



SANDY POINT
IMPROVEMENT COMPANY

Mailing Address: 4460 Decatur Drive
Ferndale, WA 98248
Phone: 360.384.3921
Fax: 360.384.3246
Online at: www.mysandypoint.com

BOARD OF DIRECTORS MEETING

January 20, 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
Ms. Marlene Dawson – Director
Mr. Roy Clumpner – Director

Absent

Mr. Ron Jepson – Director

Also Present:

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

Call to order at 6:30 PM

Mr. Kolbo announced the meeting is being recorded.

Approval of Minutes:

Suzette motioned to accept the minutes of the December 16th board meeting with one small grammatical change. Motion was seconded. **Motion carries.**

Treasurer's report:

Mr. Kitching reported on the state of finances as of this date, inclusive of bank balance, outstanding accounts receivable and accounts payable. Ms. Abbott explained the income statement package handed to board members as a 3rd quarter review of spend vs. budget (through December 31, 2010). The company as a whole is tracking well to budget and shows a positive net income.

Office Managers report:

- Emails collected – 232 to date more coming in each day.
- Payroll not set up with auto deposit yet. Experienced MAS 90 glitches and are working to resolve.
- Looking to initiate ACH payments from customer accounts by April 1, 2011. A notice will accompany next billing and each billing thereafter. This information will be published via the Sounder with each billing. Electronic billing will be able to be tested by the February billing. Shareholders will have the choice of E-statements or paper billing (or both) and will be in affect within the next few billing cycles.



SANDY POINT

IMPROVEMENT COMPANY

Mailing Address: 4460 Decatur Drive
Ferndale, WA 98248
Phone: 360.384.3921
Fax: 360.384.3246
Online at: www.mysandypoint.com

- Donation from the Estate of Mary Lou Orr. A collection of Marine Charts, and nautical mapping and other documents was dropped at the office. A suggestion was made that Tom Hiatt, with help of a committee member or two, will sort and catalogue the inventory.
- Sounder is already being prepared for next billing in February.
- Positive pay with the bank is being implemented for use within the next month.
- Jim Kolbo updated the group regarding our new Costco membership which allows us access to the benefit of their credit card processing system. This will greatly reduce the credit card processing fees charged to SPIC.

Bldg Grounds report: Jerry Van Dorn

- Agate Lake Carp project is on hold for the moment. There are numerous permits to be obtained before the project can move forward. Jerry stated that Fish and Wildlife will be letting us know what we need in the permitting process. If too much is required the project might possibly be scrapped. Further study is needed.
- Well piping at Walltine has been cleaned and re galvanized. The Neptune piping is next on the list.
- Four meter collars have been replaced so far this month. This is a possible issue as warranties will be running out soon.
- Burn Pile posts and chain are being set. Sign to be ordered (reflective) to mount on the chain.
- Heater replacement at Walltine was reported on by Jerry. A quote for new heaters was received at around \$1000.00 each. Parts for the present heaters would cost more than replacing with new units. Jim Kolbo stated he would speak with Jerry regarding alternative ideas after the meeting.

Open Comment:

No one signed up for open comment.

Committee Reports:

Events – Roy Clumpner

- The committee meeting was a great success with lots of enthusiastic members attending.
- Yoga has started again. Roy referenced the website for copies of the minutes of the meetings and details about the Yoga classes and other events.
- Mr. Clumpner reported on the upcoming Mardi gras brunch which will also be announced in the Sounder.
- Pancake Breakfasts, Garden Walk, and Garage Sale were also reported on as projects the committee will be planning.
- Clean up Day will be having Hot Dogs and early coffee and doughnuts served at the Marina by the committee.



SANDY POINT

IMPROVEMENT COMPANY

Mailing Address: 4460 Decatur Drive
Ferndale, WA 98248
Phone: 360.384.3921
Fax: 360.384.3246
Online at: www.mysandypoint.com

- Fall Fling or Pool Party, also some things for kids such as kite flying and pumpkin carving.

Finance/Audit - Gary

- 1st meeting has been called for next week. Mr. Kitching reported on budgeting requirements for the water system which will be addressed by the committee. 1/8 of expenses will have to be reserved by Jan 1, 2012. The other reserves will be accomplished over a number of years.
- Three committee members will study the budget and make suggestions for complying with the requirements for the company. There was discussion of Arsenic levels in the old wells and not being able to use them except in a catastrophic situation.

