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## MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF LUDLOW MAINTENANCE COMMISSION, INC.

October 28, 2010 – 4:00 p.m. – Bay View Room

**Trustees:** Elizabeth Van Zonneveld, Richard Babaian, Jim Boyer, Vaughn Bradshaw, Teddy Clark, Glee Hubbard, Stan Kadash, Michael Larkin and Sharron Sherfick.

President Van Zonneveld called the regular board meeting to order at 4:00 p.m.

**Call to Order:** Secretary Bradshaw called the roll. All trustees were present with the exception of Trustees Boyer, Hubbard and Larkin. Trustee Babaian attended via electronic means. General Manager Brian Belmont was also in attendance. A quorum was present.

**Changes to the Agenda:** “New Funding Sources” was added to Board Business as item i. “Greenbelt Committee Security Deposit and Policy – Replacement of Trustee Representation to LMC Committees – due to prolonged absence” was removed from Staff & Committee Business item g. President Van Zonneveld announced time allocations have been added to the Board Business section in the agenda.

**Opening Remarks:** President Van Zonneveld asked attendees to sign in if they had not already done so. All meetings of the LMC are recorded for transcription and accuracy. Meetings are not operated entirely by Roberts Rules of Order, but a general parliamentary procedure will be followed. Skype is used occasionally to allow board members to participate while out of town. President Van Zonneveld stated it is not her policy to vote on a matter before the board except to break a tie, but she will break that policy today when board meeting policies are discussed. Members wishing to address the board are asked to wait until recognized, go to the podium to use the microphone, announce their name and speak one at a time. Motions will be disposed of as they occur. President Van Zonneveld discussed the recent change in the furniture in the room to make the meetings more pleasurable and participatory for the membership.

For the remainder of this working year, with the exception of November, the trustees will meet on the fourth Thursday of each month. In November the board meeting will be held on Wednesday, November 24. The meetings are scheduled from 4:00 p.m. to 7:00 p.m. The trustees will meet with the South Bay Community Association Board members on November 5, to discuss matters of mutual interest.

**Member Comments:** None

**Approval of Minutes:** *Trustee Kadash made a motion to approve the regular Board minutes of September 23, 2010, as corrected by an amendment made by Trustee Babaian. The motion was seconded as amended and approved by Trustee Sherfick. The motion carried 4:0:2, with Trustee Clark and President Van Zonneveld abstaining. 10-10-01*

*Trustee Babaian made a motion to approve the executive session minutes of September 23, 2010. The motion was seconded by Trustee Sherfick and carried 4:0:2, with Trustee Clark and President Van Zonneveld abstaining. 10-10-02*

**STAFF & COMMITTEE REPORTS:**

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**Manager's Report – Brian Belmont** – The Trustees have been provided with a copy of Mr. Belmont's monthly exception summary report.

97.3% of LMC's annual assessments have been collected through the end of September 2010. Year-to-date LMC is \$8,305 under budget on assessment collections. Total income through the first 9 months of 2010 is only \$1,120 under budget.

Legal expenses are \$3,007 over budget for the entire year. Total expenses through September 2010 are \$32,497 under budget. Some of this is related to timing and the deferral of projects approved by the board a few months ago.

LMC is not expected to have a deficit at the end of 2010. Efforts by the board and standing committees have helped to cut back on expenses.

Usage at the Beach Club, including meetings and other events, has been tracked since the first of August. For the month of September there were 1,473 non-recreational users, 3,051 recreational users, for a total of 4,524 users.

President Van Zonneveld asked Mr. Belmont to provide the trustees, once we have the data, with the Beach Club's seasonal average monthly use.

**Operations Committee (OC) – Tom Satterlee for Jim Goode, Chair** – Referring to the OC's monthly exception report, Mr. Satterlee reported the bids received for the RV lot project had been discussed with the Finance Committee.

The owners at 40 Baldwin Lane have received three letters from the OC in regard to their parking a utility trailer in the yard. The yards at 90 Camano Lane and 20 Wren Court have been neglected for many months. Letters sent by LMC have been returned by the Post Office because of invalid addresses. Discussion followed related to the problems with delinquent properties.

**Finance Committee (FC) – Trustee Sherfick for Ian Feltham Chair** – The FC met on October 14. Tom Satterlee, from the OC, presented the three bids the OC had received for the RV lot project. The FC voted to accept the \$29,775.31 bid from Bird Electric, for submission to the Board of Trustees for approval. The second bid was submitted by Double D and was \$36,910.20. The final bid by Nu Tek, Inc. was \$49,726.33. The trustees were presented with the details of the Bird Electric bid. Discussion followed.

