

APPROVED

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES OF
LUDLOW MAINTENANCE COMMISSION, INC.
Saturday, April 12, 2008 – 9:00 p.m. – Bay View Room**

Trustees: Vaughn Bradshaw, Ted Buehler, Ian Feltham, Stan Kadesh, Paul Moseley, Art Moyer, Jerry Nelson, Sonny Sanzaro, and Elizabeth Van Zonneveld.

Vice President Van Zonneveld called the regular board meeting to order at 9:04 p.m. Roll call was conducted by Secretary Nelson. President Bradshaw and Trustee Buehler were absent.

Agenda Changes: Vice President Van Zonneveld asked if there were any changes to the Agenda. Trustee Moyer suggested acknowledging retiring Standing Committee Chairs and their members under New Business. Vice President Van Zonneveld stated this would be included in the Annual Meeting, but would also be added to today's agenda under New Business. Discussion followed.

Approval of Minutes: Trustee Kadesh made a motion to approve the regular meeting minutes of March 6, 2008. The motion was seconded by Trustee Feltham and carried by unanimous vote. Vice President Van Zonneveld abstained. Trustee Moyer made a motion to approve the regular meeting minutes of March 15, 2008, as corrected. Trustee Moseley seconded the motion and it was unanimously approved with Vice President Van Zonneveld abstaining.

Vice President's Remarks: Vice President Van Zonneveld reminded the audience that board meetings are routinely recorded and that the purpose of this meeting is held to conduct the business of the corporation. She further explained that although comments from the audience are welcome, they should be limited to one per person per issue. Trustees' comments and questions will be addressed first and then members will be given an opportunity to speak. When recognized, state your name and keep comments and questions brief and to the point. If comments become repetitive or too lengthy, Vice President Van Zonneveld will interrupt in order to complete the business at hand. There will be an opportunity for members to make additional comments at the end of the meeting. As a standard practice, Vice President Van Zonneveld will abstain from voting unless there is a tie.

Manager's Report – Brian Belmont

Mr. Belmont's complete written report is filed with these minutes. Questions and comments followed.

LMC financial reports through March 2008 were distributed to the board last week.

Currently there are 31 properties with outstanding assessments totaling \$16,652.03. LMC recently received notification of a home foreclosure and personal bankruptcy on two LMC properties. Each delinquent property owes LMC \$445.43. Collection options are being discussed with the Finance Committee.

APPROVED

Mr. Belmont announced the recently purchased Cybex 30-A Total Body Arch Trainer was delivered April 9 and has been installed. Contributing LMC members were thanked for their generosity and donations totaling \$5,200. Total expense to LMC was \$65.04.

As of Friday, April 11, LMC is approximately 60 proxies short of meeting the requirements for a quorum for the LMC Annual Meeting on Saturday, April 19. Mr. Belmont encouraged owners to submit their proxy and/or attend the Annual Meeting. 333 members or their proxies are required to conduct business at the Annual Meeting. Ballots that have been assigned to the Corporate Secretary are scheduled to be counted on Friday, April 18 at 9:00 in the Gallery Room. LMC Members are welcome to attend as observers. LMC member, Penny Sanzaro, will act as reader and the Corporate Secretary will act as an observer. Kim Monroe, Trustee Sonny Sanzaro and Mr. Belmont will serve as counters. Mr. Belmont described the procedure that will be followed for counting the ballots.

The LMC Annual Meeting packet was mailed on March 26, 2008. Mr. Belmont received feedback related to the wording of Item #2 on the ballot. Although the language has been in use since 2004, Mr. Belmont discussed a change in the language that would clarify the intent of the item in the future.

A request for a sewer easement was received from Olympic Water & Sewer for Lot 1-1-12. The request will be forwarded to the Greenbelt Committee for consideration.

Mr. Belmont announced LMC hostesses Sue Bartkus and Carol Shamhart recently typed from the actual copies of the original CC&R's for all seven plats into the LMC computer, without changes or correction of typos. A copy of these documents has been provided to the C&R Committee. Further board action will be deferred until the May 2008 board meeting. Discussion continued. Copies will be provided to the ACC and the Operations Committee. Discussion continued.

