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

February 14, 2009 – 9:00 a.m. – Bay View Room

**Trustees:** Jim Boyer, Vaughn Bradshaw, Ian Feltham, Hugh Jenings, Jr., Stan Kadash, Paul Moseley, Art Moyer, Jerry Nelson, and Elizabeth Van Zonneveld.

President Boyer called the regular board meeting to order at 9:04 a.m. Roll call was conducted by Secretary Bradshaw. All trustees were present with the exception of Stan Kadash and Hugh Jenings. A quorum was present. General Manager Brian Belmont attended the meeting.

**Agenda Changes:** President Boyer asked if there were any changes to the Agenda. Trustee Moyer suggested any items to be discussed under New Business could be incorporated during the committee reports, if appropriate; to save time as several trustees had to leave the meeting early.

**President's Remarks:** President Boyer thanked the attending chairs and committee members for their help and volunteering their time. He expressed his appreciation to the members of the recently formed Ad-hoc Committee for their work on the Door of Grace Center easement.

President Boyer discussed the need to have trustee motions prepared in advance, if possible. He will ask Bill Hansen to help guide the trustees in this matter, and stated when a motion is made, he would like to have it read back in its original state before the trustees vote on the matter. Mr. Belmont reiterated that whenever possible, motions should be prepared in advance as a starting point although there may be changes as a result of discussion. Discussion continued.

President Boyer stated when the Operations Committee report comes up, it will be reported that a discussion and special meeting were held this week on the electrical repairs that may be necessary in order to accommodate our new heat pump installation. This is being investigated and an appraisal of where we stand will be made. Looking at the electrical repairs, the plumbing repairs—and at this end of the building, the roof, carpet and other items—we are getting pretty close to what President Boyer believes is a point of no return on making major investments into this building the way it sits. He will be asking the Operations Committee, and those who wish to be involved, to look at what we may actually want to bring to the board and the community as an improvement for the structure, including size and functionality of the building, before we go into major expenses for renovation and maintenance, especially in the Bay View Room.

**Approval of Minutes:** *Trustee Nelson made a motion to approve the regular meeting minutes of January 10, 2009. Trustee Feltham seconded the motion and the motion carried unanimously. 09-02-01*

*Trustee Van Zonneveld made a motion to approve the executive session minutes, as presented, for January 10, 2009. Trustee Moyer seconded the motion and the motion carried 6:0:1 with President Boyer abstaining due to his absence during the executive session. 09-02-02*

**Manager's Report – Brian Belmont**

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The trustees have been provided a draft of the January 31, 2009 financial statements. You will notice that the Budget to Actual statement is different than what the Trustees are used to seeing. This year the Finance Committee and I took the 2009 annual operating budget and broke it out into 12 monthly budgets. We are of the opinion that this is a better management tool than looking at a report that simply compares the year-to date actual to the annual budget.

In the new format the trustees are comparing the monthly budget to the monthly actual. In subsequent months you will also see year-to-date actual compared to budget columns as part of this report.

As you look at the new report it is clear that collected Members' Assessments are nearly \$52,000 below what was budgeted for January. The Finance Committee and I attribute this to the overall financial uncertainty that we are experiencing nationally. As of February 12, we have only collected 80% of this year's assessments as compared to nearly 90% at this time last year.

I believe that collecting assessment income this year is going to require much more staff time than in prior years.

LMC recently hired Don Baker as Phil Eng's replacement in the maintenance department. As you know, Phil is retiring at the end of April after working for LMC for more than 24 years. Don has a good background in construction, building maintenance and grounds maintenance. Another attribute is Don's verbal communication skills. Don will be participating in a couple of orientation shifts this month and will start full time March 2.

LMC also hired Melissa Denny as a part time hostess. Melissa is taking her daughter Mara's place on the hostess schedule. Mara is leaving the Beach Club staff after more than 4 years, to accept a fulltime position elsewhere.

I would like to recognize and thank Butch and Barbara Sword who recently donated a Pilates machine for use in the exercise room.

Mr. Belmont thanked Steve Siegiel for recently installing a new fan-forced heater and thermostat in the Gazebo. The new installation allowed LMC to remove the two previously installed 6-foot baseboard heaters from that room.