*Trustee Sherfick made a motion to approve the bid submitted by Bird Electric for electrical upgrades and installation of security cameras at the LMC storage lots and to approve up to \$32,000, to be allocated from the reserves, to cover the cost of materials and labor. Materials include three 20' light poles with 7'x 20" diameter concrete bases, dual and single 250 watt flood lights, 20 amp circuits to the storage building a 200 amp subpanel, underground wiring encased in PVC conduit, cameras and DVR. Additional work to be completed includes removing and terminating the existing light at space #172 in the Rainier lot, changing the light fixture at space #20 in the Talbot lot and crushed rock to cover back-filled areas is included. Trustee Clark seconded the motion. Discussion followed. The motion carried 5:0:1, with President Van Zonneveld abstaining. 10-10-03*

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Mr. Belmont stated the RV lot work is expected to be completed by the end of the year.

The FC met with Mr. Belmont on October 25 to review the 2011 operating and reserve budgets, in preparation for the board workshop to be held next week.

Discussion followed. Trustee Clark noted at the last workshop for the board, Trustee Sherfick and primarily Mr. Belmont provided the trustees with a review and foundation of the financial budget issues coming up before the board.

**Architectural Committee (ACC) –Bill Clark, Chair** – Mr. Clark requested the board appoint Mr. Noble Nilsen as an ACC member and Mr. Jeff Beres as an alternate ACC member.

*Trustee Bradshaw made a motion to appoint Mr. Noble Nilsen as an ACC member and Mr. Jeff Beres as an alternate ACC member. The motion was seconded by Trustee Sherfick. Discussion followed. The motion carried 3:1:2, with Trustee Babaian opposed and Trustee Kadesh and President Van Zonneveld abstaining. 10-10-04*

Mr. Clark discussed a motion made at the August board meeting that the board will “clarify the regulation applying to undeveloped lots, as to whether planting or landscaping makes them an improved lot subject to the LMC regulations.” A second motion was made to “form a task force made up of CRC and ACC to define what constitutes an undeveloped lot.” Mr. Clark recommended the OC be added to the task force because ACC does not have authority regarding maintenance of undeveloped lots. The chair of CRC was in agreement.

*Trustee Bradshaw made a motion to add the Operations Committee to the task force, approved by the board at the September board meeting, to clarify the definition of undeveloped lots. The motion was seconded by Trustee Kadesh. Discussion followed. The motion carried 5:0:1, with President Van Zonneveld abstaining. 10-10-05*

Mr. Clark reported ACC members attended the board workshop and a community forum to discuss the Trees & Views Regulation. Discussion followed related to the 210 Condon Lane matter. The lot owner was notified of their right to appeal and the appeal time period has lapsed.

**Greenbelt Committee (GBC)** — GBC committee chair, Karen Brattain, reported to Mr. Belmont and President Van Zonneveld that the GBC did not have a quorum at its meeting this month. No actions have been taken and no report is available. A resignation has been received from Ross Robson. President Van Zonneveld will meet with Ted Buehler and Karen Brattain to go over items on the agenda that need to be done.

**Communications Committee (CC) – Sue Milner, Chair** – A CC exception summary report was submitted to the trustees. President Van Zonneveld thanked Ms. Milner for participating at the Trees & Views Community Forum and for taking notes. The summary report included community-building and a reader board. Sue reported preliminary work on a possible two-sided reader board near the entrance to the Beach Club is exciting, but many details remain to be ironed out. A template was made to get an idea of how it would look. There are currently two stakes in the ground marking the area for installation. The CC will put together the costs, what kind of usage policy, etc. before the project is submitted to the board.

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## Covenants & Regulations Committee (CRC) – Sally Orsborn, Chair

Catherine Garrison submitted her resignation from CRC and will be leaving Port Ludlow with her husband in November. Her contributions to LMC as a former CRC chair and her service in other capacities have been invaluable to the corporation.

Before submitting revised language on certain sections of Regulation V on Appeals, it is imperative that CRC consider all Appeal language throughout the Regulations and consult with the enforcement committees (ACC, Operations and GBC) so that all language in the Regulations is consistent and unambiguous. This topic was addressed at both the 10/5/10 meeting and a special meeting on 10/20/10. Work will continue in November.