As part of the 2008 board orientation, Mr. Belmont has been working with the Washington State Chapter of Community Association Institute (CAI) and has scheduled a board training session on Friday, May 30, 2008 at the Beach Club. The event is open to board members and managers and is scheduled from 8:00-4:00 p.m. CAI will be sending pricing information in the next couple of weeks. CAI will invite managers and board members from other community associations on the Olympic Peninsula. Board members and those running for the board are encouraged to reserve this date. Representatives from the condominium associations are welcome to participate. Discussion followed.

COMMITTEE REPORTS:

Architectural Control Committee – Veronica Ryan, Chair

Ms. Ryan's written report is filed with these minutes. Questions and comments followed.

Ms. Ryan discussed the ACC conflict of interest motion introduced at the March 6, 2008 board meeting. The ACC feels this motion is unnecessary as the committee is already using this policy and that this request should have been presented to the C&R Committee for discussion prior to any motion being brought forward by the LMC board. The ACC is not in favor of that particular motion.

APPROVED

COMMUNICATIONS – Barbara Berthiaume

Ms. Berthiaume announced the Communications Committee has been meeting with President Bradshaw, Mr. Belmont and Catherine Garrison regarding the board training and communications workshop. A survey will be sent to the board asking them what they see is needed regarding communication skills.

The *LOG* will be published this spring. There is still a need for a *LOG* editor. The Communications Committee is need of new members with skills in communication and writing.

Finance Committee – Bill Funke, Chair (Trustee Feltham for Mr. Funke)

Mr. Funke's written report is filed with these minutes. Questions and comments followed.

Trustee Feltham announced the men's locker room drain repair is going forward. LMC is spending approximately \$8,000 for this repair and to investigate the drainage system in general. Additional information will be provided at a later date.

The Finance Committee is continuing to work toward being 100% fully funded for the reserve replacement fund.

Trustee Moyer made a motion to authorize the LMC Treasurer to use the current lien process to file liens against delinquent properties. The motion was seconded by Trustee Nelson. Discussion followed, with Mr. Belmont explaining the current process for placing a lien on LMC properties. The motion was passed 4:1:2, with Trustee Sanzaro opposed and Trustee Moseley and Vice President Van Zonneveld abstaining.

Greenbelt Committee – Larry Scott/Jack Rikken, co-chairs

Mr. Rikken's report is filed with these minutes. Questions and comments followed.

The investigation related to the vandalism of the greenbelt trees in the Foster/Jackson Lane greenbelt area has been closed. To date there has been no definite evidence to pursue this matter.

A draft of the master plan of the greenbelt critical areas, for submission to the LMC board and ultimately to the Jefferson County Planning Department, has been completed.

The Greenbelt Committee has developed a list of local nurseries that have a good selection of native plant materials for use in replanting in the greenbelt. This list, along with the GBC's list of preferred native plants will be made into an electronic file that will be available to LMC members. These lists will also be included in GBC letters of approval for requests that include tree removal and replanting. Discussion proceeded.

OPERATIONS – John Van Zonneveld, Chair

Mr. Van Zonneveld's written report is filed with these minutes. Questions and Comments followed.

APPROVED

Mr. Zonneveld discussed the expenses that are estimated to be incurred in repairing the men's locker room drainage problem. The estimate is approximately \$7,300. Mr. Belmont further explained the costs involved in this project, including investigation expenses related to all the floor drains. Trustee Moyer commended Mr. Van Zonneveld and Mr. Belmont for their work on this project.

Discussion commenced.

LOA – Lenetta Johnson, Treasurer – No report at this time.

CONDOMINIUM ASSOCIATIONS

Admiralty II – Jerry Nelson – No report at this time.

Admiralty II – Elizabeth Van Zonneveld – Admiralty II has met with the WA State University Extension Water Quality Department, as well as the Hood Canal Coordinating Council. Admiralty II will be included in a grant project they are working on to help restore the plantings along LMC's greenbelt bluff that is adjacent to Admiralty II and have been granted restoration permits. That work will probably take place in October, 2008, following the busy summer season.

