

*DRAFT ANNUAL MEMBERSHIP MEETING MINUTES*

SUNDAY HARBOR COMMUNITY ASSOCIATION

Saturday, May 11<sup>th</sup>, 2024, 3:00 pm-4:45pm

Blaine Public Library

610 3rdSt, Blaine

1. CALL TO ORDER – President Tim Clark called the meeting to order at 3:06 pm.

2. ATTENDANCE –

*Board*

Tim Clark, President

Andrew Gamble, Vice-President

Sieneke Stevenson, Secretary/Treasurer

Rachel Childers, Director

Absent was Jenifer White, Director

Two other director positions are currently vacant.

**Other Members in Attendance:**

27 members present in person, one member present by phone, in addition to the board.

**Proxies:**

Avery Lueras had proxy vote for Stacie Blay.

Carisse Cushman had proxy vote for Patrick Cushman.

Michelle Fitzsimmons had proxy votes for Chad Fitzsimmons and Tom Soma.

Michela Meucci had proxy vote for Joseph Reamer.

Andrew Gamble had proxy vote for Sarah Gamble, Richard Hagen, Erin Carampot, Sonia Caissey, Terence Betts, and Kerry Mace.

I. Counting of the Quorum; At the annual meeting last year it was discussed that each homeowner in good standing listed on the title/deed are allowed a vote, rather than just one vote per lot. Bylaws state that each member (titleholder) shall be entitled to one vote for each lot . There are 171 titleholders, therefore the 10% quorum is 17. More than 10% of 171 current homeowners needed to be present in person or by proxy vote. Present in person today were 31 members and 11 proxies, or 25%, so quorum was met.

II. APPROVAL OF MINUTES –

- Minutes of Annual Membership Meeting from 05/20/2023 were approved unanimously by the homeowners present and in good standing.

III. PRESIDENT’S REMARKS:

Prior to the President’s remarks, Secretary, Sieneke Stevenson, read the following legal disclaimer as advised by counsel:

“We continue to be aware that a small but very vocal number of homeowners remain unhappy about

being in an HOA. This matter has now been referred to lawyers, as a legal letter was received requesting the HOA be dissolved. As attorneys are now involved, we have been advised, as the board of the HOA, that we cannot and will not discuss anything related to this matter. We will refer you back to the legal representatives if the matter is brought up at the meeting today. However, we are confident that as a board, we are operating within our legal authority.”

Explanation of new meeting expectations: President, Tim Clark, verbally reviewed the meeting expectations that had been sent out in the packet. Members were reminded to behave in a civil manner and to save discussions they wish to address at the end of the meeting. All who wish to will be provided up to 2 minutes to share at that time.

Update on the dock and lights: Secretary, Sienneke Stevenson, presented updates on the status of the dock, which has been removed from the water, and the upper deck dismantled, as required by the county due to the Shorelines Protection Act, rather than repaired and retained as was originally hoped for last year. The board has been in ongoing communication with the county planning department who approved the removal plan and completion. This was at no cost to the HOA as all work was completed voluntarily by president Tim Clark and other volunteers. Two estimates had been received from contractors to do the work. Both estimates exceeded \$6,000, so these were not approved by the board. Further disposal of the dock from the property may come at an expense but we still have the \$1000 allocated in last year’s budget for dock repairs that can be used. It remains in the account.

It was also shared that the board had contacted the county to see if they could take over the expense of the streetlights as we are on county roads. The county will not do so, as they have no accounts with PSE for streetlights on any county roads. Any lights on county roads are privately owned and paid for. This cost is increasing. Members brought up some cost saving ideas for the board to follow up on, such as replacing bulbs with LED lights over time, adding some solar panels to power them could also be researched.

Future goals: Secretary, Sienneke Stevenson, discussed goals of the board wanting to meet with the insurance company to review the policy for any potential cost savings, becoming more consistent with addressing violations, and becoming more consistent in managing meetings with fewer disruptions.

Legal updates: Secretary, Sienneke Stevenson, presented further information on legal activities that occurred this year, as some disgruntled homeowners had retained an attorney to request that the HOA be dissolved as being invalid. The HOA had to respond using our attorney on retainer, which has resulted in some unexpected legal expenses. It was discussed that this activity was expected to continue, and therefore would unfortunately continue to cost the HOA membership extra expenses in the coming year.

