

APPROVED
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES OF
LUDLOW MAINTENANCE COMMISSION, INC.
June 13, 2009 – 9:00 a.m. – Bay View Room

Trustees: Elizabeth Van Zonneveld, Jim Boyer, Vaughn Bradshaw, Teddy Clark, Hugh Jenings, Jr., Stan Kadash, Michael Larkin, Paul Moseley, and Jerry Nelson,

President Van Zonneveld called the regular board meeting to order at 9:05 a.m. Roll call was conducted by President Van Zonneveld, in the absence of Secretary Michael Larkin. All trustees were present with the exception of Trustees Clark, Larkin and Moseley. General Manager Brian Belmont attended the meeting. A quorum was present.

Agenda Changes: President Van Zonneveld added Study Sessions for the Board as a New Business item. New Business Item e. – Member Guests Limits, was moved to position a.

President's Remarks: President Van Zonneveld announced the Board of Trustees meeting was being recorded, and it will be her policy not to vote as President unless it is required to break a tie. In matters of interest to the members, board discussion will be held first followed by input from the members. The meetings are not operated entirely by Roberts Rules of Order, but a general parliamentary procedure will be followed. Participants will speak one at a time and need to wait until recognized. Motions will be disposed of as they occur.

Manager's Report – Brian Belmont

The trustees have been provided with the May 31, 2009 financial statements. The trustees will notice several budget to actual variances. The finance committee and I discussed those last Thursday. Most of the significant variances are a matter of timing. Are there any questions from the trustees regarding these statements?

Year to date, we have collected approximately 98% of this year's assessments. There is currently \$15,263.23 (23 units) in outstanding assessments which includes three delinquencies from previous years. LMC recently received notification that one our LMC members, who has an outstanding balance, is filing bankruptcy.

Peninsula Floors completed the installation of the new Beach Club carpeting. The Board authorized \$9,621.78 for the project. After removing the old carpeting in the Bay View room, it was determined that the ½ inch underlayment, which was particle board, needed to be replaced before the new carpet could be installed. After speaking to Elizabeth and Jim I made the decision to have the particle board replaced with ½ inch AC solid plywood. The labor and materials to do so cost an additional \$3,143.60

Trustee Jenings made a motion to authorize the additional expenditure of \$3,143.60 to Peninsula Floor, as contracted by Mr. Belmont, for installation of the floor underlayment in the Bay View Room, to be funded from the reserve fund. Trustee Kadash seconded the motion and it carried unanimously.
09-06-01

The six new heat pumps that are used to heat the two swimming pools and the spa have been installed and are operational. A defective low pressure sensor in one of the heat pumps will be replaced by the local service company.

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Beginning June 15, the indoor pool and spa will be closed for 10 days so that Don Baker and I can acid wash the indoor swimming pool. During the closure Don will also be repairing pool tile and repainting the pool deck.

Discussion followed.

COMMITTEE REPORTS:

Architectural Committee (ACC)

Trustee Boyer reported the committee had received requests for painting, roofs and trees. An issue related to a property being cleared, possibly without permits, came before the ACC. This matter will be referred to the Operations Committee to settle complaints by neighbors about a possible erosion problem.

Eve McDougall reported plans for construction of a new home were received. Trustee Bradshaw reported requests for a shed and fence. The fence request was approved based on a submitted layout and compliance with design regulations. The shed is under consideration.

Discussion followed.

Covenants and Regulations Committee (CRC) –Dwayne Wilcox, Chair

The CRC recently met with the ACC to reconcile the Rules and Regulations and the appellate procedure. Mr. Wilcox submitted the following names to serve on the CRC: Lia Robinson, Jan Richings, Anthony Monti, and Arthur Moyer. One or two other members may be added at a later date.

Trustee Jenings made a motion to approve the above-mentioned members (Lia Robinson, Jan Richings, Anthony Monti and Arthur Moyer) to serve on the CRC. The motion was seconded by Trustee Bradshaw and carried unanimously. 09-06-02

Discussion followed. Mr. Wilcox invited Mr. Roger Oster to attend a CRC meeting to offer his input.

Communications Committee (CC) – Trustee Jenings for Barbara Berthiaume, Chair

The committee met on Tuesday, June 9 at 3:00 p.m. Present were Evelyn Fett, Barbara Berthiaume, Paul Moseley, Carol Shamhart, Elizabeth Van Zonneveld, and Brian Belmont.

An agenda item at the start of each meeting is a 15-minute review of an aspect of communication skills. The next workshop will be held on Monday, July 6 from 10 a.m. to noon and will continue with listening and developed skills in conflict resolutions.

Committee goals for the coming year include:

- Research technical resources for off-site participation and development guidelines for this type of communication.

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- Explore methods to elicit membership participation and discussion of a variety of subjects the LMC Board is dealing with.
- Expand communication skills - training for board members and committee members.
- Enhance communication between trustees, committee chairs and committee members.

Ms. Berthiaume and Mr. Belmont met with Jack McKay, who demonstrated an electronic resource for off-site communication meeting participation for absent board members.

A draft of the Navigator has been sent to the trustees for review prior to publication this coming week.