This past Thursday, we found out that one of the two compressors used in the indoor pool dehumidifier system is no longer functioning. The service company is preparing a proposal for the repair. An initial rough estimate is \$1,500 – 2,000. A drip pan in the same system has rusted out and a custom pan will need to be made. Eventually, there will be some additional costs for that.

I will be out of the office Monday, February 16 for the President's day holiday. I am also planning to take some time off during the week of February 23.

Discussion followed. Trustee Van Zonneveld inquired if the compressor and drip pan would be reserve items. Mr. Belmont said that because it is not a complete replacement, it is his recommendation the expense be run through the operating account initially as a repair. There will be the option to recode the items later, if required.

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## COMMITTEE REPORTS:

### Architectural Committee (ACC) –Trustee Bradshaw for Sharron Sherfick, Chair

Trustee Bradshaw read the following ACC report from Chair Sharron Sherfick.

The Architectural Control Committee met on January 12<sup>th</sup> and January 26, 2009. In addition to approving three tree removal requests and one deck repair, an application and house plans were submitted for consideration by the architectural firm representing owners of Lot No. 2-3-020 (0 Wheeler Lane). Committee members extensively reviewed the plans with the architect and clarified what further documentation was needed before a decision would be rendered.

A final review of the ACC Policies and Procedures draft was conducted by committee members. The draft was reviewed again this date and is ready to be submitted to the Covenants and Regulation Committee (CRC).

Discussions surrounding Committee development took place. In addition to recruiting Alternate Committee Members, a replacement for chair Sharron Sherfick is needed as quickly as possible. In addition to surgery scheduled for February 20<sup>th</sup>, I am in the process of moving and cannot fulfill the requirements of the position from out of county. In light of the pending Hood Canal Bridge closure and my husband's work schedule, we would like to be settled in Marysville by the beginning of April. With ACC members' approval, I would like to remain an Alternate until our Port Ludlow property is sold.

With this in mind, I respectfully request the LMC Board of Trustees consider scheduling the Hackney/Garretson appeal hearing on March 21<sup>st</sup> or March 28<sup>th</sup>. This should afford me adequate recovery time, and, allow time to meet with committee members to prepare for the appeal.

### **At this point, Item b. of Unfinished Business (appeal time limits) was discussed.**

President Boyer stated he understood there was a 30-day appeal time for people that are opposed or concerned about a building project and then the action time for the board is 60 days. LMC members Tim Bangle and Bruce Eddy presented different portions of regulations, covenants and procedural statements in our documents that seemed to conflict with each other. Secretary Bradshaw stated he had identified the discrepancies in the regulations, and discussed the decisions he thought needed to be made. The following report was read into the record by Secretary Bradshaw:

#### Rules and Regulations – Appeal Time Limits

“A discrepancy in our regulations has been identified. Regulation II, Article III, 4 a. pertaining to appealing an ACC decision requires that ‘An appeal may only be taken within 30 days after the date on which notice of the ACC decision is delivered to the owner or affected party.’ Regulation II, Article I, 3 f., which addresses appeals by an applicant or interested party affected by a request to the ACC about trees and views on private property, refers to the procedures outlined in Regulation V, Article II. Under that article,

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Regulation 4 a. states that appeals must be filed 'within 60 days after the date of the committee letter.' So we have one place saying 30 days and another place saying 60.

The board needs to clarify the requirement for the window of time available for an appeal, to protect the interests both of applicants and of those members affected by a request. There are basically two categories of request to the ACC: (1) construction or modification of buildings, and (2) cutting of trees. Our choices are: (1) A 30-day appeal period for all requests, (2) A 60-day appeal period for all requests, or (3) A 30-day appeal period for building-related requests and a 60-day period for tree requests. In addition, there is currently no procedure to hold up an application pending an appeal or the resolution of an appeal. For example, if the ACC approves an application for a new home (which means a building permit is already obtained), it could be 90 or 120 days later by the time the board acts upon an appeal (including the 60-day period the board has after receiving the appeal. The house could be well under construction by that time. Similarly, if the ACC approves the cutting of a tree, it is likely to be already done by the time the board acts on an appeal. There would be a similar situation in the Greenbelt Committee. Do we want to include an implementation delay in the decisions of these two committees to allow appeals?

