

SUDDEN VALLEY COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
THURSDAY, MARCH 13, 2014
LIBRARY MEETING ROOM
7:00 PM

In Attendance:

Larry Brown, President
Carol Bauman, Vice President
David Narsico, Secretary
George Shaffner, Treasurer
Tom Doll
Carol Houlton
Melissa Lange
Tammy Woodin
Mitch Waterman
Leslie McRoberts, N&E Chair

Excused Absence: Jo Jean Kos, ACC Chair

Community Members: 10

Staff: Jeff Schlaack, General Manager
Michelle Miller, Accounting Manager
Amanda Becker, Administrative Specialist
Chanty Uch, Receptionist

- I. CALL TO ORDER
The meeting was called to order at 7:02 PM.
- II. ROLL CALL
- III. ADOPTION OF AGENDA
A decision was made to move the closed session to after board comments so the community members in attendance didn't have to leave the room once again.
Additions to the agenda: NEW BUSINESS
B. Strategic Proposal
C. Barn Playground Discussion
Agenda was adopted as amended by acclamation.
- IV. ANNOUNCEMENTS
A. March 29th, 2014, The Communications Committee announced they are hosting a free Spaghetti Dinner honoring our Firefighters. The event will be held in the Dance Barn starting at 4:30 PM. From 4:30 PM to 5:30 PM the Kiwanis will host kite building and there will be fire truck tours for the children. Dinner will begin at 5:30 PM. This event is free to all Sudden Valley residents.
- V. APPROVAL OF MINUTES
A. Board of Directors Meeting Minutes, December 12, 2013
The minutes were adopted as submitted.
B. Board of Directors Meeting Minutes, January 28, 2014

The minutes were withdrawn for further revision and correction.

C. Board of Directors Meeting Minutes, February 6, 2014

The minutes were adopted as submitted.

D. Board of Directors Meeting Minutes, February 13, 2014

The minutes were withdrawn for further revision and correction.

E. Board of Directors Meeting Minutes, February 27, 2014

The minutes were withdrawn for further revision and correction.

VI. CONTINUING BUSINESS AND VOTING AS NECESSARY

A. Coffee Shop Status Report

Director Lange reported the coffee shop was still closed and she is currently contacting members of the Food and Beverage Taskforce to inquire about interest in remaining on the taskforce. Director Lange stated a community member has come forward with interest in submitting a proposal to open the coffee shop. She and GM Schlaack intend to meet with the community member. Director Lange stated the coffee shop, as previously run, wasn't profitable. The most important factor in deciding on the future of the coffee shop is whether it is feasible financially to reopen. The Finance Committee has also discussed bringing in vending machines.

ACTION ITEM: GM Schlaack and staff will look into vending machines and report the findings to Director Lange.

President Brown stated he has received many oral requests from community members that the coffee shop should be reopened. He has also been told by residents they don't want vending machines but rather a coffee service. VP Bauman stated she has had similar reports from community members. She also stated that this is the ideal time to reopen the coffee shop with the YMCA and the library opening. VP Bauman suggested letting the member who proposed to open the shop be given a three month trial run. A discussion ensued about troubles the coffee shop had in the past and concerns about going forward. Items discussed included the hiring of staff, inventory tracking, and expenses.

MOTION: Director Waterman motioned to refer this back to committee. Motion was seconded. Passed with 4 for, 3 opposed, and 1 abstained.

MOTION: Vice President Bauman motioned to refer this back to committee with a timeline. Committee is to give a status report back to the Board due on April 15th. Seconded.

MOTION TO AMEND: Director Woodin made a technical correction to the motion by changing the date to April 17th for posting, to be discussed at the Board meeting on April 24th. Motion was seconded. Passed with 1 opposed and 1 abstained.

VII. FINANCE COMMITTEE

A. Reserve Management Guidelines

1. Director Shaffner gave an overview of his proposal submitted to the board. The point was to establish a baseline of the reserves that provides Sudden Valley with a margin of safety. The proposal Director Shaffner has sent through the finance committee and presented to the board is a base threshold that was completed with the help of Director Waterman and the EMB staff. The proposal is a guideline for going forward with management of the reserve funds based on data accrued in the past and future projects that will need to be completed. This proposal suggests that the Major Road and Repair Fund has become something of a convenience. Using the current budget this provides a road map for how projects will be handled in the future. The board discussed whether this plan is feasible and legal.

The attorney has assured President Brown that his findings are that neither the RCW's or the restrictive covenants prohibit the Board from adopting this as a guideline for the future. Director Shaffner intends to have the finance committee use the proposal as a guideline to fund the Barns with the Major Roads and Repairs Fund so the thresholds will be met for this year.

ACTION ITEM: Director Shaffner will submit the proposal and summary spreadsheet to the Views for next month's publication with the correction "the state recommends," not "required by law", subject to approval by the Finance Committee. Director Narsico will be copied on the submission.

B. 2014 Thresholds Reserve Summary

C. 2014 Road Budget

D. 2014 CRRRF Budget

VIII. NEW BUSINESS AND VOTING AS NECESSARY

A. Document Resource Information Center

MOTION: Director Narsico motioned that a document review information center be created in a space that is most appropriate for subject activities. Motion was seconded.

1. Board discussed the best course of action to get this motion to pass. The same idea was proposed last year by Director Woodin and failed. President Brown stated that with recent staff changes there is more space open now for the information center location. Also, the Document Review Committee is already looking into the possibility of getting all the Association's documents scanned in/stored together. The Document Review Committee is not ready to report to the board at this time but should have a report ready by next board meeting, March 27th.

