

**SEMIAHMOO RESORT ASSOCIATION (SRA)
BOARD OF DIRECTORS
ONLINE MEETING
August 20, 2020**

CALL TO ORDER: The meeting was called to order at 2:00 pm.

CONFIRMATION OF QUORUM: Seven of the board members were present via Zoom, therefore a quorum was established. Those present: Alec Berkman, Carole Gaasch, Michael Hayden, Bill McNally, Patricia Oliveros, Jennifer Plombon, and David Ullis.

Absent: Nicole Newton, Paul Greenough, ASC Liaison Wally Greenough. A resolution was passed to excuse Paul's absence.

Staff In Attendance: Debbie Smith, SRA Executive Director and Lori Thorne, Administrative Assistant and Note taker.

Guests Observers: SRA Members: Sylvia Hayden, Joel Green, Julia Green, Doug Woods, Helen Worley. Dino & Denise Macris attended from 2:00 pm until 2:49 to describe their plans for the Muirfield neighborhood which will be built near the Water Tower off Semiahmoo Parkway.

SRA Board President Alec Berkman reviewed the Guidelines for the Online meeting.

MEETING MINUTES: The July 16, 2020 minutes and the August 4, 2020 special meeting minutes were approved as distributed.

COMMITTEE REPORTS AND RECOMMENDATIONS:

1. **ASC, Wally Greenough:** Debbie read a report she received from Wally:

- There have been 14 recent inspections including one new site inspection, tree removals, five final inspections.
- The ASC now requests that corner posts be put in place to mark where a proposed home will sit on a lot before a site inspection is done.
- Twelve submissions have come in requesting changes for lights, paints, and landscaping.
- The owners of a home in Drayton Cove that have been found in noncompliance due to their unapproved landscaping materials had eight months to remove the unapproved materials prior to the restrictions caused by the Covid Pandemic. The ASC would like to suggest names of companies who could perform the work for them. The rubber mulch could leak toxic chemicals into the groundwater. Alec will be contacting the SRA's lawyer to verify that the SRA could perform the work for the homeowner and then charge for the work plus an additional 25%.

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- The ASC is working on a color board to standardize the colors for paint submissions.
- The ASC is aware of homeowners using unapproved materials such as polycarbonate over decks and walkways.
- Owners in Clubhouse Point had been instructed that they could trim their trees but not top them. They were topped to within six feet of the ground and now are reduced to a one-foot diameter stump with brown branches around it. The owners have been told that they must remove and replace the trees with eight-foot trees.
- A builder in Drayton Hillside has been issued a stop work order from the City of Blaine. The City of Blaine is requiring the owner to submit additional plans. A new home submission from the same owner/builder to build a home in Prestwick Village has been deemed null and void due to not starting the construction on time and will have to be resubmitted with a new submittal fee. The City of Blaine is allowing the owner to continue to work on the interior of the home.
- July 9 and the July 23, 2020 ASC Meeting Minutes were reviewed.

2. Communications Committee, David Ulis:

- Notes from the Communications Strategy Meeting on 8/12/2020 were reviewed.
- A renewed approach to The Community Courier newsletter is being discussed. There has been concerns regarding the content.
- The Committee recommended that a professional should be hired to facilitate the online Annual General Meeting in October. Questions from members will need to be submitted in advance. There would likely be a chat process as well. Zoom has its own facilitators for hire.
- The effectiveness of bulletin boards at each gate is still being considered.

3. Environmental Committee, Jennifer Plombon:

- Jennifer and Bill recommended that the SRA consider purchasing some electric landscaping equipment (a leaf blower or a trimmer) for SRA use to prove the effectiveness and show the reduction in noise pollution prior to recommending the membership consider requiring the use of electric equipment. Some companies have expressed concerns over the battery usage. They feel that purchasing an electric backpack style leaf blower would be good for making a comparison test.
- SRA members have expressed varying opinions about garage, estate or moving sales taking place in the SRA Community. Jennifer will work with Lori to send out a survey to gauge the members feelings about them, before taking steps to allow them.

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The survey will ask questions to specifically address opinions about garage or estate sales, because an individual may feel that one is acceptable and that the other is not.

4. Finance, Report:

- Appoint new Treasurer. Based on a recommendation from Alec a motion was approved to appoint Kurt Haggman to serve on the SRA board as Treasurer through the rest of 2020 and a resolution was passed to make him a signer on SRA bank accounts.
- Debbie presented preliminary July financial statements (Profit & Loss Budget vs. Actual, Profit & Loss by Class, Balance Sheet, Cash Fund Balances and Certificate of Deposit (CD) Schedule). The report was preliminary due to the fact that the 2019 year-end Financial Review is currently underway.
- Alec reported that current interest rates on CDs are extremely low.
- The 2019 Draft Financial Report from Archer Halliday was reviewed. Alec reported that while annual audits are required, an HOA can vote to waive an audit by majority vote as was done in both 2017 and 2019. The reviewed statement costs much less.
- First Draft 2021 SRA Budget has been distributed to the directors but the directors have had limited time to review it. The numbers are preliminary and will be refined more. Legal costs, consultant costs, and analysis costs have been added due to predicted needs. Alec recommends that the SRA shop around for a new insurance policy, and perhaps go with a company that specializes in insuring Homeowners Associations. Debbie pointed out the line items for potential future maintenance repairs. Road costs are one of the highest expenses looking forward and could be increased due to petroleum costs. The board also discussed possible ways to increase revenues, such as requiring resale certificates as allowed in the new Washington State statute. Debbie will be working with the reserve study company on the budget predictions. The budget for street-sweeping was discussed. Debbie will continue to look for places to lower expenses to minimize dues increases before the next SRA Board Meeting on September 17th.
- The Paycheck Protection Program (PPP) Loan Application, the counteroffer from Umpqua Bank, and all relevant documents were discussed by Alec. Alec has been advised by HOA council, by three banks, and by the SRA's lawyers on how the loan works. The amount of the loaned is calculated based on the previous year's payroll expenses multiplied by 2.5% which gives the maximum eligibility. The other consideration was that the SRA must demonstrate that they were directly affected by the pandemic. It specifically refers to the loss of use of people and if an organization paid them to stay at home. It refers to interest payments on a mortgage. Alec was advised by both the HOA Lawyers and the SRA's lawyers that the SRA's mortgage interest qualified. Every number provided on the application was verified with backup documentation. The dollar amount of the PPP loan