I propose that we allow for a limited amount of time to discuss this issue during our board meeting today. If the board is unified and can make a policy decision, we should then refer the matter to the Covenants & Regulations Committee to incorporate into the Regulations and assure consistency throughout the document. If it becomes clear that we are not ready to make a decision, I propose we table the matter to allow for more seasoning and possibly even hear from our members on how the time period affects them one way or another. Hopefully, we can then make a decision at our next meeting.”

Lengthy discussion followed related to the Hackney/Garretson appeal hearing. Mr. Belmont stated the Bay View Room would be available on both March 21 and March 28 for a 9:00 a.m. meeting.

Mr. Belmont stated it appears there are two issues here; one is setting an appeal hearing date and the other is how to go about addressing these two contradictions within the Rules & Regulations. A board workshop with input from pertinent committees to brainstorm this matter was suggested. Mr. Belmont pointed out the references Trustee Bradshaw had mentioned that contradict each other, and there is also another section in the ACC portion of the Rules & Regulations that addresses towers and it has a sixty (60)-day appeal hearing period. Good discussion is needed and a workshop with committee representatives would be a good way to proceed.

*Trustee Van Zonneveld made a motion that the trustees set the Hackney/Garretson appeal hearing for March 21, 2009 at 9:00 a.m. Trustee Moyer seconded the motion. Discussion followed. Trustee Moseley stated he would not be available on March 21, but would be available by phone. Trustee Jenings is not expected to be present March 21, but may be available by phone. The motion carried unanimously. 09-02-03* Secretary Bradshaw stated he will notify all the parties.

Trustee Van Zonneveld stated the reason we have the trees and views differences is because there is a new regulation. The trustees had agreed, in general, as a result of the lawsuit mediation settlement, that we were going to leave the regulation in place as presented by the committee and

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as voted on by the members, for this year until we saw how it worked. Trustee Van Zonneveld was in favor of a workshop comprised of the enforcement committees, to look at all the variables, but she did not think the trustees should strive for a single way to handle all of these as the enforcement provisions in the bylaws are pretty clear. Sheds and homes are in a different category than fir trees on the greenbelt and do not have to be handled in the same way.

Lengthy discussion followed related to the types of issues that might be discussed at a workshop.

*Trustee Feltham made a motion to waive the thirty (30) days requirement for this one workshop, as it needs to be done sooner rather than later. Trustee Van Zonneveld seconded the motion and it carried unanimously. 09-02-04*

*Trustee Moyer made a motion to schedule a workshop for Rules & Regulations review, regarding appeal time, on Thursday, February 26, 2009 at 1:00 p.m. The motion was seconded by Trustee Feltham and carried unanimously. 09-02-05*

Operations Committee Chair Jim Goode discussed sending updates to the members when changes are made to the governing documents. Trustee Van Zonneveld suggested using the Navigator to carry those changes by using an individual sheet insert for adopted regulation changes. The matter will be referred to the Communications Committee for consideration.

President Boyer will write to the committee chairs, inviting them to attend the workshop. Mr. Belmont will send out email notification to the members, advising them that in order to meet the board's schedule, the 30-day notice requirement for a workshop has been rescinded for one meeting and a workshop has been scheduled for 1:00 p.m. on Thursday, February 26. A notice will also be posted in the Beach Club lobby.

**Covenants and Regulations Committee (CRC) –Dwayne Wilcox, Chair** – No recent meeting has been held. Trustee Moyer reported the committee was waiting for an email from the LMC attorney on the differences between the Articles and the Bylaws.

### **Communications Committee (CC) - Barbara Berthiaume, Chair**

The committee met on Thursday, February 12th at 2:00 in the Gallery Room. The committee has been working on the next issue of the Navigator which is expected to be printed in March.

Deadlines for the March Navigator are as follows:

- March 4 – All articles submitted to the Communications Chair.
- March 11 – Draft of the Navigator to be distributed to the board for review
- March 14 – Board approval to send the Navigator out to the membership
- Articles identified for inclusion are:
  - Finance Committee – Ian Feltham
  - Reserve List Information - Brian
  - Elections Ad Hoc Committee – Vaughn Bradshaw
  - C & R info re proposed amendments to by-laws – Dwayne Wilcox
  - Phil Eng article – Carol Shamhart (pending)
  - Greenbelt Summary – Ted Buehler (pending)

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- President's message
- Manager's Report

The Policies and Procedures have been completed by the committee and have been sent to the CRC for their review.

