

1 SUDDEN VALLEY COMMUNITY ASSOCIATION  
2 BOARD OF DIRECTORS MEETING MINUTES  
3 OCTOBER 29<sup>TH</sup>, 2015  
4 SWFA TRAINING ROOM  
5 7:00 PM

6 In Attendance:

7 Larry Brown, President  
8 Carol Bauman, Vice President  
9 Leslie McRoberts, Secretary  
10 Carol Houlton, Treasurer  
11 Samantha Rorabaugh  
12 Nick Flacco  
13 Grace Shaffner – EXCUSED ABSENCE  
14 David Narsico  
15 Mike D’Angelo  
16 Georgia Allen, Acting N&E Chair – EXCUSED ABSENCE  
17 Curt Casey, ACC Chair – EXCUSED ABSENCE  
18  
19

20 Community Members: 15  
21

22 Sudden Valley Staff: Mitch Waterman, Managing Director  
23 Sarah Pratt, Administrative Specialist  
24 Jennifer Spidle, Accounting Manager  
25  
26

27 I. CALL TO ORDER

28 A. The meeting was called to order at 7:00 PM.

29 II. ROLL CALL

30 a. Director Shaffner, Director Allen, and Director Casey had excused absences. All  
31 others were present.

32 III. ADOPTION OF AGENDA

33 a. Director Bauman requested the addition of an agenda item for “Action Items”  
34 under Continuing Business.

35 IV. MEETINGS OF THE EXECUTIVE COMMITTEE

36 a. The Executive Committee met on October 24<sup>th</sup> and October 26<sup>th</sup> to discuss a  
37 personnel issue. They generated a statement which described their support for the  
38 Managing Director and staff, and commended them on a job well done.

39 V. ANNOUNCEMENTS

40 a. Director Bauman announced the “The Really Big One” earthquake presentation  
41 on behalf of Director Shaffner. It will be occurring at the Lincoln Center in  
42 Mount Vernon at 6:30 p.m. on 11/12/15.

43 **ACTION ITEM:** Make sure that this event is on the website.

44 i. Director Houlton informed the Board that Norm Smith is creating a list of  
45 people who will be carpooling down to the event, encouraged the Board’s  
46 presence.

- 47 b. Director Bauman announced that the FireWise curbside cleanup is finished and  
48 was a big success.  
49 c. MD announced that abandoned cars in Area Z were removed and the antiquated  
50 computer equipment was properly disposed of.  
51 d. Director Rorabaugh announced that the LRPC needs four new members, no  
52 background necessary. This announcement will be in the Views and online.  
53 **ACTION ITEM:** Put this announcement on the website.  
54 e. Director D'Angelo announced the AGM occurring on Saturday, November 7<sup>th</sup>  
55 and a Jazz concert on November 14<sup>th</sup>.

56 VI. Approval of Minutes

- 57 a. September 17<sup>th</sup>, page 6 – line 82: Body cameras discussion missing.  
58 i. Goes in between line 86 and line 87.  
59 b. Line #30, delete extra “p.m.” on page 5.  
60 c. Line #33, change “find” to “finding”.  
61 d. Line #37, page 3 – add a space between “Session” & “For”.  
62 e. Page 8 – remove extra page number.  
63 f. Line #36 – change 2.4 to .24, 1.9 to .19, check spacing.  
64 g. Line #90 on page 18 – add “printing” in front of “company”.  
65 h. Line #45, page 17 – wrote “a” paper.  
66 i. Line #3, page 19 - last word should be “emergency”.  
67 j. Line #138, page 20 - “plans are based on the dues increase”  
68 k. Line #260, page 16 - closed session adjourned at 10:17 p.m.

69 **MOTION:** Director Houlton moved to accept the minutes as amended. Director  
70 D'Angelo seconded the motion and the minutes were adopted by acclamation.

71 VII. PROPERTY OWNER COMMENTS

- 72 a. There were property owner comments for and against the solicitation policy.  
73 b. There were property owner comments regarding the article in the Bellingham  
74 Herald.  
75 c. There were property owner comments regarding the off-leash dog park.  
76 d. There were property owner comments regarding the changes to the pending  
77 appeals procedures.  
78

79 **THE MEETING WAS ADJOURNED AT 7:46 P.M. DUE TO AN AUDIENCE**  
80 **DISRUPTION.**

81  
82 SUDDEN VALLEY COMMUNITY ASSOCIATION  
83 **RECONVENED BOARD OF DIRECTORS MEETING MINUTES**  
84 NOVEMBER 5<sup>TH</sup>, 2015  
85 DANCE BARN  
86 7:00 PM

87 In Attendance:

88 Larry Brown, President  
89 Carol Bauman, Vice President  
90 Leslie McRoberts, Secretary  
91 Carol Houlton, Treasurer