Water Marina/Bldg/Grounds – Ron/Gary/Jim

- Gary Kitching reported on the water use rate figures and our progress in keeping the figures low. Mr. Kitching also reported on a meeting with the Department of Health last Tuesday. He stated that the approval of the Water System Plan will come before they make decisions on releasing more hookups to the system. With approval of the System Plan Mr. Kitching felt we may receive up to 200 additional hookups. He gave the time frame as about a year and a half before we will have an answer from DOH. President Kolbo explained the requirement by the State that we have a water system plan approved every five years.
- Marina committee meeting. Jim Kolbo gave the report of the meeting and the changes that will be made to the Marina rules, slip lease timing and other inconsistencies that have been corrected in the documents. Commitments for slips will be much earlier this year. Notice will be going out in late January with notices on the website also. The deposits and notification will be earlier in the year to facilitate filling all of the slips. A question from the floor came as to the rates. Jim stated that members will be charged \$5.00 per foot (LOA) and non member rates will be \$6.50 per foot. There was discussion of electricity rates and charges. Slip renters will have the opportunity to be billed bi-monthly this year, or pay up front and realize a discount. There was discussion of the rate charges and payments.

Bylaws / Articles of Incorporation – Val Klepac

- Mr. Klepac reported that the committee is going forward with a number of changes. A major change suggested: The possibility of changing back to a Spring Annual Stockholders date. Mr. Klepac gave reasons for the committee decision. May 21st has been suggested and there will have to be notification in plenty of time. There was discussion of why the date was chosen. Ms. Abbott explained that as long as we have time after the closing of our fiscal year that it would be an advantage to all concerned to have this date chosen. The committee will have to determine whether the date was changed originally with a quorum and what it will take to move back to a date in the Spring that was originally set in the Bylaws and Articles.



SANDY POINT

IMPROVEMENT COMPANY

Mailing Address: 4460 Decatur Drive
Ferndale, WA 98248
Phone: 360.384.3921
Fax: 360.384.3246
Online at: www.mysandypoint.com

Website – Marlene Dawson

- Ms. Dawson questioned if we have record of use of the site figures. Ms. Abbott explained that Mindfly needs to modify the report, since we are receiving erroneous figures.

Golf – Roy Clumpner

- Mr. Clumpner reported on the committee meeting and the concerns regarding sign in and payment of fees and the ability to check on players to make sure they are signing in and paying fees. There will be a fine system and revoking of privileges if people are ignoring the requirements for sign up and pay.

Old Business

- Two people on our system have had to abandon their wells due to malfunction and water quality. They are being added to our system with approval of DOH, DOE and the Tribe upon decommissioning of their wells. They will be paying latecomer fees and added to our system.
- Suzette Carlson read a thank you letter to the Board from members Teresa and Ken Hulford for water forgiveness in response to a brush fire at their home this past summer.

New Business

- A permit request for a shed was discussed. It was suggested by Jim Kolbo and other Board members (because of the size of the shed) that the County approval had to come before the Board would approve. If the County approves the permit the Board would have no problem with the request.
- Corporate banking resolution form was discussed, reviewed and signed by the Board.

Question and answer period

Jael Komac asked about input from the membership on the Budget for the company. It was explained that after the committee meets and establishes the Budget it will be available for perusal and input by members.

Chappelle Arnett asked about the options for members who may not ever receive water for their properties. Ms. Arnett asked if there was a way for the company to offer to purchase properties that will not be used for building. It was suggested by Roy Clumpner that after the year and a half waiting period to see about additional hookups a plan B might be studied in committee to look for a reasonable way to look for a solution to this long problem of moratorium on building. There was discussion of the fact that regardless of what might happen, we still have the process of paying for the engineer and other people involved in the re doing of our Water System Plan. There was much discussion of what a committee would study regarding a plan to buy back property and the ramifications of such a plan.



SANDY POINT
IMPROVEMENT COMPANY

Mailing Address: 4460 Decatur Drive
Ferndale, WA 98248
Phone: 360.384.3921
Fax: 360.384.3246
Online at: www.mysandypoint.com

Tom Demma questioned the previously discussed changes to be implemented in the **Marina forms** and policies. There was explanation of the process of approval of the changes by the Board. Mr. Hammon suggested that the changes could be accepted in principle. Roy Clumpner made **Motion** to accept the changes to the Marina Documents in principle. **Seconded** by Marlene Dawson. **Motion carried.**

Jael Komac spoke to the Board about minutes of the Executive sessions. It was explained that if confidential decisions are made in Executive session (such as personnel issues) they would not be available to the shareholders. It was further explained the Board meets prior to open meetings to prepare for and facilitate a more orderly and succinct meeting.

Jack Smith questioned if there were meetings where decisions *are* made whether there should be shareholder input. There was discussion of past decisions and not making the Board culpable for something done that would not follow the legal requirements. There was discussion of a Special Meeting being required to change the Annual Stockholder meeting date. The quorum issue was discussed and the fact that the present rules may not have been legal when they were changed.

Good of the Order: President **Jim Kolbo** thanked all for coming and further thanked the assembly for their input.

Adjournment at 7:51 PM