

**SOUTH BAY COMMUNITY ASSOCIATION
BOARD OF DIRECTORS MEETING
Draft Minutes
August 13, 2026, 9:30am**

1. Call to Order

President O'Keeffe called meeting to order at 9:30 am

2. Determination of Quorum

Quorum Determined. Board members present: President Carolyn O'Keeffe, Vice Pres. Christine Spagle, Treasurer John Cacho, Secretary Donna Colosky, Board members Susan Shadrick and Mark Schwendener. Board member Corey Wilkerson was absent. Also present were four SBCA members and SBCA General Manager Mark Torres.

3. Approval of Agenda

*Members in attendance and the Board were provided with the opportunity to suggest changes or additions to the agenda. There were no comments or suggestions. Motion to approve the agenda. **Approved 5/0.***

4. Approval of meeting minutes July 9, 2026

*Motion to approve. **Approved 5/0.***

5. President's remarks

a.) PLVC report President O'Keeffe stated that neither she nor vice president Christine were able to attend the most recent PLVC meeting. Discussion occurred regarding the Falls Terrace development of 53 lots near the falls and current RV park. It was stated that the proposal documents dated April 6, 2026 are online at the Jefferson County website (DCD). The opportunity to submit comments prior to the public hearing is until August 25, 2026. The public hearing date and location will be recorded in the local newspaper. PLVC President Geoff Lang was present and provided additional information regarding Falls Terrace development. He stated that the PLVC Council would have the development as a discussion item at their next workshop. There was further discussion regarding the annexation of the development into SBCA per the master agreement.

b.) It was shared that a positive discussion was held with PLVC regarding the November Veteran's Day celebration which would be organized by PLVC and would be similar to the most recent SBCA Memorial Day celebration.

6. Manager's report

The General Manager reported on the following:

- **Staffing/HR:**

Staffing limitations persist. HR approved a job description for a full-time, non-exempt Member Services Assistant Manager role, which will be advertised next week. Performance reviews are due by the end of the month, after which merit increase recommendations will be submitted to HR, Finance, and the Board.

- **Pancake Breakfast:**

August's event supported Dove House Services, serving around 65 people and raising nearly \$600 in donations to the Dove House.

Bay Club Equipment/Active Projects:

- *The schedule for pool closures was adjusted following the return of damaged replacement lockers. On August 8, the pool area alone was closed to facilitate an inspection of deck drain issues. Observations from this assessment indicate a need for a total replacement of the drainage channel system. The contractor is currently preparing a revised proposal, with the project anticipated for late September or early October.*
- *Repairs to the emergency heating system control board have been successfully finalized.*

- Replacement of the damaged lockers are slated for a mid-September delivery and installation, pending Board approval of the manufacturer's reissuance agreement to confirm the arrival window.
- Professional window cleaning for the Bay Club was completed during the previous week.
- The asphalt resurfacing initiative was rescheduled for the week of September 14. This undertaking will necessitate a full closure of the Club and its parking facilities, as well as Spinnaker Place from Chandler Court from Sept 14 - 16. Work will proceed in phases to maintain residential vehicle access, mirroring previous seal coating procedures.
- New QR code tags are now present on cardio equipment to assist members with machine orientation. Additionally, the malfunctioning scale in the fitness area has been replaced with a new unit.
- Installation of the electrical sub-panel and new water heater is expected to be completed by the conclusion of September.
- The **Front Desk** countertop upgrade is ongoing. Efforts are underway to secure an additional bid from a second recommended contractor, following a pending site visit to confirm the project scope.
- **Website Maintenance:** The transition of website maintenance duties is complete, with the updated site nearly 90% finished and expected to go live next week. Most updates will be handled internally, while complex issues will be sent to a support contractor.
- **Insurance Renewal:** Work is ongoing with 3–4 brokers to evaluate insurance renewal options and solicit new underwriters for the SBCA. CAU permitted an increase in the base general liability limit from \$2M to \$5M to offset the loss of \$10M in excess liability coverage from Traveler's Insurance.
- **Financial Review & Taxes:** Efforts are underway with the Newman CPA firm to close out the 2026–2027 fiscal period, handle tax filings, and prepare an accounting review report for the full fiscal period. The report is expected to be delivered to the Board and Finance Committee by late September or at October's regular Board meeting.