**At this point in the meeting, New Business item f. - (Newsletter Articles – point/counterpoint) was discussed.**

Trustee Moyer stated the trustees have copies of his latest draft of a point/counterpoint article and he proposed this be included in the Voice and the Navigator.

Trustee Van Zonneveld stated her opinion that the point Trustee Moyer is making is that he would like to see several sides of the issue of remodel and financing reviewed by the members; that this discussion started with President Boyer's letter in the Voice in an attempt to get people to pay attention to the fact that we need to make decisions about this old building and that because the newsletter goes to all members, this is an appropriate place for us to have this discussion. She further stated she would like to see Trustee Moyer's article used and the Communications Committee thinks it would be useful to put an article together that uses quotations from some members with different points of view about it, including President Boyer's, Trustee Moyer's, and others who wrote in. Trustee Van Zonneveld suggested the Communications Committee (CC) put together a draft article for review by the trustees. Any board member who has comments they want to add to the article should send them in to the CC for inclusion in the March Navigator.

Trustee Moyer stated he felt President Boyer's comments that LMC is approaching a point of no return on the Beach Club building are incorrect and gave an example that remodels are possible. It was Trustee Moyer's opinion that LMC would spend \$500,000 over the next 20 years to maintain LMC's facilities, and indicated the Beach Club has been maintained better over the past few years than in the previous 10-15 years. Trustee Moyer stated LMC should continue to maintain the Beach Club and educate the members that we are doing that.

Lengthy discussion followed related to correspondence President Boyer has received from a small number of members voicing their opinion on the current status of the beach club and possible remedies.

Ms. Berthiaume offered to meet with President Boyer, Trustee Moyer, and anyone wishing to participate, to come up with something that gets different points of view across but in a positive manner to allow LMC a way to go forward. Diversity of opinion is appreciated and Ms. Berthiaume stated different opinions need to be expressed and that, as a board, the trustees need to find a way to come across and be diverse but still move forward and be clear.

Mr. Belmont remarked he liked the idea of an article in the Navigator that offers different individuals an opportunity to express their thoughts, to show the diversity of the community and the different ideas. President Boyer agreed with this approach. Ms. Berthiaume reiterated the deadline of March 4 for a draft of any articles. She indicates all the thoughts are out there. It is a matter of collecting them in one place and making it balanced, clear, diverse and not value-judged.

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Discussion continued with participation from LMC member David Goudie. Mr. Goudie suggested the point/counterpoint article be deferred until the second issue of the Navigator in 2009, before getting involved in this discussion in a public way.

**CORRESPONDENCE:** Secretary Bradshaw announced he had received an appeal from a number of residents regarding an ACC decision on new home construction on lot #2-1-054 on Montgomery Lane. A memo from the Operations Committee chair was received related to establishment of a fine schedule for violations of the regulations. Terry O'Brien sent a memo to the board, suggesting a slightly different approach to resolution of violations. Secretary Bradshaw read the memo from Mr. O'Brien as follows:

Date: February 10, 2009  
To: LMC Board of Directors  
Subject: Notification of Non-compliance

At the November 2008 meeting of the board, the subject of dealing with properties that were in non-compliance with the CC&R's was discussed in depth and it was concluded that it would be appropriate to file with the county, notice either in the form of a lien or at least an attachment that would be discovered during a title search in the event the property was sold. Again, in the minutes of the December meeting of the board, this subject was brought forward as nothing had been done, either preparing a pro forma document for legal review or notifying property owners that this action could be taken. Now, it is February of 2009, and to my knowledge, still nothing has been done. I find this hard to understand when it was agreed that action would be taken on a timely basis. Failure to follow through on action items further destroys the confidence of the membership in the board to act in the interest of the members. I am hoping that you will correct this situation without further action being required on my part.

Yours truly,  
Terry O'Brien

Discussion was held concerning Mr. O'Brien's memo to the board. President Boyer stated he had been to the County Recorder, the County Attorney and the Title Company, and LMC can use a standard Claim of Lien Notice. However, there is no claim or lien for monetary value. It is a claim of dispute over following up on local ordinances which are not enforced at the County level and whether or not it means anything to file it is undetermined. An opinion from the LMC attorney will be required for clarification. Discussion followed. A letter will go to the attorney to follow up on LMC's proposed lien procedure, to get his comments.

