9:30am.

2. The GM provided more information on the recent North Olympic Salmon Coalition Breakfast fundraiser; 70 attendees, and nearly \$500 in contribution were paid to NOSC (proceeds and direct donation).
3. The GM reported on Member's Lounge. Weekly attendance remained unchanged and reminded audience that the patio was now open for outdoor seating.
4. Club Projects were discussed:
 - a. GM announced that pool there is a likely closure planned for some time in July, preferably at same time lockers are being installed. The closure will allow troubleshooting to occur on the failed pool area deck drains.
 - b. The pool area heating status was reviewed. The GM stated that the manufacturer had sent the wrong part to the contractor, and the current limited heating in the pool area would continue for up to 2-3 more weeks while contractor works to secure correct part and install to resolve the issue.
 - c. The GM announced that the Bay Club front area landscape project will enter phase two starting next Monday. An eblast was sent to members alerting them to construction equipment and personnel in areas around the planting beds. The project is expected to last 10 days. The project involves soil remediation/enrichment, irrigation modifications and repairs, and replacement planting of items that are dead/dying and adding a few new plants/shrubs.
 - d. The new lockers status remains unchanged and are expected to be delivered and installed mid-July.
 - e. Bay Club window cleaning will occur next Friday on June 19.
 - f. The GM reported that the new fiscal year Reserve Project – Asphalt Resurfacing, is tentatively scheduled for the last week in July. The project will require closing the Club for at least two-days, and all access to the Club parking lot and Spinnaker Place from parking areas to Chandler Court. Then after that phase, 1st half of Spinnaker and all the parking areas are resurfaced, the remaining amount of Spinnaker will occur, one side of the road at a time to allow for vehicle access to residential units, similar to seal coat application process of the past.

- g. The transition for website maintenance duties is ongoing. The firm has completed a design concept, and it was forwarded to the Board. The GM asked the Board for feedback, and if there is no objection to design, the GM will have the firm continue updating the new site using the approved design.
- h. Next year's insurance renewal options are still being assessed. A new broker is working with four different underwriters to find a good match for the SBCA's 2027-2028 fiscal year. The GM announced that he met with the LMC GM and found that CAU had also submitted a notice of non-renewal to LMC. LMC and SBCA will work together to establish new partnerships for General Liability coverages. A report on status of search and coverages will be provided to the SBCA members at the Annual General Meeting scheduled for July 15, 2026.
- i. The GM announced that SBCA's legal counsel had created a Board Correspondence and Records policy for the SBCA. The need for this new policy was due to new laws governing how HOA's respond to Owner inquiries/correspondence and records requests. The GM is seeking feedback and approval to adopt the new policy.
- j. GM stated that Annual Meeting Packets have been sent to the Printery to produce, assemble and mail out to members. The mailout for the July 15 meeting will occur on or before June 17, 2026.
- k. The GM noted that the date for the SBCA to follow requirement to send out a 3rd notice of delinquency letter to all remaining members that have not yet paid the April period assessment is Monday, June 15. There are five SBCA members that will receive a 3rd delinquency notice. Two of the five members will be recommended to the Finance Committee and the Board to consider having the SBCA attorney take over collection efforts, as the delinquent balances owed to the SBCA exceed \$1000 (ea.).

7. Treasurer's Report – GM Torres reporting John Cacho, absent

- a. Fiscal year is related to the YTD totals as of May 31, 2026. Reporting is relative to the SBCA's status of 11 months actual income and expense. Regarding financial performance the SBCA is in good shape.
- b. Year-to-date, the net variance to plan for the period ending May 31, 2026, is favorable at +\$98,000. The General Manager noted that the reported surplus is partly attributable to the early distribution of the July 1 assessment notices. Payments received during the second and third months of a quarter are typically minimal; however, because the July assessment notices were sent early, several

payments have already been received as pre-paid assessments. For year-end reporting, these advance payments—applicable to the next fiscal period—will be recorded separately to establish the true net income for the period ending June 30, 2026. The net income position is expected to remain favorable.

- c. The GM stated that income was up \$40K over forecast due to prepayments of assessments, resolution to a large delinquency matter, timing of capital contributions, and additional Associate membership initiation fees over what was planned. On the expense side, under \$50K, was due to the deficit in Club staffing levels most significantly; while the remainder in savings came from supplies expenses associated with Member's Lounge and in Repair & maintenance due to timing of some larger expenditures.
- d. The GM spoke to Reserves next, indicating that there are no more planned Reserve expenditures for the rest of the fiscal year. The current total of expenditure aligns with the budget, and income from Reserves deposits is as expected and the final FYE balance of Reserves will exceed the original forecast as conveyed to SBCA Members last year at the Annual Meeting.

