



SANDY POINT

IMPROVEMENT COMPANY

Mailing Address: 4460 Decatur Drive
Ferndale, WA 98248
Phone: 360.384.3921
Fax: 360.384.3246

BOARD OF DIRECTORS MEETING MINUTES

February 17, 2011 – 6:30 PM
Sandy Point Heights Clubhouse
4460 Decatur Drive

Board Present

Mr. Jim Kolbo – President
Mr. Val Klepac – Vice President
Ms. Suzette Carlson – Secretary
Mr. Gary Kitching – Treasurer
Mr. Ron Jepson – Director
Ms. Marlene Dawson – Director
Mr. Roy Clumpner – Director

Also Present

Ms. Kelly Abbott – Office Manager
Mr. Tom Hiatt – Minutes

Call to order: 6:32 PM

Jim Kolbo announced the meeting was being recorded.

Approval of Minutes:

Ms. Carlson motioned to accept the minutes of the January 20th board meeting. Ms. Dawson seconded. **Motion carried.**

Treasurer's report:

Mr. Kitching reported on the status of the Accounts Receivable, Accounts Payable and bank balances to date.

Office Managers report:

- MAS 90 – Billing and Customer clean up. Ms. Abbott explained that over 100 duplicated customers have been removed from the system for cleaner reporting.
- Insurance in place for coming year. Insurance amounts on replacement costs and other amenities were increased as we were underinsured. Income for the marina was also understated and had to be increased. Mr. Kolbo explained the value of not being under insured.
- Emails continue to be supplied by customers and we are moving toward paperless delivery for many.
- Spring mailing is coming up and input is requested.
- Randy Burger is coming back to work at the golf course and has been checking on the course periodically.



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- Revised chart of accounts has been approved by our CPA. We will complete a cleanup of accounts with deletion of duplicates or unused General Ledger accounts for fiscal year end.
- Marina Slip rentals: Each of the slips has its own account in our system which will facilitate tracking, billing and reporting.

Bldg Grounds report (Jerry Van Dorn reporting)

- Well house pipe galvanizing and painting is complete for both locations.
- Landscaping bark around clubhouse grounds.
- Key holder rack installed in Marina clubhouse office.
- Walltine heaters are almost ready to be installed; one is on back order until next week.

Committee Reports

Events – Mr. Clumpner

- Mardi gras tickets are available; notices are posted on website and included in the current Sandy Point Sounder. Flyers will be distributed the week before the event. Roy went in to details about food and beverages that will be served at this event.
- Yoga has started again; current series begins this coming Saturday, February 19th.
- April Clean up day, scheduled for April 23rd, will include food for participants. The committee is engaging a professional shredder service, on a trial basis, for cleanup day. **Motion** was made by Mr. Clumpner suggesting S.P.I.C. could supply the shredding service and the food. Seconded by Ms. Dawson. **Motion carries.**
- Upcoming events: Garage Sale, August 13th. Bullhead Derby, August 20th. Garden walk and Artists show, April 26th.

Finance/Audit – Mr. Kitching

The first meeting of the committee on January 27th resulted in two recommendations to the Board.

- 1) Recommendation to realize the Alliance Payable as income which would have no negative tax effect.
- 2) Recommendation to re-lien and charge a \$2000.00 cost recovery fine for any past due amounts over 14 months.

There was discussion on each recommendation with no action taken.

The next Committee meeting will focus on the annual budget and the Water System Plan 6 year budget forecast.



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Water Marina/Bldg/Grounds – Mr. Jepson, Mr. Kitching Gary, Mr. Kolbo

Water: Mr. Jepson reported on the progress of the water system plan. Our documented leakage rate is substantially lower than the Department of Health's belief, which will help in our quest for more hookups. The DOH considers all hookups as full time hookups regardless of whether they are part time users or not.

The Water committee will need to work on policy suggestions for when additional hookups are received.

Marina: Mr. Kolbo reported on the Marina Slip commitment paperwork for Shareholders, mailed February 1st, Non-Shareholders paperwork to be mailed on the 21st. Non- members will be able to reserve slips after March 1st. Marina staff will be handling slip assignments and collecting fees for the slips. **Board Consensus** was reached that beginning Apr 1st Saturday hours would start for the Marina office from 9:00 AM to 4:00 PM. Marina staff meeting is scheduled for February 28th for preparation and training for the upcoming season. Mr. Klepac explained that all of the people working at the Marina will be cross trained to perform all duties required.

Bylaws / Articles of Incorporation – Mr. Klepac

Mr. Klepac extending a thank you to Ginny Eaton for the time and effort she put in scanning all the AGM meeting minutes from past years.