### **Action Item: Introduction to Regulations, 7**

This amendment ensures that there is a well-defined means of amending Regulations. There were no changes between the first reading approved in September and the second reading today.

**Rationale:** The LMC Board of Trustees, committees, members and staff may bring forth suggestions for modifications to the LMC Regulations. The board carefully considers need, content and clarity before adopting any amendments and additions. The proposed regulation defines an orderly process for making changes to the Regulations providing adequate time for serious consideration and member comment.

Deletions – strikethrough

Additions – *italic*

### **Recommended Amendment To The Regulations**

#### **LMC Introduction to Regulations, 7.**

Amendment. These Regulations are subject to future amendment and addition at the discretion of the LMC Board of Trustees [Articles of Incorporation, Article VII (i) and (j)]. ~~Prior to approval, all proposed amendments and additions to the LMC Governing Documents including the Regulations shall be subject to at least two public readings at regularly scheduled meetings of the Board of Trustees.~~ *Proposed amendments and additions to the Regulations shall be subject to no less than two readings at separate regularly scheduled meetings of the Board of Trustees, notice to be published on each agenda. Draft copies of proposed changes shall be made available to members at meetings, sent to members electronically, posted on the Beach Club bulletin board and posted on the LMC website. Member comment shall be invited. Prior to adoption, a proposed Regulation change shall be approved without modification at two regularly scheduled meetings of the board.*

CRC is considering the entire issue of Contract Memberships including proposed changes to Articles/Bylaws/Regulations that would be needed. Work in this area continues.

The committee reviewed the draft document on Election Policy and Procedures as prepared by General Manager Belmont and Catherine Garrison and found it to be in good form.

*Trustee Bradshaw made a motion that the board approve the unchanged Amendment to the Rules and Regulations Introduction Section 7, first draft, as a second reading and adopt it as an amendment to the Regulations. The motion was seconded by Trustee Kadash. Lengthy*

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*discussion followed. The motion carried 4:0:2, with Trustee Clark and President Van Zonneveld abstaining. 10-10-06*

**Ad hoc Elections – Brian Belmont** – Mr. Belmont is looking for two members for this committee. The policies and procedures of this committee will be addressed later in the meeting. Discussion followed.

The meeting went into recess at 5:15 p.m. and reconvened at 5:24 p.m.

Trustee Babaian stated he would like to have a discussion, related to the development of a process for the trustees to exercise their responsibility of advice and consent for individuals nominated for committee appointments, in accordance with Article V, Paragraph 4 of the Bylaws, to the agenda. This subject was added to Board Business.

### **CORRESPONDENCE:**

Secretary Bradshaw reported the following correspondence: email dated August 31 from Gennie and Gene Thompson, praising the proposed change to the amendment process made on September 27; email dated October 9 from Roger Oster, in response to a letter sent to him from the Secretary October 8; email dated October 9 from Art Moyer, providing his opinion about the LMC Board's authority to make and revise regulations; letter dated October 12 from Verba Abbott, addressed to the ACC and the LMC, related to trimming trees on her property; letter from Margaret Dennon, related to Regular I, Article I, Section 3a. – Trees & Views Regulation; email from Mr. & Mrs. Holloway, regarding the Trees & Views Regulation; a packet related to a personnel matter was received from Peggy Schafran

Lengthy discussion followed. Secretary Bradshaw will respond to the above-mentioned correspondence, as appropriate.

### **BOARD BUSINESS:**

- a. LMC Board 2010-11 Goals progress report- President Van Zonneveld** – Trustee Boyer indicated any plans for a social have been put on hold until late spring when the “snow birds” are back in town. This event will not be combined with the annual meeting, but on a date when the new trustees can be announced and introduced. President Van Zonneveld stated the task force needs to step that up a little and have it before the candidates forum because the objective is to get people to be more aware of committees, board positions and the work of the board. President Van Zonneveld will send a note to the task force (Trustees Boyer and Larkin) and ask them to accelerate the social and set a date in February. Discussion followed. The idea for a display in the glass cabinet in the Bay View Room will be referred to the Communications Committee.

*Trustee Kadash made a motion that the fall social, planned as part of the board goals, be moved to a date to be determined in February rather than November 13. Trustee Bradshaw seconded the motion and it carried 5:0:1, with President Van Zonneveld abstaining. 10-10-07*

**Developing Policies & Procedures for the board** – Trustees Bradshaw, Babaian and Clark worked as a task force to update the policy and procedure for LMC meetings. This

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was deferred from the September board meeting. Reference was made to a draft revision sent by President Van Zonneveld to the task force. Lengthy discussion followed. CRC chair, Sally Orsborn, will review and comment on the draft revision and will return her recommendations to the task force and President Van Zonneveld.

