

**MINUTES**  
**SUNDAY HARBOR COMMUNITY ASSOCIATION**  
Board of Directors' Special Meeting  
March 25, 2024, 6:30 PM

1. **CALL TO ORDER:** Meeting called to order at 6:29, motioned by Tim and seconded by Andrew. A special meeting was called in order to schedule full attendance of all board members to address some urgent, time sensitive, and confidential matters, outside of the regular board of directors meeting.
2. **ATTENDANCE:** Tim Clark, President, Sieneke Stevenson, Secretary, Rachel Childers, Director, Andrew Gamble, Vice-President by phone, and Jenifer White, Director, by phone.
3. **APPROVAL OF MINUTES:** Board Meeting minutes dated 2/1/24 were unanimously approved.
4. **TREASURER'S REPORT (5 min):** **No treasurer's report was reviewed today. This was continued until another regular board meeting can be held. The financial statements will be uploaded to the website.**
  - Checking/Savings = \$
  - Accounts Receivable= \$
  - Expenses= \$
5. **Review of proposed annual budget for board approval, to present to the homeowners at the annual meeting.** Birch Bay Tax and Accounting provided a proposed budget for the fiscal year 7/01/2024-6/30/2025, based on our current dues of \$140 per month as the board hoped to not have to raise dues again this year. However, there have been increases in expenses in several areas including street lighting, insurance, and accounting costs. We spent less than budgeted for lawn mowing this year, so we hope to continue to spend the same. With this in mind, and as advised by Birch Bay Tax and Accounting, a dues increase of \$20 per lot was approved by the board unanimously. The proposed budget was also approved pending some modifications that will be communicated to Birch Bay Tax and Accounting, as motioned by Tim, and seconded by Andrew. Approval was unanimous.

## 6. NEW BUSINESS

### **Approval of resignation of board member, Avery Lueras, as of 2/26/24.**

Avery Lueras presented his resignation as a board member to the board on 2/26/24, in writing via text. The remaining members of the board unanimously accepted his resignation today. Banner Bank will be provided this information in order to remove him from the account. The Washington Secretary of State was mailed the necessary modification form today as well, to remove him as a board member with the association.

The same Washington State modification form, which had been turned in late for Michelle Fitzsimmons, who had been elected to the board but was determined to not qualify as she is not a homeowner, had to be resubmitted to the state due to an error. They acknowledged receipt of the corrected form two weeks ago.

**Approval of suspension of homeowner's memberships.** Although we have more homeowners in good standing and in full compliance of payment of dues than in previous years, due to budget concerns, the board discussed today further sanctions that can be issued for chronically unpaid dues, based on by-law Article 2, section 1.4, allowing for suspension of memberships. There are 8 lots currently behind on due payments, two have active liens on them. The criteria for suspension of membership would be under category a. Discussion ensued as to whether to suspend all those members, or just members with active liens on their properties.

Proposed suspensions must be approved by unanimous vote of the board members present at the time of the meeting. Members must be sent notification letters dated 15 days prior to the start of their suspension.

Suspension of membership results in the loss of the right to vote and use of amenities. Suspended members may still attend meetings. No such loss of membership shall relieve the membership from its obligations to pay charges to the association. Suspensions will end upon full payment of outstanding charges.

The board unanimously voted to suspend membership for the 2 homeowners with active liens only, as they are already aware they are not in good standing.

**Attorney updates:** Sieneke has been in contact with the Sunday Harbor Community Association attorney, Greg Thulin, as some unidentified homeowners have hired their own attorney in an attempt to dissolve the

HOA by having the board make the decision to do so, and provided written notification and demands of such. This is not possible based on our by-laws. The HOA can only be dissolved by 2/3rds of the vote of all members. There has been some written communications between the attorneys, which will continue. The board is concerned about the expense this creates for all Sunday Harbor homeowners, especially if it goes to court again. The validity of the HOA's existence was already litigated once before in Whatcom County Courts and was dismissed as being outside of the statute of limitations.

The attorney has also recommended that the board adopt a Sunday Harbor Civility Resolution due to continued intimidation, disruption and conflict by some members at board meetings and at prior annual membership meetings. In addition, there has been interference with board business with the county and the contractor regarding the dock removal. The attorney has provided the board with an example of such a Civility Resolution which can be adopted by the board and does not require 2/3rds of the homeowners' approval. The board will be reviewing this. In the meantime, the Board will provide written meeting expectations and rules for the entire membership prior to the annual meeting, and will be enforcing those at the meeting.

## **7. UNFINISHED BUSINESS (45 min)**

- Further discussion of annual meeting.

**Issues that need to be voted on:** Currently only the proposed budget will need to be voted on by the general membership, along with elections for new board members.

**Financing the dock removal and updates on the project?** Managing the dock has become a year long issue. Last year the membership approved \$1000 to do dock repairs and maintenance. The general membership will need to be made aware at the annual meeting that those funds are being diverted to having the dock removed instead. One community resident had contacted county authorities prior to repair work being done. The county notified the board that as the dock had been unpermitted, it would need to be removed, along with the upper deck, to be in compliance with the Shorelines Protection Act. The shoreline of California Creek is under the jurisdiction of Washington State, which is also aware of the situation. Plans are in effect to work with a contractor to safely remove the dock very soon,

in compliance with regulations. A volunteer work crew will be assembled from Sunday Harbor residents to disassemble the upper deck as well.

**Street light costs.** Cost of operating the street lights have increased by \$112 with PSE and is reflected in the budget. Homeowners will be informed that this is a contributing factor to increasing dues. The board determined that this is preferable to having any of the lights turned off. One member commented that law enforcement have stated that they happy that we have the lights as it makes their jobs easier and safer when they come to our neighborhood. Sieneke also contacted the county to see if they could take over the cost, but the county does not do street lights on any county roads.

**Election of board members. Who will be continuing?** Sieneke still has another year on her term. Andrew has agreed to run again. All others will be ending their terms, for a total of 5 openings. Board members will be doing recruitment efforts between now and the annual meeting. By-laws state that only 3 board members are required to operate, but more would be better.

**Rules and expectations for the meeting, final draft.** It was determined this was needed due to continued talking out of turn and disruptions at meetings by a few homeowners, that make it difficult to complete required functions and make other members uncomfortable. Sieneke presented the final draft which was unanimously approved by the board, with some minor modifications. These will be included in the packet sent to homeowners prior to the meeting, and will be reviewed again at the start of the meeting by the president.

**Other items for the packet or annual meeting agenda?** Homeowners will be given written information regarding possible suspension of membership for unpaid dues.

President's letter still needs to be written.

- **Discussion of review of insurance coverage and current contracts:** Sieneke will follow up as a goal for next year.
- **Any other repairs/maintenance needing to be done? Was playground equipment checked?** Tim is still going to do this, likely just needs to tighten some bolts.

**8. ADJOURNMENT:** Meeting adjourned at 8:00 pm.

9. **NEXT MEETING** : Attempts will be made to reschedule the board meeting that did not occur as scheduled on 3/21/24, if there is time before the annual meeting. Meeting was cancelled due to lack of quorum.

Annual Membership Meeting 5/11/24 at 3:00 pm at the Blaine Library.

**Minutes presented by Sieneke Stevenson, Sunday Harbor Board Secretary.**