92 Samantha Rorabaugh  
93 Nick Flacco  
94 Grace Shaffner  
95 David Narsico  
96 Mike D'Angelo  
97 Georgia Allen, Acting N&E Chair  
98 Curt Casey, ACC Chair  
99

100  
101 Community Members: 22  
102

103 Sudden Valley Staff: Mitch Waterman, Managing Director  
104 Jennifer Spidle, Accounting Manager  
105 Lisa Letchworth, Administrative Services Manager  
106 Sarah Pratt, Administrative Specialist  
107

108 Call to Order: The meeting was called to order at 7:02PM.  
109

110 VII. ROLL CALL FOR RECONVENED MEETING

111 a. All present.

112 VIII. BOARD COMMENTS

113 **MOTION:** Director Houlton moved to add Property Owner comments before Board  
114 Comments. The motion was seconded by Director Bauman.

115 **AMENDED MOTION:** Director Bauman moved to limit Property Owner  
116 comments to 30 minutes. The motion was seconded and passed with seven in favor  
117 and one opposed.

118 **AMENDED MOTION:** Director McRoberts moved to move Property Owner  
119 comments to the end of the agenda. Director Rorabaugh seconded the motion, but it  
120 failed with 2 in favor and 6 opposed.

121 The original motion passed unanimously and the agenda was amended to add  
122 Property Owner comments for up to 30 minutes prior to Board Comments.

123 IX. PROPERTY OWNER COMMENTS

124 a. A member voiced concerns with the dues increase in relation to the average  
125 income of Sudden Valley residents.

126 b. A member commented on the ACC Code of Conduct.

127 X. BOARD COMMENTS

128 a. Director Narsico commented on the standard process for dues increase and the  
129 privilege involved with actually being able to vote on dues changes.

130 b. Director D'Angelo announced a new U.S. flag flying over the Admin building  
131 thanks to Jerry Driscoll.

132 c. Director Rorabaugh thanked the Long-Range Planning Committee for getting the  
133 long range plan started.

134 d. Director Shaffner announced "The Really Big One" presentation on November  
135 12<sup>th</sup> in Mt. Vernon. Requested interested parties email her if interested in the  
136 carpool being assembled.

137 e. Director Flacco thanked the Board of Directors for allowing his participation.

- 138 XI. AGM REPORT  
139 a. Lisa Letchworth gave a report on the status of AGM preparation.  
140 i. 949 ballots have been received to date, 28 are ineligible but will be  
141 notified so they have the opportunity to become current and vote.  
142 ii. Gil Martinez (A/R) will be at the AGM from 9 a.m. to 12 p.m. to take  
143 payments for this purpose.  
144 iii. President Brown reminded those in attendance that Sudden Valley ballots  
145 cannot go in the County voting drop-box. Lisa added on that 16 ballots  
146 were already returned from the County.
- 147 XII. MD REPORT  
148 a. October 2015  
149 i. The County received and has gone through the Stormwater Management  
150 and Phosphorus Mitigation plan. MD believed it would be approved and  
151 in time for spring construction.  
152 ii. The 2015 culvert construction project finished and is going through  
153 closeout.  
154 iii. Old computers were transported offsite, recycled, and the hard drives  
155 destroyed.  
156 iv. 2016 D&O insurance is due for renewal. The policy increased,  
157 management sought additional bids and second reviews. They elected to  
158 accept the cost increase based on coverage.  
159 v. Management is in the process of evaluating a collections agency.  
160 Collections are up to 90%, but MD noted that they would like to outsource  
161 certain circumstances to an agency.  
162 vi. MD announced that 21-22 lots will sell.  
163 vii. Collection efforts have brought in \$538,000 in outstanding fees. For  
164 property owners who agree to a payment plan, continuances are being  
165 granted. The court case would be dismissed upon adherence to the  
166 payment plan.  
167 1. It was affirmed that members who are current on their payment  
168 plans are considered in “good standing”.  
169 viii. Management is in the process of vetting a new IT company; the current bid  
170 was too high. They are continuing to search for alternative options to the  
171 existing IT Company.  
172 ix. Golf revenue has increased by 12%.  
173 x. The October FireWise branch cleanup went very well.  
174 xi. Management is preparing for winter emergency snow and de-icing  
175 activities.  
176 xii. Security is implementing a speeding deterrent program at Gate 5.  
177 xiii. A security guard was punched by a renter; who was subsequently issued a  
178 \$1,000 fine. The District Attorney took the report.  
179 xiv. President Brown asked what the time limit was on home constructions and  
180 if there is enforcement in place for adherence to those time limits.  
181 1. Director Casey stated that homeowners have 6 months to act on a  
182 permit and 9 months to complete the project.  
183 b. Expectations of Board for Management Response to Weather/Emergencies

- 184 i. MD reported that SVCA's insurance declined the \$39,000 claim for the  
185 August 29<sup>th</sup> windstorm.  
186 ii. Management is working to get ready for storm season – MD asked the  
187 Board what their expectation is in regards to providing that level of storm  
188 support if the funds are not reimbursable.  
189 iii. Discussion followed on the possibility of approaching homeowners with a  
190 contract that ensures their financial responsibility but our immediate  
191 response.  
192 1. The general consensus was that the Administration has moral  
193 obligations to homeowners but cannot drain itself financially  
194 either. Director Houlton suggested doing further research and  
195 bringing the subject back for discussion.