PLVC – Larry Nobles

There are several land use applications pending. The hearing on Ludlow Cove (the old log dump site) will be held on May 22 in Port Ludlow. The PLVC has reviewed this application in some detail and will be supporting the development of 41 lots in that area. PLA has agreed to a move of the trail system into the main part of the development, further south. There is to be a small park area within this development. The lots will be smaller, about 5,000 sq. ft. and the homes will be smaller and priced significantly lower than the homes in Olympic Terrace II.

The trial related to Ludlow Bay Village has been postponed, with the approval of both parties, until July 22, 2008.

A site for the Iron Mountain Quarry has been proposed for the area adjacent to the Shine Quarry, just north of Highway 104, but immediately east of the existing Shine Quarry. This would be a much larger quarry operation. Iron Mountain has also applied for a mineral rights overlay on 142 acres. This is a change in the Comprehensive Plan, but no decision is expected until December 2008. Discussion followed.

PLVC is looking into raising funds to hold a 4th of July fireworks display in Ludlow Bay.

The meeting went into recess at 10:40 p.m. and reconvened at 10:45 p.m.

CORRESPONDENCE:

Secretary Nelson reported correspondence was received from Doug Henderson on matters related to the board. Glee Hubbard and George Thompson wrote about the tennis courts, and Helen Cotta wrote regarding board actions. Mr. Belmont reported Kent Chesney wrote a letter to the board regarding the tennis courts and Barbara Berthiaume sent an email to the board on

APPROVED

March 20 regarding LMC sanctions. Vice President Van Zonneveld responded to a letter to President Bradshaw from D. Goudie regarding the sanctioned owner.

Vice President Van Zonneveld addressed Helen Cotta's request to view the video she purchased for the community to see and has asked that it be viewed by the board and, if possible, by the members. Vice President Van Zonneveld announced Ms. Cotta's video is to be included in the orientation for the board which will be held on May 30, following the April 19, 2008 Annual Meeting. Ms. Cotta thanked the board.

UNFINISHED BUSINESS:

Racquet Club Donation – This matter has been pending for several months. Trustee Nelson made a motion to accept the Racquet Club donation of \$300 with thanks to the Racquet Club. Trustee Feltham seconded the motion. Discussion followed. The motion passed by unanimous vote with Vice President Van Zonneveld abstaining.

Conflict of Interest Provision – This matter was sent to the standing committees and chairs for review and their responses have been received by the trustees. ACC states this is their practice and they do not support the language in the proposal. Greenbelt says the same as ACC and Operations has pointed out they use two-person teams in the entire community and that is also their policy. Trustee Moyer made a motion to send this matter to the C&R Committee to get it resolved and bring it back to the board for a first reading. The motion was seconded by Trustee Sanzaro. Lengthy discussion followed. Trustee Sanzaro called for the question and it was seconded by Trustee Moseley. By unanimous vote, with Vice President Van Zonneveld abstaining, the discussion was ended. The original motion failed 2:4:1 with Trustees Moseley, Kadesh, Feltham and Nelson opposed. President Van Zonneveld abstained.

Trustee Moseley made a motion for the Secretary to write a letter to each of the standing committee chairs thanking them for reviewing the board's Conflict of Interest Policy proposal and returning their comments to the board. We ask each standing committee to review their current policy. If their current policy is lacking, then consider writing a Conflict of Interest Policy that fits the needs of that committee and then forward that policy to the C&R Committee, to be forwarded to the board for acceptance. Trustee Nelson seconded the motion. Discussion followed. The motion passed 4:2:1 with Trustees Moyer and Sanzaro opposed. Vice President Van Zonneveld abstained.