A “Question of the Quarter” asked the members if this year’s ballot were easier, the same or harder to understand and fill out. Members were encouraged to respond by email.

The committee has a short list for filling two vacancies on the CC. Names will be submitted in July.

The next Communications Committee meeting will be Thursday, July 9 at 3 p.m.

Finance Committee (FC) – Ian Feltham, Chair

The FC committee met on Thursday, June 11.

Mr. Feltham discussed replacing the plastic partitions around the outdoor pool after the pool closes this year. This is a Reserve item. At the time of the replacement, the manager would also like to look into improving the pool cover system.

Investments:

Operations Funds: Two CD’s mature Saturday, June 13. The committee is recommending establishing a new “Premier Index Market” with the American Marine Bank. This is a Money Market account paying 1.14% for over \$75,000.00. The Treasurer will look into setting up the account on Monday.

Reserve Funds. The committee recommended the available Reserve Funds in the Edward Jones account be placed in CD’s of not more than six months. Interest rates are expected to increase as the economy improves.

The Committee recommends hiring a commercial firm to review and update the cost for items on the reserve item list. This may be in the range of \$4,000-5,000 and should be added to our budget for next year.

Mr. Feltham requested the board approve Ned Luce to serve on the FC.

Trustee Kadesh made a motion to approve Ned Luce to serve on the FC. The motion was seconded by Trustee Bradshaw and carried unanimously. 09-06-03

Discussion followed.

Greenbelt Committee (GBC) – Ted Buehler, Chair

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Mr. Buehler reported a metal detector has been donated to the GBC by Mr. Richard Morehouse.

Mr. Buehler requested Doug Walter be approved to serve on the GBC.

Trustee Boyer made a motion to approve Doug Walter to serve on the GBC. The motion was seconded by Trustee Jenings and carried unanimously. 09-06-04

In July, the GBC meeting will be changed from the second Tuesday to the third Tuesday. If this date changes, the meeting date will be posted on the bulletin board.

A copy of the GBC's Tree Topping Policy will be forwarded to the CRC's chair for review.

Operations Committee (OC) – Jim Goode, Chair

Mr. Goode reported on several complaints from members related to violations. These matters are being addressed.

North Bay Lot Owners Association (NBLOA) – Roger Oster – Mr. Oster discussed the idea and pros and cons of creating a community garden. Mr. Oster is doing a feasibility study at this time. President Van Zonneveld recommended the NBLOA consult with the ACC with regard to any planned fencing or tree removal. Lengthy discussion followed.

Condominium Associations – Jerry Nelson – The Admiralty I shake roofs are being replaced with 40-year comp roofs.

Port Ludlow Village Council (PLVC) – Larry Nobles – The on-going negotiations between the PLVC and Pope Resources, in regard to the Iron Mountain mining project, are progressing. Commitments from Pope Resources as to what can and cannot be done on the property are expected. A public meeting on this matter will be scheduled at the Bay Club in August. Lengthy discussion followed related to the Shoreline Master Program. On June 17, 2009, a public hearing will be held at the Jefferson County Courthouse at 6:30 p.m., to discuss the draft report of the Planning Commission. Discussion continued.

Elections Committee Ad-hoc Committee – Brian Belmont – No report.

Approval of Minutes – *Trustee Jenings made a motion to approve the minutes of the regular board meeting of May 9, 2009. The motion was seconded by Trustee Nelson and carried unanimously. 09-06-05*

Trustee Kadesh made a motion to accept the 2009 Annual Membership Meeting minutes as produced in April 2009. The motion was seconded by Trustee Jenings and unanimously carried. 09-06-06

The meeting went into recess at 10:20 a.m. and reconvened at 10:30 a.m.

Member Comments – Several comments were made about the current Beach Club guest policy.

CORRESPONDENCE:

President Van Zonneveld reported an email was received on 6/5/09 from Vicky Phelps. No further action necessary on this matter.

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Letters were sent out to several members who are not in compliance with the LMC Regulations. Copies are available for review by the trustees.

Correspondence was received from an attorney for Mr. Fessler, addressed to the GBC, and the two trustees on that committee. Mr. Fessler will be contacted to set a date and time for a joint meeting with the trustees, ACC, and the GBC, either during or immediately following the July regular board meeting. Lengthy discussion followed with input by several Condon Lane residents.

An email was received by a Commissioner of the Drainage District concerning a recently cleared lot on Foster Lane. Trustee Bradshaw responded to this email.

Correspondence was received from Mr. Ian Feltham concerning the Beach Club guest policy.

UNFINISHED BUSINESS:

Insurance Risk Management Recommendations (policy changes) – 2nd Reading – Mr. Belmont announced this matter remains with CRC. CRC has been asked to consider this matter a high priority.

Rules and Regulations – Appeal Time Limits – This matter is in the CRC and has the highest priority at this time.

ACC Non Compliance Referrals:

Lots # 2-3-196 & 2-3-197 – The homeowners met with the trustees on Thursday, June 11. President Van Zonneveld requested a subcommittee of board members, lead by Trustee Bradshaw, to work on this matter, and requested support by the trustees to take core samples of the larger trees in question. A site visit by the entire board was recommended. Lengthy discussion followed. Trustee Bradshaw agreed to lead the subcommittee and will select several members of the board to work on the subcommittee. A report will be submitted at the next board meeting. Discussion continued.