MOTION TO AMEND: Director Waterman motioned to amend Director Narsico's original motion to add a full time staff liaison to support the Board of Directors, as well as, the control of the documentation and the document library. Motion was seconded.

2. Director Lange is concerned about budget issues with hiring a full time staff member. It was suggested to add this position into the budget for next year. Concerns about budgeting, staff availability, and time management were discussed. Director Waterman proposed to change the original amendment to add the consideration of a Board support office position.

MOTION: Director Houlton motioned to send this back to the Document Review Committee with instruction to establish an ongoing plan, in cooperation with the Finance Committee, for the pieces we need in order to manage Sudden Valley's documents effectively (i.e. what positions need to be put in place, what companies are being suggested, what the costs vs. the benefits are). Motion was seconded. The motion passed unanimously.

MOTION TO AMEND: Director Shaffner motioned to amend the motion to refer to committee with further instructions to gather all the information, prioritize the issues, highlight and discuss all of the issues so the Finance Committee and the Board will have a clear understanding of what needs to be done first, etc. with regard to document review and gathering and present in a 2 -3 page plan. Motion was seconded. The motion passed unanimously.

B. Strategic Proposal

1. Director Doll presented the Board with a handout proposal concerning the future of the Strategic Planning Committee. The proposal covered two options; the first to disband the Strategic Planning Committee and adopt a strategic roads and

infrastructures spending strategy; the second is to engage the Board, Finance Committee, and the Strategic Planning Committee in an accelerated planning process. The process would arise from a facilitated five hour discussion between the Board, Finance Committee and Strategic Planning Committee. The purpose would be to clarify the Association's focus and get plans for 1 year, 3 year goals, and a 10 year target that would be prepared for the AGM and to assist future boards.

ACTION ITEM: Review the proposal and be ready to discuss at the next Board meeting.

C. Barn Playground

1. Director Lange raised some concerns about the safety of the Barn Playground. Long, sharp screws were found in the sandbox, children are playing with the wood stored under the stairs, and gravel hasn't been replaced making the equipment unsafe to play on. Director Lange and Director Shaffner are both concerned about the liability issue with the Library opening.

ACTION ITEM: GM Schlaack is to have maintenance put yellow tape around the Barn Playground until the issues can be resolved. Staff is also to look into the best course of action for getting the barn playground completed.

2. President Brown suggested the options for completing the playground be considered in the following order:
 - a. Christ the King Volunteers
 - b. Staff
 - c. Hire an outside company

IX. PROPERTY OWNER COMMENTS

- A. Member was concerned about The Firs installing a cell tower adjacent to his property. The site being considered would need to be accessed using Sudden Valley roads. The member requested that if Whatcom County approves the site and Sudden Valley is approached about the use of the roads that the Board deny the request.
- B. Member shared the same concerns as their neighbor regarding the cell tower. They also requested that Sudden Valley Board deny use of the roads. Another concern is safety due to windy conditions possibly knocking down the cell tower onto homes.
- C. Member is concerned about Director Shaffner's proposal causing the Board to spend more money than was approved in the budget. The member would like to request that in the future this proposal strategy be proposed prior to the budget being voted on. The only objection the member raised is the amount of money being spent, not the plan itself.
- D. Member inquired whether Sudden Valley Board is prepared to deal with prohibiting or controlling a marijuana store in Sudden Valley, or if this is even a possibility out here.

X. BOARD COMMENTS

- A. President Brown stated in regards to the cell tower, the last time the Board discussed the issue of this particular cell tower it was made clear going forward that if there was a further request it would be dealt with in part by a public input process. The ultimate decision would be up to Sudden Valley on road use. Before the Board would approve the use of Sudden Valley roads they would request compensation for decrease of property value and use of the roads, as well as commercial compensation. The Firs may decide to put in their own road, which would take Sudden Valley out of the

decision process. If this is the route the Firs take, then as a Whatcom County resident, all concerns can be addressed to Whatcom County.

- B. President Brown also discussed the concerns involved in the possibility of a marijuana store in Sudden Valley. The County has assured him there will be no growing allowed in the water district, and in order to give a permit there would need to be appropriate police access to the growing areas, which excludes residences.
- C. Director Shaffner stated in regards to the concerns brought up about his proposal that the overall goal was to save money in future years. He stated that there are many projects that have been deferred year after year due to lack of funds in the budget and by putting them off for another year the cost of repairs goes up. Director Shaffner's goal is to use this guideline going forward, meaning that the strategy will be in place prior to the future budget.
- D. Director Houlton stated that the project Director Shaffner used to write the proposal, while headed by Director Waterman, was a joint effort of the staff, the Board, and the Finance Committee. A lot of time and work went into the decision prior to it being presented.

XI. RECESS TO CLOSED SESSION STAFF AND LEGAL MATTERS

The meeting was recessed to closed session at 9:57 PM.

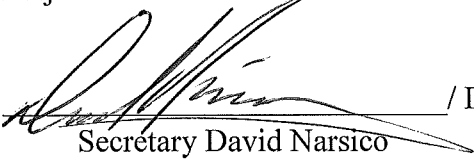
XII. ADJOURNMENT

The meeting was reconvened for the consideration of any appropriate motion at 10:45 PM.

MOTION: Director Lange motioned to approve EMB Staff to spend operation funds to repair high priority safety issues such as the Dance Barn playground and the list of the AIRO repairs that need to be done. The GM should report back to the Board on the meeting following the completion dates. Motion was seconded.. Motion passed unanimously.

The meeting was adjourned at 10:47 PM.

Board approved


Secretary David Narsico

Date APRIL 10, 2014