Correspondence in the form of a memo was received from Steve Siegiel on the subject of the installation of the new heat pumps at the Beach Club. The memo dealt with a number of electrical issues and concerns Mr. Siegiel has about the installation project and dove-tailing that into our existing electrical system that has some issues.

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Mr. Siegiel, who was in the audience, stated a committee had been set up to review these situations. Prior to installing the heat pumps, he would like to see the electrical issues handled as they should be, that is complying with both the State and the County regulations. The contract they have taken a look at clearly indicates that the general contractor who is going to install these units apparently intends to go ahead and make the electrical connections at the pad which means he has no intention of bringing it any further into the building. That will be an additional cost to LMC, and Mr. Siegiel feels LMC needs to address the entire situation. Discussion followed. Mr. Belmont stated he has spoken with the contractor and they are gathering some necessary information. Construction will not proceed until there is coordination between our current electrical system, the electrical subcontractor that has yet to be assigned to the project and the general contractor.

The meeting went into recess at 10:35 a.m. and Trustee Bradshaw left the meeting at that time. The meeting reconvened at 10:41 a.m.

### **At this point in the meeting Item 10 e. under New Business – Men’s Locker Room Floor Drains, was addressed:**

The Trustees were provided with copies of the pertinent documents related to the five proposals.

Mr. Belmont reported the Operations Committee (OC) had previously had two meetings, one a joint meeting with the Finance Committee (FC), in which they discussed the five different proposals. The FC again reviewed the proposals and both committees have recommended that LMC work with Perdue Construction.

Discussion followed related to proposal comparison. Trustee Moseley complimented Mr. Belmont for his work on this project. Mr. Belmont thanked Trustees Nelson and Bradshaw for their contributions, as well as the members of the OC. Discussion continued.

Trustee Moyer read the following motion: *The LMC Board of Trustees moves that the General Manager, with the advice of the LMC Secretary, Vaughn Bradshaw, be authorized to negotiate a contract with Purdue Construction for the repair of the men’s locker room drain system with a maximum expenditure not to exceed thirty thousand dollars (\$30,000), including any required change orders. Any additional expenditure beyond that amount shall require prior board approval. The motion was seconded by Trustee Van Zonneveld. The motion carried 5:0:1 with President Boyer abstaining. 09-02-06*

Trustee Moseley discussed the need for several drains in the hall outside the locker rooms. Mr. Belmont stated a lot of thought needs to be put into that project because of the current status of the concrete floor. He indicated he would like to do the men’s locker room drains at this time and the hall drains would be another project at a later time.

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## Finance Committee (FC) – Ian Feltham, Treasurer

Chairman John Van Zonnenveld has resigned from the FC due to health issues. Attending were Treasurer, Ian F. Feltham, Trustee Art Moyer, Members Eve McDougall and Robert Bima. Also attending was Manager Brian Belmont. FC Member Patrick Shannon was on vacation.

The meeting was called to order at 09:05 a.m. by Treasurer Ian Feltham.

Topics to be reviewed and discussed were:

1. Heat Pump Installation
2. Locker Room Drain Repair/Replacement
3. Investments
4. Repairs and Equipment Replacements for 2009 to be paid from the Reserve Fund.

The Manager explained the five proposals received for the repair of the drain system in the Men's Locker Room. The Operations Committee recommended Perdue Construction be offered the contract. After review of all the bids, the Finance Committee voted to also recommend Perdue. The Finance committee will present a motion on Saturday 14 Feb 2009, that the contract be awarded to Perdue at their quoted amount of \$ 16,063., but with the provision that the total amount not exceed \$30,000, due to unexpected problems uncovered in the current system.

The Manager advised on the Heat Pump installation that he had reviewed the proposal and possible electrical problems with interested personnel. He will recommend that we go forward with the installation. He advised that the dehumidifier in the indoor pool area is not working and will need to be repaired or replaced.