Trustee Kadesh made a motion to appoint a subcommittee of board members, to bring a resolution recommendation back to the board. A date will be established for a trustee site visit to Lots #2-3-196 & 2-3-197, with the owners. The motion was seconded by Trustee Nelson and unanimously carried.
09-06-07

ACC Policies & Procedures – In the CRC for review.

CC Policies & Procedures – In the CRC for review.

GBC – Tree Topping Policy – To be resolved by the CRC.

RV Storage Rental Agreement – Mr. Belmont discussed recommended changes by the LMC attorney, to be consistent and compliant with the RCW's when dealing with eviction or taking action for nonpayment or violation of the agreement. Discussion followed. Trustee Kadesh discussed his recommended changes to the RV Storage Lot Usage Policy and the Storage Space Rental Agreement draft:

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- The RV Storage Lot Usage Policy and the Storage Space Rental Agreement be changed to reflect LMC's ownership.
- "Association" should be changed to LMC throughout the rental agreement.
- Policy item 7. – line 5 – January 1st should be eliminated and replaced with "of each succeeding January 1st. The last sentence in Item 7 should read "The space is non-assignable and cannot be sublet by the tenant."
- Item 2. – Term. In the rental agreement the ending date of the term should be filled in to read "and ending on December 31 of said year."
- Item 17. – Key Deposit. Change to read "A key deposit of \$5.00 for each key issued is required with rental of the storage unit."

Lengthy discussion followed.

Trustee Jenings made a motion to approve the RV Storage Lot Usage Policy and Rental Agreement with the above-recommended changes. The motion was seconded by Trustee Kadesh and carried unanimously. 09-06-8

Trustee Kadesh made a motion to accept the LMC Board Goals for 2009-1010, as presented. The motion was seconded by Trustee Nelson and carried unanimously. 09-06-9

Trustee Bradshaw made a motion to establish a joint committee and committee member orientation workshop, beginning this year and continuing on an annual basis. The motion was seconded by Trustee Nelson and carried unanimously. 09-06-10

President Van Zonneveld will contact the Communication Committee to help establish this workshop. Discussion continued.

NEW BUSINESS:

Member Guest Limits – Mr. Belmont responded to a memo received from Ian Feltham, in which he expressed his concerns about the current guest policy for members under 18. Mr. Belmont discussed the LMC member guest policy that was amended in 2005 to allow a maximum number of five (5) guests, per household, without the issuance of guest cards. Referring to Regulation IV, Article IV, 3. - Privileges Without Cards, Mr. Belmont recommended the following: "Guest privileges will be extended without the issuance of specific guest cards to not more than five (5) invited guests, accompanied by an adult member and not more than two (2) invited guests accompanied by children of members that are under the age of eighteen (18)." Mr. Belmont recommended the matter not be fast-tracked, and be allowed to go through the proper committees, to make sure there are no other issues that need to be addressed.

Lengthy discussion followed with input by the trustees and members in the audience.

Mr. Belmont will prepare an article for the upcoming issue of the Navigator. He will address member responsibility related to guests, use of the Beach Club pools, etc. Discussion continued.

Trustee Kadesh made a motion to change the wording of several items in Regulation IV, Article IV, for a limited period of 90 days. For lack of a second, the motion failed.

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President Van Zonneveld stated Trustee Kadesh's recommendations are sound and should be included in the discussion that will be held immediately by the Operations Committee.

Discussion on the guest policy continued.

Review and Approval of June Navigator Content – Several typos, small changes, and updating of material was discussed.

Trustee Jenings made a motion to insert an article in the Navigator regarding pool usage. The motion was seconded by Trustee Kadesh and carried unanimously. 09-06-11

Mr. Belmont will submit the pool usage article to President Van Zonneveld for approval prior to publication. The trustees were in agreement.

Trustee Kadesh made a motion to approve the Navigator draft as marked up with changes and approval of the content. The motion was seconded by Trustee Jenings and unanimously carried. 09-06-12

Committee Quorum Requirements – Tabled at this time.

Trustee Boyer left the meeting at 12:15 p.m.

Board Members Serving as Committee Alternates – Tabled at this time

Study Sessions for the Board - President Van Zonneveld proposed setting a day and time each month for trustee discussion sessions prior to board meetings. Discussions would include issues that come before the committees and the trustees. Discussion followed.

Trustee Kadesh made a motion to institute discussion sessions on a monthly basis, for a 90-day trial until September, with the precise date to be determined by board member availability. The motion was seconded by Trustee Bradshaw and carried unanimously. 09-06-13

Operations Chair, James Goode, questioned the timetable for the pool usage issue. Discussion followed.

There being no further business, President Van Zonneveld adjourned the meeting at 12:40 p.m.

Respectfully submitted,

Michael Larkin, Secretary
Ludlow Maintenance Commission, Inc.

Prepared by Carol Shamhart
LMC Recording Secretary