Operations Committee Tennis Report – This report had been previously prepared by a subcommittee of the Operations Committee and submitted to the Trustees. Following submission to the trustees, Trustee Buehler made a four point motion that included the trustees set up an ad hoc committee to review tennis procedures. Trustee Kadesh made a motion that any action and discussion of the Operations Subcommittee Tennis Report be deferred to the May board meeting and, as submitted, it be published and made available to the community. The motion was seconded by Trustee Moseley. Discussion followed. Trustee Kadesh called for the question the motion was seconded by Trustee Sanzaro. The discussion was ended by unanimous vote. Vice President Van Zonneveld abstained. The original motion carried 5:0:2 with Trustee Moyer and Vice President Van Zonneveld abstaining.

Utility Easement – Sewer Line Extension to LMC lots 1-3-005 & 006 – Mr. Belmont updated this matter to the trustees. A walk-through of the proposed site with Olympic Water and Sewer,

APPROVED

Greenbelt and Operation Committee representatives, Mr. Belmont, Whitey Johnson, and several members of Mr. Johnson's work crew, was accomplished. As requested by the board, Mr. Johnson has presented the LMC with a check for \$265, which is an estimate of the cost for preparation of the utility easement. Mr. Johnson is in the process of having a legal description of that area prepared. Once that has been completed, the board has authorized the President or Vice President to instruct the LMC attorney to prepare the easement. It is anticipated a copy of the prepared easement will be available to the board at the May meeting for a vote. Discussion followed.

Attorney Contact Policy Review - Trustee Moseley has been working on this matter and has requested it be deferred to the May 2008 meeting. With no objections from the trustees, the matter will be placed on the May Agenda.

NEW BUSINESS:

Annual Meeting – Last year the board passed several motions pertaining to what the succession would be in case the Corporate Secretary was unable to attend the Annual Meeting to represent the proxies named to him. Secretary Nelson read those motions from the last meeting of the last board year: It was moved, seconded and passed that in the event the Corporate Secretary was unable to attend the annual members' meeting, the vote that the directed proxy received by mail-in ballot would be voted by the President as so drafted. Also, it was moved, seconded and passed that in the event of a tie for a board position, the candidates would be offered a method to resolve the tie. Example: coin toss, drawing names from a hat. If they are unable to agree on a method at that meeting, the meeting would be recessed to a later date at which the run-off results of the candidates would be announced. This would be the only order of business at the recessed meeting.

Discussion followed.

Trustee Sanzaro made a motion that the board accepts last year's policy in regard to the Corporate Secretary signed proxy replacement and election tie-breaker procedures as well as inclusion in future written policy. The motion was seconded by Trustee Kadesh. Discussion followed. Trustee Moyer made an amendment to the motion that it be sent to the C&R Committee for review and to establish this policy within our policies and procedures by adopting it as a permanent part of the board's policies and procedures. The amendment was seconded by Trustee Kadesh. The amendment and the original motion passed unanimously with Vice President Van Zonneveld abstaining.

Acknowledgment of Standing Committee Chairs and Committee Volunteers – Trustee Moyer made a motion that the board acknowledges those chairs and committee members who have submitted their resignation, accept their resignation, and give them a letter of appreciation. Vice President Van Zonneveld seconded the motion. Discussion followed. The motion passed by unanimous vote with Vice President Van Zonneveld abstaining.

Conflict of Articles and Bylaws Over How Votes are Counted for Certain Special Matters – Vice President Van Zonneveld stated this matter has been discussed by the board over several years and has been sent to the C&R Committee and the LMC attorney for overview. The board

APPROVED

is attempting to find the change that will make the Bylaws agree with the Articles. As requested by Vice President Van Zonneveld, Trustee Moyer explained how the numbers work out with the current voting percentage system and what changes would be required to make the Bylaws and Articles uniform this matter. Discussion followed. This matter will be tabled until the new board is seated after the Annual Meeting.

Annual Meeting Agenda – Trustee Moyer indicated he would like to present where the LMC stands on the remodel plan and what the prices came out for the first cost estimate. Vice President Van Zonneveld stated the notes from the Long Range Planning Committee had been sent to the trustees for their comments and participation. The matter will be deferred until May 2008. Discussion continued. Remodel Status Report will be added to the Agenda for the Annual Meeting on April 19. Status of Board Goals will be added to the Annual Meeting Agenda under the President’s Report.