196 **ACTION ITEM:** MD and Finance Committee were asked to bring a proposal to the  
197 Board for storm response.

### 198 XIII. TREASURER'S REPORT AND VOTING AS NECESSARY

- 199 a. September 2015 Financial Reports  
200 i. Accounting Manager Jennifer Spidle gave a report on September 2015's  
201 financial data. The September 30<sup>th</sup> financial report will be printed in the  
202 upcoming Views.  
203 ii. SVCA is in the positive in Operations.  
204 iii. Bad debt number has increased for two reasons:  
205 1. Starting the 1<sup>st</sup> of the year, they wrote off anything over 30 days  
206 old.  
207 2. 30-day collections amount has increased due to lack of awareness  
208 on the dues coupon process.  
209 iv. It was determined that there is a lag in processing payments due to how  
210 Lock Box connects with bank payments.  
211 v. Income Statement Summaries – YTD – will be published in the Views.  
212 1. SVCA has a net operating loss of \$233,000. This is worse than  
213 projected in the spending plan, but we are on track for a total  
214 \$435,000 loss as budgeted.  
215 vi. **ACTION ITEM:** The Board asked Accounting for golf cart rental fees in  
216 relation to the golf cart lease.  
217 vii. Jennifer clarified that "Other Professional Services" includes all temporary  
218 employees and that that data is not included under "Salaries".  
219 1. President Brown wanted to know the total being spent on labor.  
220 Director Houlton stated that they will generate a report.  
221 b. Capital Requests  
222 i. MD reported that the following Capital Requests are to close out projects  
223 that began in 2013 and 2014. The projects were poorly recorded and these  
224 requests are being done as a formality to officially close out the projects.  
225 ii. Rotunda  
226 1. Should be corrected to say single-source UDR. Project funds  
227 already expended; was for a concept plan for use of the Rotunda.  
228 The scope of the project changed several times. The Finance

229 Committee recommended the Board to approve \$13,350.41 to be  
230 funded from UDR to close this project.

231 **MOTION:** Director Houlton moved to approve this Capital Request from UDR  
232 and close out the project. The motion was seconded by Director Bauman and  
233 passed unanimously.

234 iii. Lake Louise Dam

235 1. This is an MR&R funding request. The project is closed out. The  
236 Finance Committee recommended the Board approve this request.

237 **MOTION:** Director Houlton moved to approve the expenditure of \$18,028.23 to  
238 be funded from MRR and close out the project. The motion was seconded by  
239 Director Bauman and passed unanimously.

240 iv. Rose Ridge Loop

241 1. The Rose Ridge Loop project was ‘overspent’ by \$58,000. MD  
242 does not consider it overspent. He believes Sudden Valley  
243 employees purchased the gravel in-house, failed to include that  
244 expenditure in the job and subsequently went over-budget. The  
245 gravel purchase should have been made by the contractor. The  
246 Finance Committee recommended that the Board approve this  
247 expenditure and close out the project.

248 **MOTION:** Director Houlton moved that the Board approve \$58,638.04 to be  
249 funded from Roads Reserve for this project. The motion was seconded by  
250 Director Bauman and passed unanimously.

#### 251 XIV. COMMITTEE REPORTS AND VOTING AS NECESSARY

252 a. Architectural Control Committee

- 253 i. September 3rd, 2015
- 254 ii. September 17th, 2015
- 255 iii. October 1st, 2015
- 256 iv. October 15th, 2015

257 b. Communication Committee

- 258 i. October 5, 2015
- 259 ii. Requested the community tell the committee how they would prefer to  
260 receive communications.

261 c. Document Review Committee

- 262 i. No report.

263 d. Emergency Preparedness Committee

- 264 i. Director Shaffner gave a report on the success of the Safety Fair. 20  
265 vendors were present.
- 266 ii. A plan is being assembled for the community for emergency events.
- 267 iii. She restated the importance of attending “The Really Big One”.