Lengthy discussion continued.

*Trustee Babaian made a motion to accept the draft revision of Policy & Procedures for LMC meetings, dated 9/22/10 with President Van Zonneveld's mark-ups as a first reading and sent to the CRC for their comments. Trustee Sherfick seconded the motion. Trustee Babaian withdrew the motion.*

The task force will review the draft revision of Policy & Procedures for LMC meetings, taking CRC chair Sally Orsborn's comments into consideration prior to submission to the trustees.

- b. Liability Exposure – Greenbelt Volunteer Activities** – President Van Zonneveld will meet with the GBC next week, to discuss this matter. Trustee Sherfick will also assist.
- c. Board Non Compliance case – Trustees Clark, Larkin and Bradshaw** - Further review and discussion with the involved parties is planned for clarification. No action at this time.
- d. Election Committee – Mr. Belmont** - The board was provided with the most recent draft of the policies and procedures for the Election Committee.

*Trustee Bradshaw made a motion the board adopt the October 5, 2010 draft of the Ad Hoc Election Committee Initial Policies & Procedures. Trustee Kadash seconded the Motion and it carried 5:0:1, with President Van Zonneveld abstaining. 10-10-08*

- e. Ad Hoc Committee – Condominium & Lot Owner classes within the governing documents** – President Van Zonneveld is putting together the ad hoc committee and will have a recommendation at the next board meeting. It is anticipated this project will take no more than two months.
- f. Board Member Replacement Policy – 2<sup>nd</sup> reading – Sally Orsborn** - Board discussion occurred. Trustee Babaian suggested several changes and will forward them to the CRC for review and comment. CRC will return a mark-up copy to the trustees. There will be another first reading of this policy in November.
- g. Review of Regulation II, Article I (3) – President Van Zonneveld** - Board discussion occurred. Trustee Sherfick will work with President Van Zonneveld to organize the data. The matter will be further discussed at a workshop. Trustee Clark complimented Mr. Belmont and CC chair Sue Milner for the set-up of the recently held forum on Trees & Views.
- h. Board consideration of communication to State DOT re Iron Mountain Quarry access road** - The trustees were provided with a copy of a letter drafted by the Iron Mountain Committee of the PLVC in conjunction with the SBCA Board. President Van

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Zonneveld asked the trustees to consider supporting participation and going on the record with the State DOT and the concern the community is expressing about the Iron Mountain access road off Highway 104. Discussion followed.

*Trustee Bradshaw made a motion that the board approve the LMC participating in sending the above-mentioned letter to the State DOT regarding Iron Mountain and its highway access road. The motion was seconded by Trustee Kadesh and carried 5:0:1, with President Van Zonneveld abstaining. 10-10-09*

- i. New Funding Sources - Trustee Kadesh** - Trustee Kadesh made a motion that the President form an ad hoc committee for the purpose of delving into and creating methods of raising money for the LMC such as through wills and bequests, selling memorial bricks to line the front entrance walk, etc. Trustee Babaian seconded the motion. Lengthy discussion followed. The motion carried 5:0:1, with President Van Zonneveld abstaining. **10-10-10**
- j. Development of Process for Individuals Nominated to Committee Appointments – Trustee Babaian** – The board was asked to consider delegating to the policies and procedures working group the task of developing a process for the trustees to exercise their responsibility of approval for individuals nominated to committee appointments in accordance with Article V, as set forth in the bylaws. Trustee Babaian stated his opinion the board is asked to vote on individuals that we know nothing about and he finds that very difficult to do. Lengthy discussion followed. Trustee Babaian will submit his recommendations to CC chair Sally Orsborn for review and then submission to the board.
- k. Non Compliance Cases – President Van Zonneveld** – Cases the board needs to take action on include the Cressey Lane referral from Operations, the Baldwin, et al referrals, and 210 Condon Lane. Discussion followed. Trustee Bradshaw suggested the board follow the draft enforcement procedures previously approved as a first reading and submitted to the CRC.

There being no further business to come before the Board of Trustees, President Van Zonneveld adjourned the regular meeting at 7:20 p.m.

Vaughn Bradshaw, Secretary  
Ludlow Maintenance Commission, Inc.

Prepared by Carol Shamhart  
LMC Recording Secretary