Public Comment Period: Vice President Van Zonneveld opened the floor for public comments. Several comments from the audience were presented. Discussion followed.

The meeting went into recess at 12:05 p.m. and reconvened at 12:23 p.m. to hear the Appeal of Mr. & Mrs. Schreyer.

Vice President Van Zonneveld called the appeal hearing to order and explained the protocol for the appeal process.

Summary of Facts: In a letter dated February 19, 2008, the Schreyers wrote a letter to President Bradshaw asking him to “consider this letter as an appeal to the determination you have made in your letter of 13 February regarding the height of the fence disguise planted by Mr. Lambe on the west side of his enclosure. Although you did not indicate we could appeal your determination, we respectfully request the opportunity to do so. Please be advised we are not appealing the LMC regulation. That same restrictive regulation was in effect in 1995 when permission was given to Mr. Lambe to erect the chain link fence enclosure provided he disguise that enclosure. We are appealing your determination that this disguise is now considered trees along the property line, ignoring 12 years of precedent whereby this hedge was rightfully considered fence disguise.”

During the interim, LMC contacted Mr. Lambe and asked him to comply with regulations. The verbal request to the homeowner was that he trim the shrubbery to be compliant with the approval conditions he received at the time the original chain link fence was appealed to the LMC board.

Mr. Lambe addressed the trustees and explained the rationale for the fence installation in 1995.

Vice President Van Zonneveld discussed letters from neighbors in this matter.

Mr. Schreyer presented his testimony to the trustees, asking that Mr. Lambe be required to trim the fence shrubbery to fence height (6 feet).

Discussion and questions from the trustees followed.

APPROVED

Operations Chair, John Van Zonneveld, addressed the trustees and explained the Operations Committee prior role in this matter. Discussion followed.

By a motion made by Trustee Kadesh, seconded by Trustee Sanzaro, and carried unanimously with Vice President abstaining, the meeting went into recess for deliberation in the Gallery Room at 11:50 p.m.

The appeal hearing reconvened at 1:05 p.m.

Following deliberation, Vice President Van Zonneveld issued the following statement: The board believes we need to respect the precedent of the original board and the several boards' jurisdiction in-between, which clearly views the shrubbery planted around Mr. Lambe's fence as being intended to disguise the fence. For that reason, it should be maintained at the height of the fence.

Trustee Moyer made a motion to accept the board's ruling as presented in the statement above, with a letter to Mr. Schreyer and Mr. Lambe. The motion was seconded by Trustee Kadesh and was passed by a vote of 5:1:1 with Trustee Sanzaro opposed. Vice President Van Zonneveld abstained.

By a motion made by Trustee Moyer, seconded by Trustee Kadesh, and unanimously approved, the meeting was adjourned at 1:07 p.m. Vice President Van Zonneveld abstained.

Respectfully submitted,

Jerry Nelson, Secretary
Ludlow Maintenance Commission, Inc.

Prepared by Carol Shamhart
LMC Recording Secretary

Manager's Report:

March financial reports have been distributed to the Trustees. Are there any questions pertaining to these reports? Currently there are 31 properties with outstanding assessments totaling \$16,652.03. LMC recently received notification of a mortgage foreclosure and a personal bankruptcy on two LMC properties that currently owe LMC \$445.43 each. I'm working with the Finance Committee regarding LMC collection options for these two properties.

The recently purchased exercise equipment, Cybex 630A Total Body Arc Trainer, was delivered April 9. Again, I would like to recognize those members that in total donated more than \$5,200 towards the purchase of this exercise equipment.

Mr. & Mrs. Babaian
Mr. & Mrs. Irvin
Mr. & Mrs. Krumme

Mr. & Mrs. Bonds
Mr. & Mrs. Joseph
Mr. & Mrs. Milner

APPROVED

Mr. & Mrs. Riggen

Mr. & Mrs. Wall

LMC also received one significant anonymous donation for the new equipment.

