

Minutes of ACBC board meeting

Saturday April 12th 2014

The meeting was called to order at 2:06 pm

Board members present: Ed Delahanty, President, Suzy Palmer, Vice-President, Steve Morrow, Treasurer, Fred Salmon, Secretary, Dustin Frederick, Recording Secretary, and Kurt Blankenship via phone. Chris Hendrickson, absent.

Approval of 03/08/14 Board minutes---as amended due to spelling error on page 4.

Reports

President---reported on IRS updates, several draft policies that are currently under review and some concerns by our adjacent property owners regarding liability for wood structures built on their beach property. General discussion regarding beach rights and the consensus was that beach rights extend to average low tide.

Vice-President ---reported that we have a temporary website through Whidbey local .com. The web site address is: admiralscovebeachclub.org this address will still remain the same even after the permanent website is fully functional.

Treasurer---reviewed the written financial reports distributed to the members present (attachment 1)

Committees:

Budget and Finance---the committee members have met once with the next meeting Monday April 14th. The committee is reviewing financial records for the last seven years as a foundation for planning next year's budget.

Pool Maintenance and Improvement---the committee is proposing to open the pool this summer and presented a written request (attachment 2). The committee is seeking board approval and authority to spend the necessary funds. The cost estimate is between 25k and 45k depending on repairs needed.

General discussion regarding ADA compliance and the requirements of the Virginia Graham-Baker Act. The committee members reported that they talked with Island County Health Department and if ACBC can meet basic trip hazard and related safety requirements, keep water exchange rate reasonably close to the WAC 6 hour requirement and keep water chemistry within State guidelines, the Island County Health Department will likely grant a permit to operate the pool this year. Ed Delahanty reported that we already have the necessary safety equipment to comply with the Virginia Graham-Baker Act but it will need to be calibrated with help from an expert. Although the long term plan will be to have our facility ADA compliant, it's not necessary if we function as a Limited Use Pool until both pool and changing facilities are ADA compliant.

Additional discussion regarding the cost/benefit of opening the pool resulted in the following finalized Motion:

MOTION---The Pool Maintenance and Improvement committee is authorized to perform an analysis whether the pool can be opened this summer; for how long and at what cost.

This effort will not interfere with the planning for the pool assessment and rehabilitation ballot.

M/S/C Steve Morrow/ Suzy palmer/ unanimous

Grounds and Building---Nate Palmer reported that the lake outflow pipe is still being periodically blocked by a large amount of grass. The committee members took action to remove the blockage but there are still issues that will need to be addressed.

Long Range Planning--- no report because the committee has not yet met. Dustin Frederick, the committee Chair reported that he did not want to schedule a meeting until after he was no longer a plaintiff in the current litigation over the attempt to remove the pool. He was officially removed as a plaintiff effective March 17th, 2014. A meeting will be scheduled sometime after the April 12th Board meeting.

Unfinished business

Action on survey of ACBC Tract A---a letter was sent to the affected property owners via certified mail regarding property lines and liability issues.

Peoples Bank Account---the account is closed. Four members have not received their refunds of the \$400 pool assessment because the checks were apparently lost. New checks will be sent.

Board ethics document---a draft is available online for discussion by Board members. When it is finalized it will be discussed a future Board meeting.

Board meeting day---Steve Morrow suggested that the board meeting day be moved to the third Saturday of the month to facilitate an up to date financial report.

General discussion occurred with the following motion being proposed:

MOTION---Effective in June the Board meeting will be moved to the 3rd Saturday of the month.

M/S/C Steve Morrow/Dustin Frederick/unanimous

New business

Reminder of Judge Hancock's findings in March 2011 regarding:

The requirement of all property owners in Admiral's Cove to pay dues and assessments (Island county ORDER ON MOTION FOR PARTIAL SUMMARY JUDGMENT No. 10-2-00479-8 March 22, 2011 ROGER L. CLOSE Plaintiff, vs. ADMIRAL'S COVE BEACH CLUB INC.)

Island County Court ruling that; "Property owners may not opt-out of the Admiral's Cove association and the Board of Directors has no authority to permit any owner to opt –out of the Admiral's Cove association;"

General discussion occurred that focused on whether or not members were aware of this ruling and if not how to advise them---both current and new members. Various ways of collecting back dues and assessments were discussed and it was suggested that the best method may be utilizing a Washington State law firm that specializes in collections.

Discussion regarding the creation of an information packet containing the most authoritative documents regarding this subject and sending this packet to current members, new members, realtors and title companies. Also discussed the various communication methods available to make members aware of this legal obligation; i.e. website, newsletter, etc.

Kurt Blankenship and Dustin Frederick will work on a draft packet of information and present it to the Board for review.

Discussion –Outstanding dues and assessments

There is a total of \$78,441 in outstanding dues and assessments. The fiduciary obligation of the Board to collect outstanding dues and assessments was discussed, especially in light of the Court ruling in the Close litigation referenced previously and the need to renovate the pool/pool building.

Kurt Blankenship and Dustin Frederick will work on draft letter(s) to be sent to members who have not paid. The content of the letters may differ depending on how much the member owes.

Lake Issues---it was reported that notwithstanding the widgeon grass likely plugging the outflow pipe we are limited to using a mechanical device to remove the grass from the Lake. We will need a permit to clear the obstruction from the drain pipe . In the interim, it was suggested that members with Lake frontage work with the Building & Grounds Committee to install a screen/fence in the Lake to prevent the grass from entering the tide gate flapper.

Audit---\$3,500 dollars is in the budget for an audit. Discussed options allowed per the bylaws. Steve Morrow will investigate cost differences and report to the board.

Newsletter---discussed the contents of upcoming newsletter and the following motion was made:

MOTION---mail the newsletter prior to May 5th.

M/S/C Steve Morrow/Dustin Frederick/unanimous

Member Forum

Discussion regarding the new website and the small font of the posted documents. This problem will be corrected when the final website is operational.

Discussion regarding dues and whether or not the Board has authority to raise dues at a time other than when the budget is sent out.

Discussion regarding putting a garden by the volleyball area and President Delahanty asked the interested group to put together a proposal for consideration by the Board.

Tour of the pool facility

Members were given the opportunity to do a walkthrough of the pool and pool building to get firsthand view of needed repairs.

Executive session to discuss pending litigation

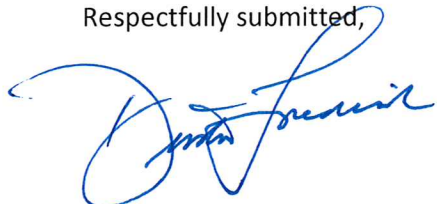
Convened at 5:05 PM

Executive Session ended at 5:21 PM

Board meeting reconvened at 5:22 PM

Board meeting adjourned at 5:22 PM

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Dustin Frederick". The signature is stylized with large, flowing loops and a cursive script.

Dustin Frederick, Recording Secretary