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was for the amount that the bank has determined the SRA is eligible to receive, which was \$54,800 and was deposited directly into the SRA's existing Umpqua account. A motion to continue the loan application process was approved via email vote. A motion was adopted to retain the funds provided by the bank based on their review of the PPP Application.

Governance, Michael Hayden: Michael reported that the Fines and Enforcement Committee is drafting proposed changes to the CC&Rs regarding rules and enforcement. The Committee is looking at issues of noncompliance and ensuring a process flow that the proper committee of the board handles the complaint and recommends a fine. The committee would like to see most of the rule enforcement language removed from the CC&Rs and replaced with wording that gives the board the authority to make rules and delegate the authority to fairly enforce rules. Adequate notice of violations and a right to be heard is required by the state. Paul has submitted suggested edits to the SRA Bylaws. Adding a Code of Conduct requirement for SRA Board members was discussed. The board can make changes to the Bylaws with certain exceptions having to do with SRA Board of Director term limits and qualifications. The subject of editing the Bylaws was tabled to allow the members more time to review the suggestions. Alec and Michael will verify with legal counsel or an HOA Consultant on whether a Code of Conduct requirement for board members can be added to the Bylaws.

5. Maintenance, David Ulis:

- David reported that having the maintenance crew fully staffed is making a positive impact on the community.
- Maintenance of developed and undeveloped lots continues to be deficient. Inadequate maintenance is having an impact on home values. Enforcement and fining is restricted due to Covid 19, but the SRA has options. The SRA can perform the maintenance and charge the owner for the work, plus 25%. There is also the option of suing owners for not keeping up with maintenance.
- Resolving drainage problems on Goldfinch Way in Drayton Hillside has been included in the budget.
- Prioritizing of projects will benefit from the new project board in the SRA Center.
- The Reserve Study is still under review by SRA Directors. David remarked that the items in the Reserve Study should also be in the budget. The subject was tabled and will be discussed at the September 10, 2020 Special Board Meeting.

6. Westside of Semiahmoo Parkway Preservation, Bill McNally:

- Denise and Dino Macris presented their plans for the Muirfield Development (the neighborhood across from Turnberry Wood that is not a part of the SRA). There will

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be ten homes built in the neighborhood. A buffer will remain between the neighborhood and Semiahmoo Parkway (other than the area around the entrance and exit) and they will retain as many trees as possible. There will be benches and an area for walkers to rest next to the entrance. They plan on having a large pond like the one in Turnberry Wood. Most homes will be one level ramblers between 1,900 and 2,600 square feet. Three of the homes will be two story homes. Lots of glass, and natural materials like exposed wood will be used on the homes exteriors to match the surrounding environment. The entrance will be double gated with a turnaround area. They are open to feedback and wish to have a good relationship with SRA members and residents.

- The developer of the Woodberry Development will be monitored closely by the City of Blaine to ensure that the buffer zone along Semiahmoo Parkway is preserved. Bill communicated with Councilwoman Mary Lou Steward and Stacie Pratschner, Community Development Director regarding the development after their next scheduled inspection of the property.

7. Safety and Security, Carole Gaasch: Nothing new reported.

8. New Business

- a) **Ballot Measure from SRA Member Joel Green: Mr. Green** has proposed a measure to be included on the 2020 ballot. The measure would require a vote of the membership prior to acquiring new debt with certain exceptions. After a brief discussion of the merits and the difficulties that the measure would cause the board, the subject was tabled and will be discussed at the September 10, 2020 Special SRA Board Meeting.
- b) **Request to review SRA records:** A process will be established in which Debbie will likely answer any questions that are easily resolvable, and that a base fee for staff time will be established starting at \$250.00, plus \$50.00 per hour for supervision, plus .20 per copy. Human resources data and owners private emails and other confidential information will not be provided. Debbie will await further instructions.
- c) **ASC Member Candidates:** Debbie informed the board that six members of the community have expressed interest in serving on the ASC. Three have returned their questionnaires.

EXECUTIVE SESSION

A motion was adopted to convene into executive session at 5:26 pm to discuss the following matters requiring confidentiality.

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1. MA Waterman Consulting’s Report to the SRA.
2. Trees in violation of the View Control Plan.

The board reconvened into regular session at 5:29 pm with the following results:

- 1. Waterman Consulting’s Report to the SRA:** The MA Waterman Group will deliver a report to the SRA Board at a Special Meeting on September 10, 2020.
- 4. On the trees in violation of the View Control Plan.** The agreement has been signed by both parties. An arborist report will be resubmitted to the City of Blaine, and the trees will be removed and replaced.

The next special meeting will take place on September 10, 2020, at 2:00 pm via Zoom. The next regular meeting will take place on September 17, 2020, at 2:00 pm via Zoom.

Adjournment – The meeting adjourned at 5:30 pm.

Respectfully Submitted,

Carole Gaasch, Secretary

Lori Thorne, Administrative Assistant

Date

Date