The committee reviewed the proposed 2009 expenditures from the Reserve Fund. Following are estimates for the items: Carpeting: \$10,000. Filter Grid for the Pool: \$10,000. Panels for the Outdoor Pool: \$7,000. Heat Pumps: \$40,000. Locker Room Repair: \$30,000. Misc: \$3,000. Total: \$100,000.

Excess operating funds (incoming dues) to date this year have been placed in two four-month CD's, one for \$100,000 and one for \$50,000 at 2.14% with Kitsap Bank. At the end of four months the FC will re-evaluate these funds. These CD's require board signatures. Mr. Belmont has the paperwork and a copy of each trustee's driver's license is required.

On Saturday at the LMC Board Meeting, the finance committee will need to make a motion to approve the use of Frontier Bank for a CD. Another motion will be made to allow the Treasurer to invest in Certificates of Deposit at banks that are FDIC Insured.

Delinquent Lot Assessments were reviewed. The manager will make a more vigorous effort to collect.

Trustee Moyer discussed the need for a motion from the board related to authorizing needed expenditures. This matter is covered in the bylaws under the description of the duties of the Treasurer, but to clear matters up a motion is required.

Trustee Moyer made the following motion: *In accordance with Article IV, section 6, Treasurer, the LMC Board of Trustees moves that the Treasurer be authorized to invest and keep safe the operating account and reserve account funds, and has the authority, at his discretion, to invest*

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*said funds in certificates of deposit, money market and bank accounts that are FDIC insured. Trustee Van Zonneveld seconded the motion. Discussion followed. Trustee Feltham amended the motion to read..... that are FDIC insured, with the exception of brokerage money market accounts which are insured through the brokerage firm. Trustee Moyer accepted the amendment to his original motion and Trustee Van Zonneveld seconded the amendment. The amendment to the original motion carried unanimously. 09-02-07 The original motion, as amended, carried unanimously. 09-02-08*

Trustee Feltham reported the FC had bought a CD for fifty thousand dollars (\$50,000) from Frontier Bank at a rate of 3.8%.

### **Greenbelt Committee (GBC) – Ted Buehler, Chair**

Mr. Buehler reported the GBC met a few days ago and provided the trustees with a copy of his report. The greenbelt is back to where it is manageable and the committee is fairly organized. The committee has the opportunity to review the GBC's overall objectives and start being more proactive than reactive. For example, over the years various people have encroached on the greenbelt and the GBC is coming up with a procedure to deal with the past, present and future encroachments. Something tangible in regard to this will be presented to the board in the near future.

Trustee Moyer inquired who would pay for an arborist on a request for trees to be cut or topped to restore view. Mr. Buehler stated the person requesting the work would pay the fee for the arborist.

President Boyer inquired as to whether the Ad-hoc Committee working on the Door of Grace Center easement could be dismissed. Mr. Buehler stated Trustee Kadesh had reported to the board that the Door of Grace Center was successful in going back to the County to reconsider the entry from Oak Bay Road rather than Osprey Ridge, with some qualifications. The main issue that the Ad-hoc Committee was dealing with has been resolved, but there remain three potential issues. One, LMC has incurred legal expense and is LMC going to recover? That is an LMC decision, not an Ad-hoc Committee decision. Second, there still may be an issue about an easement for drainage purposes across the greenbelt and another request for an easement for drainage may be submitted. The last issue is that we do not know how much excavating will be required to create their parking lot and will that have an impact on the greenbelt which is adjacent to it? The soil conditions are unknown and it is not known whether a retaining wall is to be required. These matters will not be coming up for several months and do not need to be addressed at this time.

President Boyer stated the legal expense issue will be handled by the board and the drainage and easement will be a standard greenbelt issue as will the excavation and any retention necessary along the back part of the property.

Trustee Moyer suggested the Ad-hoc Committee stand down until any requests have been received. Discussion followed. *President Boyer thanked the Ad-hoc Committee members for the work they have done and dismissed the committee.*

Mr. Belmont inquired if the matter concerning greenbelt encroachment on Schooner Lane had been resolved. Trustee Nelson reported it was the GBC's opinion there had been an insignificant

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amount of encroachment (approximately ½ block of the retaining wall cutting along the edge of the greenbelt) into the greenbelt after the property line was surveyed. The homeowner was notified they would not have to remove it, but they could not add or maintain anything further into the greenbelt. Discussion followed. No further action was taken.