8. Board Communication

- a. President O'Keeffe reported that an email was received from an individual associated with the Timberton complaint. The General Manager responded and advised the complainant's representative that they should formally notify the Board once they believe all violations have been corrected, so that a site visit can be scheduled to verify compliance and allow formal resolution to the longstanding and unresolved infractions, and most importantly the current assessment of fines to cease. No further communication has been received from the respondents since the GM's advisory.
- b. The GM was asked by President O'Keeffe to review correspondence from the SBCA's attorney regarding law changes and the proposal to draft a records request and owner inquiry policy for the SBCA. The GM explained what the new law required HOA's to do to adjust the administrative process for handling such things. The GM stated that the new law becomes effective on June 11, 2026.
- c. President O'Keeffe announced that a complaint from Teal Lake Village HOA had been received regarding a rule violation by one of its residents associated with playground equipment. Additional SBCA Board correspondence was subsequently received from TLV HOA advising the SBCA Board that they wished to withdraw the complaint, as issue had been resolved by the homeowner. No SBCA Board action taken.

9. Committee Reports

- a. ARC Committee Report (May meeting): There were seven applications for the Committee to review. Six applications were unconditionally approved, and one was conditionally approved. No other actions taken.
- b. Activities – Carolyn O'Keeffe.

- i. A reminder for BBQ & Dance event on Friday, June 12.
 - ii. Pancake breakfast for NOSC – 70 attendees, \$500 in proceeds.
 - iii. Carolyn shared Committee work to make planning and support more efficient for volunteers when planning a food/beverage/social type event.
 - iv. Carolyn announced that the Committee was planning for six large food/beverage/social events next year; two were familiar as Member Holiday Gala and the Annual Meeting Member Reception , Four other events were being considered with some suggestions being events that included a band/dancing, a event that was BBQ focused, an event that may include a mystery theatre experience, and also considering a new Veterans Day celebration event.
 - v. Carolyn acknowledged the excellent educational presentations brought to the Members to date, coming from the efforts of Committee member Gil Skinner. She noted that in September there was a special speaker schedule that was nationally known, Thor Hanson, an author and biologist, a Guggenheim Fellow, a Switzer Environmental Fellow, and winner of the John Burroughs Medal among many, many more accolades. Gil Skinner also noted for the Board the events scheduled for remainder of June, citing, presentations on North Olympic Salmon Coalition, a presentation on Slugs and Snails, and a presentation on noxious weeds and lastly a wellness presentation by Jeferson Healthcare on Joints: shoulders and knees.
 - vi. President O’Keeffe announced that member Jan Clemens shared that she would not be continuing to serve on the committee and Gil Skinner would continue with his role but may not make the meetings. An announcement will be made at the next Board meeting who the Committee members will be for the next operational period.
- c. Facilities – Director Dennison
- i. Spoke to Committee’s review of several different items including;
 - 1. The continuing discussion on project to repair and enhance the Auditorium stage for presentations. Bids are still being finalized.
 - 2. The Lobby Front Desk counter repair/enhancement project was discussed. Bid for remediation is still being worked on.
 - 3. Pool deck drain (failure) troubleshooting is being scheduled and will result in a pool closure during the time the work will be done.
 - 4. The woodshop reported that the oscillating spindle sander was no longer functioning correctly. A woodworker/SBCA member provided an offer to the SBCA to donate his spindle sander at no cost to the HOA. *Motion to approved Donation Offer made by Joe Gullien to donate a oscillating spindle sander to the HOA for \$0 (free). Approved 4/0.*
 - 5. Director Dennison noted that all current Facilities Committee members wished to continue into the next operating period, fiscal year 2026-2027.