- IV. FINANCIAL REPORT – The owner of Birch Bay Tax and Accounting, Cindy Polley, (BBT&A) was present at this meeting, as requested by the membership of the meeting last year, and introduced to the membership. She answered several questions and provided independent information and clarification regarding the budget and expenses, including their own contract with Sunday Harbor. Avery Lueras asked if more complete financials could be posted to the website rather than just the summaries every other month, including actual checks that are issued. There is concern that board members are

being paid for their services. It was clarified by BBT&A that board members only receive reimbursement for expenses they incur on behalf of the HOA and that no one is a paid member during their term of service. Mr. Lueras was also reminded that as past treasurer, he had full access to this information before resigning from the board.

- Interim Financial Reports for Current Fiscal Year - 07/01/2023 to 04/30/2024 were clarified as being only a partial expense report covering the last 9 months, not an entire year.
- Proposed Budget for Fiscal Year 07/01/2024 to 06/30/2025 of \$20,347.00 is an increase of \$2,687 from last year's budget of 17,660.00.
- Proposed Fee Schedule- Dues need to be increased from \$140 per year to \$160 per year due to the increase in expenses related to the power bills, BBT&A, and general expense increases. All other fees would remain unchanged.

## V. NEW BUSINESS

- Vote on Proposed Budget and Fee Schedule:

28 homeowners were present in-person at the meeting, including one by phone. There were a total of 11 proxies. All other ballots for the fee schedule were received by mail prior to the meeting.

Fee Schedule by ballot (brought in-person, mailed in, and by proxy):

32 yay (73%) 8 by proxy

12 nay (27%) 4 by proxy

Budget by counting of hands and proxies (2/3rd approval needed to pass):

34 yay (75%)

12 nay (24%) including one phone-in vote (although this vote was accepted at the meeting today, it was later brought to the attention of the board, that in the future, votes cannot be accepted by phone as the identity of the caller cannot be verified).

Both the Fee Schedule and the Budget were approved.

- Election of Directors (6 open positions)

All nominated board members were voted in, by simple majority, of the hand count of those present, including 1 phone-in vote:

21 yes

5 no

New Board Members include Michela Meucci and Dale Crosby. Andrew Gamble and Tim Clark were reelected for another term. Sieneke Stevenson is completing her term for another year. Two Director positions remain vacant. They may be filled by the board when a qualified member is selected or volunteers.

One non-homeowner started to raise his hand to vote, but was stopped and was not counted in the votes. As per attached information regarding RCWs, the phone in vote should also not have been counted as people calling in cannot be officially identified. So in the future, if they cannot be present in person, they must use a proxy to vote.

Over 2/3rds was needed to pass all items, and we had a quorum of voters.

VI. UNFINISHED BUSINESS: None stated.

VII. OPEN FORUM (Open to members in good standing, up to 2 minutes):

Member Elizabeth Lawrence, present by phone, spoke about issues she is having with neighbor dogs being unleashed and on her property and that this can become a dangerous situation. She would like to have the HOA rules about pets enforced consistently including warning letters and fines. She has filed numerous complaints. She also reported that she was told by the board to capture stray dogs, which the board completely denied, including past member, Shasta Pettijohn. The Humane Society does offer the use of traps for stray cats however. She also reported that Animal Control informed her that this part of the county is not covered by any leash laws. As she went beyond her allotted 2 minutes she was asked to stop, and hung up before she could receive any responses. The board is willing to discuss improved consistency in responding to rule violations but cannot enforce a leash law that doesn't exist. Other members also commented that they have had issues with Ms. Lawrence's dog's continued barking and that it is a nuisance to them. They were informed to file complaints as well if this issue arises again. The HOA policy on dogs states to call Animal Control.

Another member discussed concerns she is having about the vegetation from a vacant lot behind her overgrowing her property and that she needs help, due to her age and loss of her spouse, with maintaining it and her lawn. Two other homeowners volunteered to assist her with this. It was brought up by another member that perhaps a fund can be discussed to assist during times of hardship. The board will also reach out to the homeowner of the vacant lot to request they maintain their vegetation.

Throughout the meeting, despite directions to save their remarks and not discuss legal matters, two homeowners, Bill and Sharie Wilder, disrupted several times to complain about issues that have been covered repeatedly over the years, and cannot be discussed due to legal involvement they have brought. They were repeatedly asked to stop, and asked to leave the meeting when they would not. They refused to leave, but would stop disrupting periodically. They were asked to stop not just by the board, but also by other members in the room.

ADJOURNMENT: Meeting was adjourned by President, Tim Clark, at 4:50 pm