As of Friday, April 11, we are approximately 60 proxies short of meeting our quorum for next Saturday's annual meeting. That is, tallying only those proxies assigned to the corporate secretary. I encourage owners to either attend next week's meeting or assign someone that will be in attendance as your proxy. Without having 333 members represented in person or by proxy LMC will be unable to conduct business next Saturday.

On Friday, April 18 at 9 a.m., in the Gallery room, we will count the proxy/ballots that have been assigned to the corporate secretary. By doing this we will be able to give final election results much quicker at the annual meeting. LMC members are welcome to attend as observers. This process should take approximately 2 hours.

At the annual meeting we will count all other valid ballots.

The counting team will consist of the following:

Penny Sanzaro – reader

Jerry Nelson – observer

Kim Monroe – counter

Sonny Sanzaro – counter

Brian Belmont - counter

This year's annual meeting packet was mailed out on March 26. There have been members that have expressed confusion as to the wording of ballot items #1 and #2. The concern as I understand it, is that in item #1 second to the last sentence reads "The amount of excess funds is determined as part of preparation of our **annual audited financial statement.**"

The question is, if the members at next year's annual meeting vote to waive the annual audit for 2008 how can LMC determine what the excess funds are if there isn't an annual audit? First of all, I have researched previous annual meeting information and found LMC has been using this same language since 2004. I would recommend that in future years we use different wording in the explanation of this ballot item. Instead of determining the amount of excess funds as part of our annual audited financial statement maybe change the sentence to state that "The amount of excess funds is determined as part of the preparation of **LMC year-end financial statements**". This new language is consistent with how the surplus is actually determined.

For the Board's benefit I have included the Annual Meeting Ballot Information items 1 and 2 as stated in the meeting packet:

BALLOT ITEM #1 *(Requires majority approval)*

Resolution: *IRS 70-604 Election (Transfer of excess 2008 operating funds to reserves)*

Explanation: *IRS Ruling 70-604 allows homeowners' associations to remove excess operating funds from taxable income under certain conditions. The election to do this must be made by the*

APPROVED

*membership: it is recommended that this be done annually. By approving this resolution, any excess operating funds at the end of 2008 will be transferred to LMC Reserve Funds in 2009. The amount of excess funds is determined as part of preparation of our **annual audited financial statement**. The Board of Trustees strongly recommends approval of this resolution.*

BALLOT ITEM #2 (Requires 67% approval)

Resolution: That the audit of 2007 LMC financial statements be waived.

Explanation: *The Revised Code of Washington (RCW) 64.38.045 requires that the financial statements of homeowner associations with annual assessments of \$50,000 or more be audited at least annually by an independent certified public accountant, but that the audit may be waived if 67% or more of the votes cast by owners, in person or by proxy, at a meeting of the association at which a quorum is present, vote each year to waive the audit.*

Article V, Section 1(d) of the LMC Bylaws was changed in 2004 to require that the LMC Finance Committee conduct a detailed financial analysis of the LMC financial statements and policies on at least a quarterly basis. A comprehensive, detailed review of all income and expense statements has been conducted for the past year. In view of the extensive review of the LMC financial statements on a quarterly basis by the Finance Committee, the committee has recommended to the LMC Board of Trustees that the audit of the financial statements by an independent certified public account only be conducted once every three years. The last independent audit conducted was of the 2006 financial records. The audit costs the LMC approximately \$4,000 per year. It is the opinion of the Finance Committee that this money can be put to better use by the LMC. Over time this can result in a significant savings to the LMC. The audit by an independent firm every three years combined with the quarterly review by the Finance Committee will still give assurance to the LMC membership that the finances of the corporation are being properly managed.

Since Washington law requires an annual audit unless waived by a vote of at least 67% of the membership, an annual vote to waive the audit is necessary. The LMC Finance Committee and the LMC Board of Trustees recommend that the LMC membership waive the annual audit for the calendar year 2007.

Last year the Board authorized the opening of the outdoor pool for Saturday, May 12. I would like to hear if the Board has any objections to opening the pool this year on Saturday, May 17.

Our Maintenance staff has been busy with spring projects. Recently a new seal coat was applied to the Bayview room hardwood floor and beauty park added to two areas in the parking lot.