Committee recommendation to the Board: In order to make changes to our bylaws or articles of incorporation we need to achieve a quorum. It is suggested we engage a Corporate Lawyer to find out if there are other possibilities, we may not be aware of, regarding the quorum issue and the amendment of our Bylaws. A **Motion** was made by Val Klepac that we search for a corporate lawyer to help with this problem. Motion Seconded. **Motion Approved.**

Shareholder, Ms. Virginia Eaton commented that she would like the Attorney to be queried regarding changing the Corporation to a Not for Profit so that a Homeowners Association could be formed. Discussion ensued regarding the benefits and/or downfalls of an HOA status.

Shareholder, Mr. Jack Smith explained the different quorum requirements: for profit corporation, a not for profit corporation, and a homeowners association. Shareholder, Ms. Jael Komac questioned who on the Board would be tasked with the search for an attorney. Mr. Klepac was named.

Website – Marlene Dawson

- Calendar is now on the website in the Events section.
- Tom Hiatt has taken advanced training from Mindfly.



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- Site hit figures were reported on by Ms. Abbott. She detailed how many hits and which pages are the most popular. Hits have been coming from all over including Russia, Brazil, and other countries around the world.

Golf – Roy Clumpner

Mr. Clumpner reported on new pay envelope and sign in sheet. Sign in sheet was explained and how it was updated to keep better track of players and those who pay the fees. The envelope will also aid in keeping track of who pays for play and when.

Mr. Clumpner **Motioned** that the two new forms be accepted. Seconded by Ms. Dawson.

Motion carried.

There was discussion of fines and penalties that might be levied for people not adhering to the new sign in and pay rules. It was suggested that first time offense the player would be forced to pay for play and warned. The second offense would be an additional \$10.00 fine. The third offense would be expulsion from the course for the rest of the season or if it was toward the end of a season for the next season upcoming.

Old Business

- Marina burn pile project has been completed. Jim Kolbo reported on the completion of the project including a chain with a sign.
- Two well abandonments – Hutchinson project complete will turn water on when he returns in March. George project almost complete. Well decommission paperwork from vendor will complete the project.

New Business

- Board and Employee meeting will be held next week on Thursday at 5:30 PM. The meeting will focus on communication between the Board and Staff.
- Closet suggestion for upstairs in SPH Clubhouse. Jerry explained the project. It was tabled for the time being on his estimate of \$1000.00 for cost including labor and materials. Jerry will be looking at refining the estimate for discussion at a later time.
- Candy Machine. Should we put up for sale to highest bidder? There was discussion that the machine was old and the children have figured out how to get all the candy out without paying. Mr. Clumpner made a **Motion** that Kelly find a buyer for the machine. Gary Kitching seconded. **Motion carried.**

Question and answer period

Ms. Komac questioned the Board regarding a “Plan B” committee being formed to discuss possible scenarios/solutions if lot owners do not receive hookups. There was discussion of the time period being approximately a year for the committee to work on some solutions. The committee could be formed if we receive any negative response from the entities that review the plan.



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Shareholder, Chappelle Arnett asked, based on S.P.I.C. history, if the committee should be started sooner.

Jack Smith questioned if the Department of Health were asking anything about the Class C shareholders and the status of their voting. It was explained by Jim Kolbo that there weren't enough Class C shares to make a difference to the Dept of Health or the State utilities commission in considering the approval of the Water System Plan.

Mr. Kolbo explained the Department of Ecology (DOE) requires that our water system serves anyone in the service area without discrimination.

Jael Komac questioned the Board regarding the necessity of pursuing water hookups.

Mr. Kolbo noted that S.P.I.C., as a water purveyor, is required to keep searching for additional hookups. There is no choice by the Board regardless of the feelings of the Shareholders and property owners.

Chappelle Arnett offered that we find out what the law requires and if there is any possibility of full service to all lots based on the past 30 years and what has happened. There was discussion of our chances and what we should do if the hookups are not received.

Mr. Clumpner offered that we could obtain a written opinion from Department of Ecology regarding whether or not we will receive the hookups we are asking for; ever. After a written opinion from the State agency we would be able to know for sure where we stand.

Mr. Jepson spoke of a second water right we applied for, approximately 30 years ago, which is still under ruling with the Department of Health.

Virginia Eaton asked if the fine recommended by the Finance committee was legal within our bylaws and covenants. It was explained the fines had not been set and would be reviewed prior to the Boards approval.

Ms. Carlson **motioned** to adjourn the meeting. Seconded and **Motion carried**, Meeting adjourned at 7:44 PM.