### **Operations Committee (OC) – Jim Goode, Chair**

Mr. Goode announced OC member Terry Mesa has resigned due to ill health.

There are two LMC members (Lots #6-0-009 and #2-3-094) who refuse to respond to the OC's requests to not park their motor homes on their property for more than 72 hours at one time. The OC is now turning the matter over to the board.

Mr. Goode discussed the letter he had written to the trustees requesting the formation of an ad-hoc committee to consider implementation of a fine system for members who refuse to comply with the Rules & Regulations. Mr. Goode read the following letter into the record.

“There have been a small percentage of homeowners who have continually ignored the Operations Committee's request to comply with the Rules & Regulations. Ninety-five percent of our members comply with LMC's policies, but for those few who choose to disregard the governing documents, stronger enforcement is needed.

Because the Operations Committee's ability to enforce the Rules & Regulations is very limited, the committee has unanimously voted to ask the board to form an ad-hoc committee consisting of at least one member of each standing committee, to discuss the feasibility and legality of implementing a fine system for violations.”

Mr. Goode stressed a fine system would be intended for all types of violations, not just motor homes. Input from the LMC attorney was also recommended.

President Boyer asked if the matter of a fine system could be added to the agenda at the upcoming workshop on February 26. Trustee Van Zonneveld suggested a search of the files for background on this matter. Lengthy discussion followed. The February 26 agenda to be emailed to the members will include review of the Rules & Regulations – Appeal Times, and the feasibility of appointing an ad-hoc committee related to implementation of a fine schedule.

Trustee Van Zonneveld left the meeting at 11:34 a.m.

*Trustee Moyer made a motion to ask Secretary Bradshaw to write letters to the two LMC members who are in violation and have been referred to the board by the Operations Committee. Trustee Moseley seconded the motion and it carried 5:0 09-02-09*

**Condominium Associations – Jerry Nelson – Nothing at this time.**

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## **Port Ludlow Village Council – Art Zoloth and Dean Mosier**

Mr. Zoloth, on behalf of the Village Council, gave a slide presentation on an issue that was historically defined as One Port Ludlow, and referred to a previously held meeting in this regard at the Beach Club in 2007. Background of the concept behind One Port Ludlow and possible goals for the future were discussed in depth, with reference to a recent meeting held by an interested group on January 9, 2009. Discussion proceeded with input from the trustees and the audience.

President Boyer explained his opinion that the idea of a more unified community stems from the fact that all Port Ludlow's issues are decided by the City of Port Townsend and we do not have enough votes in Jefferson County to control what goes on with us. He believes that is the general direction of what the group is trying to achieve, not to change anything with the SBCA or the LMC management or their clubs but to try to create a stronger voice for us as a community at the County level and maybe beyond. Mr. Zoloth agreed that this was also his understanding. Lengthy discussion continued.

Trustee Moyer stated about seven years ago LMC sent a letter to the County Commissioners indicating that representation of the LMC was by the board. Trustee Moyer expressed his opinion that LMC and SBCA need to send a letter to the County Commissions notifying them that the respective boards of LMC and SBCA represent the members of those associations. He further stated that LMC and SBCA could get together to address those issues that affect both homeowner associations. Lengthy discussion continued with LMC member Bud Kerns providing detailed LMC background, etc.

## **Elections Committee Ad-hoc Committee – Brian Belmont**

The Elections Ad-hoc Committee has met several times. The first assignment was looking at the proxy/ballot that LMC uses for membership meetings as well as the meeting notice the board Secretary sends out for the annual membership meeting. The proxy/ballot and the annual meeting notice have been revised to try to communicate as clearly and concisely as possible. Mr. Belmont explained the proposed changes to these documents and submitted a draft to the board for their review. If the board approves the changes, Mr. Belmont stated he would like the LMC attorney to review the changes to the proxy/ballot, to make sure there are no legal issues that may arise. Lengthy discussion followed regarding the proposed changes to the proxy/ballot.

*Trustee Nelson made a motion to send the revised proxy ballot to our attorney for final review. The motion was seconded by Trustee Moyer and carried 4:1 with Trustee Moseley opposed. 09-02-10*

## **UNFINISHED BUSINESS:**

**Board Goals – Status Report** – The trustees discussed items the board has worked on during the past year. Many of the goals have been partially achieved but much work remains to be done. President Boyer estimated approximately 50% of the board goals have been completed to date.