I was recently approached by Olympic Water and Sewer, Inc. (OWSI) employee Greg Rae about obtaining a sewer easement for LMC property #1-1-012 on Gamble Lane. Included in today's packet is a map indicating where OWSI would like the easement to be granted. Because this is LMC greenbelt property I will forward a copy of the map to the Greenbelt Committee for their comments. Because the owners of lot #12 are sensitive to protecting mature trees on their

APPROVED

property OWSI will attempt to route the sewer line in a way that reduces the impact to the member's trees. This will be an action item at the May Board meeting.

For many years LMC has distributed Typical Restrictive and Protective covenants covering the plats of Port Ludlow numbers 1, 2, 3, 4, 5 and 6. Although the Typical CC & Rs are just that, they show what is typically found in each set of CC & Rs the documents for each plat have some differences.

Recently LMC hostesses Sue Bartkus and Carol Shamhart typed actual copies of the recorded CC & Rs for plats 1 through 7. Catherine Garrison proofed their work by comparing it to the actual recorded document. Today I have provided the Board copies of all seven covenants. Eventually I think we should do away with the typical document and only use the appropriate CC & Rs for the plat in question. In other words when an owner asks for a set of CC & Rs they would get the set that applies to their property rather than the typical document. The LMC website would have each individual set rather than the typical.

I have discussed this with the C & R committee and I think it is fair to say that we are in agreement that using the actual documents is the appropriate thing to do. However, knowing that this is a transitional period for the board with the annual meeting being next week there is no formal action being requested today. This can be an action item at the May Board meeting.

For the Board's benefit copies of the CC & Rs for plats 1 – 7 have been included in today's packet.

As part of this year's Board orientation I have been working with the Washington State Chapter of Community Association Institute (CAI) in organizing and holding a board training session at the Beach Club on Friday, May 30. The training session will be open to board members and managers. The program is scheduled from 8:30 a.m. – 4 p.m. CAI will be sending out information regarding pricing within the next couple of weeks. CAI will invite managers and board members from other community associations on the Olympic Peninsula to attend the May 30 event. I would encourage the six board members that are not up for re-election to reserve this date on your calendar. I would also suggest that those LMC members running for election to also block out this date. We don't get many opportunities like this on the Olympic Peninsula so I'm hoping we can get a good turnout. Representatives from any of the condo associations in our community are welcome to participate. In my report I have included brief summaries of the topics and the scheduled presenters. If you have any questions feel free to contact me.

Building Community—The cornerstone of the third level of CAI's homeowner education track, this module teaches what *community* means for community associations, how building community benefits association residents and leadership, and how to measure success in building community efforts. (Lynn Boyet, CA Management)

Conflict Resolution—In this module, you will learn to recognize the causes of conflict among members and how to strengthen and use communication skills to resolve conflicts. (David Silver, Barker Martin)

Insurance Matters—This program is designed to increase awareness of the liability faced by association boards. This module addresses the common types of liability for community associations and will help association leaders identify some potential liability exposures due to

APPROVED

board actions, as well as recognize your community association's options for limiting liability.
(Amy Rieger and/or Nancy Cannan, CAU)

Deed Restrictions—This course explores the importance and practicality of amending governing documents—an important skill for community association leaders. You will also learn how state and federal statutes as well as other issues are relevant to amending documents. (David Silver, Barker Martin)

I have attached an Introduction to Sea Partners Campaign to the board packet. Sea Partners is a new program that the U.S Coast Guard Auxiliary has started. What the Auxiliary would like to do is schedule a beach cleanup from Burner Point to the beach area in front of Montgomery Court. The Auxiliary is asking LMC if they can use the Beach Club property for a staging area for their volunteers to access the beach and remove the trash. If the program has enough support and the need is there the Auxiliary anticipates this will be at least a semi-annual event.

ACC: No report for April 12 meeting.

Communications Committee: No report for April 12 meeting.

CRC: No report for April 12 meeting.

Greenbelt Committee: No report for April 12 meeting.

Operations: No report for April 12 meeting.