- d. Health & Fitness – Christine Spagle
 - i. Christine stated that all current Health & Fitness Committee members wished to continue into the next operating period, fiscal year 2026-2027, with the exception of Randy Edwards.
 - ii. Committee discussed status of new lockers, learning that there was no change to the July 15 estimated delivery date.
 - iii. Christine reported that Active Life Fitness established 3 dates and topics for presentation to the SBCA members. Topics of presentation were shared as “Injury prevention for gardeners”, “Injury prevention for Hikers” and finally, Injury prevention for Pet Owners – Pets & your balance”.
 - iv. Christine noted that Committee also revisited ongoing issue with hot water delivery being inadequate (for showers) during periods of high usage. The Committee suggested that the solution (adding hot water capacity) be incorporated into the Reserve Project planned for refurbishing the locker rooms. The matter then was tabled.
 - v. Christine noted that Bay Club staff would continue adding “small QR Code placards” to cardio devices that will allow new users to gain easy access to “YouTube” tutorials on how to use the equipment. Currently there is one on the NuStep machine. The orientation aid has been well received resulting in requests to add the same to all other machines.
- e. HR –Carolyn O’Keeffe
 - i. HR Committee did not meet in May but given request from the SBCA GM, President O’Keeffe stated that she would notify the HR committee members, so they were prepared to meet at the next regularly scheduled time, July 6.
- f. Long-Range Planning –Carolyn O’Keeffe
 - i. Carolyn reported that there were insufficient members available to establish a quorum. The future insurance coverage options/sourcing and potential for change in the SBCA operations has posed a challenge to future planning. The LRP Committee will have a short meeting on July 14th and then be on hiatus until September when insurance matters are expected to be clarified and the new Board established.
- g. Finance Committee - GM Torres reporting John Cacho, absent
 - i. GM Torres summarized Finance Committee discussions. There were no action items for the Board.
 - 1. Variance reports for the financial period were discussed. All favorable.
 - 2. Pre-paid” assessments were discussed and how to differentiate in year-end reporting and at annual meeting.
 - 3. Reserves expenses and forecasted year-end fund balances were discussed.
 - 4. Delinquencies and notices were reviewed.
 - 5. Lastly there was a discussion on the maturing CD at 1st Security Bank. The CD would not be “rolled over” but deposited into the

existing Reserves Cash Fund at 1st Security bank to prepare for cash outflows associated with 2026-2027 planned Reserve Project (expenses).

6. Insurance coverages and the search for new partnerships, and speculation on potential increase in premium expenses with a new provider were also discussed.

h. Motion to approve all committee reports. **Approved 4/0.**

10. Old Business

- a. Timberton Complaint: Carolyn restated and summarized status of the complaint/resolution; status currently is that the SBCA General Manager responded and advised the complainant's representative that they should formally notify the Board once they believe all violations have been corrected, so that a site visit by the SBCA Board representatives can be scheduled to verify compliance and allow the longstanding fines for unresolved infractions to cease. So far, no further correspondence has been received from the respondents since the GM's advisory.

11. New Business

- i. Teal Lake Village Complaint – resolved/withdrawn.
- ii. New SCBA Owner Inquiry and Records Policy
 1. Discussion and request to amend/correct as follows:
 - a. Footnote to reflect 64.90.35 not 64.90.34.
 - b. Copies fees should be clarified to mean standard size paper, and that oversized documents may be subject to additional expense.
 - c. Staff or 3rd party fees needed to respond to record requests be changed from \$40 per hour to \$50 per hour to harmonize with current policy (for staff time rate) for other services, such as those defined in SBCA's Facility Use Policy.
 - d. Motion to approve new policy as amended. **Approved 4.0.**
- iii. President O'Keeffe noted that there would be a need to have a volunteer from the Board act as Secretary at the July, Annual General Meeting of SBCA Members, since the interim "Secretary", GM Torres, would be part of presentations and unable to keep meeting minutes. Director Dennison volunteered to take minutes at the upcoming annual meeting.

12. Member Comments

- a. A member in attendance had questions regarding the 2026-2027 assessment rate increase. The SBCA GM, President O'Keeffe and VP Christine Spagle responded.
- b. The same member asked about the assessment rate increase, also asked about clarification to new records policy copy fees. The GM responded to the inquiry

- c. Another member in attendance asked about Annual General Meeting materials being sent to Lot Owners – and wondered if the same material would be available to the SBCA Associate members to review. The GM responded and stated that copies of the AGM packet would be available at the Front Desk for Associate members to review but reminded the Board that Associate Members would not receive any of the voting materials, as they are prohibited from voting in SBCA business affairs.
13. Adjourn at approximately 10:55 AM a Motion to adjourn. **Approved 4/0.**

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

Next SBCA Board workshop: June 25, 2026, 1:00 PM.