268 e. Long-Range Planning Committee

- 269 i. Director Rorabaugh stated the LRPC is seeking four new members, and  
270 depending upon the AGM those may or may not be term-limited.
- 271 ii. The LRPC’s mission statement is complete and they are developing a plan  
272 for the Board Orientation taking place in January.
  - 273 1. Off-Leash Dog Park Survey Questions

274 a. The LRPC was approached by staff to look at options for  
275 safety at the off-leash dog park. They generated five  
276 survey questions to present to the community.

277 **MOTION:** It was moved to refer this document to the Communications  
278 Committee. Director Houlton seconded the motion and it passed unanimously.

279 b. President Brown recommended they change the statement  
280 “we feel it is necessary”.

281 f. Nominations & Elections Committee

282 i. Director Allen thanked Lisa Letchworth for her efforts towards the N&E  
283 for the AGM.

284 ii. She also noted a record number of volunteers for the AGM.

285 XV. CONTINUING BUSINESS AND VOTING AS NECESSARY

286 a. Action Items

287 i. Director Bauman overviewed a list of open action items in order to obtain  
288 a status on each of them.

289 1. Expanded definition of screened conveyances

290 2. Auditor’s representation letter signature

291 a. Director Houlton noted this was completed.

292 3. ACC fines section

293 4. New auditors

294 a. Director Houlton explained the possibility of replacing our  
295 auditor, currently waiting for letters back to our request.  
296 We may receive two more at this point.

297 5. Parking permit issuance by phone – announcement on the website

298 a. MD stated that we are not updating the website at this time.

299 6. UDR transfer signing

300 a. This was completed by Jennifer Spidle.

301  
302 The Board took a break for personal privilege at 8:37 p.m. They resumed at 8:46 p.m.

303  
304 b. Solicitation in Sudden Valley

305 i. President Brown requested to remove this item from the agenda. A legal  
306 question was raised; he posed it to the lawyers and has not yet received a  
307 response.

308 **MOTION:** Director Houlton moved to table this topic until we hear back from  
309 the lawyer. The motion was seconded by Director Rorabaugh and passed with  
310 seven in favor and one opposed.

311 c. Appeals Manual

312 i. The manual was updated per the last discussion and is back before the  
313 Board for final approval.

314 **MOTION:** Director Bauman moved to adopt the Appeals Procedures as  
315 presented. The motion was seconded by Director Shaffner.

316 ii. Director Rorabaugh commented that some components of this document  
317 may be against Measure O being voted on at the AGM. She suggested  
318 waiting until after the AGM to approve the manual.

319 **MOTION:** Director Rorabaugh moved to table approval of the manual until after  
320 the AGM. The motion was seconded by Director Narsico and passed with six in  
321 favor and two abstentions.

322 d. Whatcom County Planning Committee Activities

- 323 i. There is a plan in place to upgrade trails. There are concerns that these  
324 upgrades would increase traffic and pollution to the lake. It was  
325 recommended that the Board stay on top of this issue.
- 326 ii. It was noted that Sudden Valley has not attended County activities  
327 because their meetings conflict with regularly scheduled Board meetings.
- 328 iii. Director Houlton commented on the lack of a representative for Sudden  
329 Valley to the County; consideration should be given to this.
- 330 iv. Managing Director Mitch Waterman noted that County Parks is holding  
331 one spot open for a Sudden Valley representative.

332 e. Amplification at Board Meetings

- 333 i. Director Bauman commented on several complaints from both Board  
334 members and audience members regarding sound at Board meetings.
- 335 ii. Director Houlton suggested this problem be tasked to staff post-AGM for  
336 budget purposes.  
337 **ACTION ITEM:** MD stated that staff will take this project on, depending  
338 on the available budget. Director D'Angelo will assist.
- 339 iii. Any existing equipment in the Valley is obsolete and requires  
340 replacement.

341 f. Memorial Benches

- 342 i. Director Narsico discussed a request from a community member who  
343 offered to be responsible for coordinating memorial benches, beginning  
344 with one for her husband. It would be placed where the Board approves.  
345 1. The general consensus was that the Board requires more specific  
346 information and was not prepared to vote on the matter.

347 XVI. NEW BUSINESS AND VOTING AS NECESSARY

348 a. Keeping Bees in Sudden Valley

- 349 i. MD reported that a homeowner had asked if beekeeping was acceptable in  
350 Sudden Valley. He checked with the attorney and insurance. It was  
351 determined that insurance is not in favor of beekeeping due to allergy  
352 risks.

353 XVII. CLOSED SESSION

354 **MOTION:** Director D'Angelo moved that the Board go into closed session.  
355 Director Rorabaugh seconded the motion and the Board moved into closed session at  
356 9:16 p.m.

357 XVIII. VOTING IF NECESSARY

358 XIX. ADJOURNMENT

359 The meeting was adjourned at 10:55PM.  
360