**Insurance Risk Management Recommendations (policy changes) – 2<sup>nd</sup> Reading** - Mr. Belmont announced the matter is with the CRC at this time.

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**Conflict Between Articles of Incorporation & Bylaws – legal opinion** – Mr. Belmont reported the attorney sent an email today and said he is working on this matter.

**ACC Non Compliance Referral - #s2-3-196 & 2-3-197 and #2-1-059** - President Boyer read a draft letter prepared by him and Secretary Bradshaw (to be customized to fit the appropriate homeowners) as follows:

The Ludlow Maintenance Commission Board of Trustees has reviewed the long-running dispute regarding the maintenance of trees and shrubbery along your property line, and has ruled that you are responsible for maintaining your property as required in Regulation II, Article I, 3 a., which reads in part: “Hedges, shrubs and rows of trees planted by owners along property lines shall be pruned so as not to exceed a height of 8 feet.” The policy and procedures adopted by the board for evaluation and enforcement of this above regulation states: “1. As stated in Regulation II, Article I, 3 a., planted vegetation, shrubs and trees within the property lines shall be required to be maintained at or below roof height, unless special circumstances exist including but not limited to drainage issues or high bank stability. 2. Hedges and rows of trees of any species planted along property lines shall be maintained at a height not exceeding eight feet. For the purposes of this policy the definition of ‘along property lines’ is that area which is parallel to all property lines within fifteen feet (15’) from that line.”

Pursuant to the decision of the board, you must comply with the Trees and Views Regulation as stated above within 60 days of the mailing date on this letter. At the end of that period an inspection of the trees and shrubs in question will be made. If it is found that corrective action on your part has not been taken, a legally prepared letter of non-compliance along with an order for correction will be filed with the Jefferson County Recorder and will become a permanent element of your property title history.

All appeals have been exhausted and this decision is final.

Lengthy discussion was carried out related to the language of the above draft letter with input from the trustees and a member of the audience. A draft of the above letter, with the recommended changes, will be sent to the LMC attorney for review and input.

Trustee Moyer left the meeting at 1:10 p.m.

President Boyer stated a revised draft letter will be sent back to Secretary Bradshaw for review, following which the letter will be sent to the attorney. Upon the attorney’s approval, this letter will go out right away and all pertinent parties will be copied. It is anticipated the final letter will be sent out within the next couple of weeks. Mr. Belmont suggested it would be helpful if President Boyer prepared a cover letter as to what he envisions, to allow the attorney to have a clear understanding as to what his instructions are and what it is we are trying to accomplish.

## **APPROVED**

Discussion continued related to possible legal issues involving the greenbelt and use of the greenbelt by members who are out of compliance with the governing documents.

### **NEW BUSINESS:**

**Upper Parking Lot Usage – during bridge closure** - President Boyer announced a letter was received from PLA's chairman of the Bridge Closure Committee. They are looking for auxiliary parking places for the time period when the shuttle busses start running. They have asked to use the upper parking lot area above the Bridge Deck. A maximum of 12-20 cars is anticipated. Mr. Belmont stated the steering committee chairman asked if people could park in the Beach Club parking area and the parking area across from the Bridge Deck below Oak Bay Road. Mr. Belmont was not in favor of using the Beach Club parking lot or parking spaces directly adjacent to the Bridge Deck building, but said use of the upper parking lot (between Oak Bay Rd. and Harbor Drive) would be reasonable provided they provide signage indicating clearly that is the only lot people can use for commuting to the ferry. Potential liability to LMC for any damage to vehicles parked in the upper parking lot was discussed.

President Boyer recommended writing a letter to the steering committee chairman, to discuss various issues of concern including potential LMC liability. Discussion followed. President Boyer will prepare a draft letter that he will send to Mr. Belmont for review. The matter will be discussed at the March general meeting.

*Trustee Feltham made a motion to adjourn the meeting. The motion was seconded by President Boyer and carried 4:0 at 1:30 p.m. 09-02-11*

Respectfully submitted,

Vaughn Bradshaw, Secretary  
Ludlow Maintenance Commission, Inc.

Prepared by Carol Shamhart  
LMC Recording Secretary