7. Treasurer's Report John Cacho reported

This is the first month of the new 2026-27 Fiscal Year. No issues except for timing on some larger expenditures

Income:

- June income \$223,688 versus Budget \$222,769 with a positive variance for \$899.00
- Key Items about income:
 - Assessments +\$7,428
 - Facility Use Revenue +\$1,180
 - Capital Contribution (\$8,490), Timing Issue

Expenses:

- June expenses \$90,741 versus Budget \$165,211, variance \$74,470 below Budget
- Lower expenses versus Budget reflect timing on larger expenses and continued lower payroll costs
 - Pool Expenses: - \$1,576
 - Pool Drain Project: - \$12,500
 - Contract Maintenance: - \$5,300
 - Landscaping Maintenance: - \$7,616
 - Various Supplies: - \$2,055
 - Lower Payroll: - \$5,455
 - Lower Health Insurance: - \$4,262
 - Rainy Day Contribution: - \$37,805

Reserves:

- Reserve Funds at \$327,863 above Reserve Target of \$ 312,344. It does not include Edward Jones CD interest which we do receive until a CD matures

- Contributing \$15,860 each month to Reserves up from \$14,360 in the last fiscal year
- A matured CD of \$60,000 and interest of \$1,683 has not been renewed and is in the process of being transferred to the First Security Reserve Money Market Account to build cash to pay for the Asphalt Project and the Front Landscape Project.
- In July, we paid \$5,406 to complete the payment on the new Lockers.

8. Board Communications

None to report

9. Committee Reports

a. ARC Mark Torres reported

There were eight applications for the Committee to review. Six applications were unconditionally approved, and two were conditionally approved. No other actions taken. On August 4, there was a Special Meeting of the ARC to review a special circumstance (but not emergency) application. The application was approved. There was no other business addressed at the special meeting.

b. Activities Susan Shadrick reported

The committee reviewed the list of pancake breakfast schedule for beneficiaries. Informational and Educational Presentations for the club were discussed. September 18th is a member social with barbecue catered by Mo Chili BBQ of Port Townsend along with music by Budapest West. Holiday decorating dates were confirmed for Dec. 1 set up and take down on Jan 4-5.

c. Facilities John Cacho reported

Lobby counters' project was decided to get a second quote for the work. Lockers came in damaged and were rejected for delivery. The committee recommends two options 1. Ask the vendor to return the funds and cancel the contract or 2. If the contract does not allow cancellation, request new lockers. Pool deck drainage work is waiting for a quote. The Landscape project is pretty much done, but there are still some punch list items to be resolved.

Parking lot resurfacing is scheduled to start on Sep. 14.

The Wood Shop rules are being updated by the Wood Shop steward, Rob York and will be reviewed by the facilities committee and then brought to the board for finalization.

d. Health and Fitness Christine Spagler reported

The meeting had no quorum so no recommendations for the board. Discussion did occur about the lap swim scheduling process.

e. Human Resources Carolyn O'Keeffe reported

No meeting held this month.

f. Long-Range Planning Carolyn O'Keeffe reported

On hiatus until insurance concerns are resolved.

g. Finance John Cacho reported

New committee member Michael Gubala to be approved.

Recommendation from the finance committee on the \$90,000 surplus from 2025-26 budget to be decided on after Newman associates completed the review of the accounts.

*A recommendation from the committee for the Board to approve \$38,000 from the Rainy Day fund be transferred to a CD account with Edwards Jones. **Motion approved 5/0**
Motion to accept all committee reports approved 5/0.*

10. Old Business

a. Owner Inquiry and Records Policy update.

*Policy updated to formalize process for owner inquiry and records. **Motion approved 5/0***

b. Update to Associate Membership Policy.

*Motion to approve update to policy to allow members in good standing who move from SBCA area to be able to waive associate member initiation fee. **Motion approved 5/0***

c. Update to Fines & Collections Policy.

*Policy updated to formalize process when fees/fines become due. **Motion approved 5/0***

11. New Business

a. Confirm Committee Chairs & Members.

Motion to approve all committee members per minutes approved 5/0

Activities - Susan Shadrick (chairperson), Corey Wilkerson, Katie Schwendener, Lori MacLeod, Gil Skinner, Mark Schwendener, Carolyn O'Keeffe

Facilities - John Cacho (chairperson), Ted Ross, Bill Colosky, RobYork, Owen Dennison, Mike Wyer, Corey Wilkerson

Health and Fitness - Christine Spagle (chairperson) Donna Colosky, Susan Shadrick, Jeannette Hanson, Dean Rosenthal, Barb Sweet, John Sweet

Human Resources - Carolyn O'Keeffe (chairperson) Donna Colosky, Susan Shadrick, Cynthia Shaefer, Mike Bock.

Long Range Planning - Carolyn O'Keeffe (chairperson), Chris Spagle, John Cacho, Ted Ross, Katie Postlewait, Greg Uvila. John will be replaced by Susan Shadrick.

Finance - John Cacho (chairperson) Dan Darrow, Donna Colosky, J. Leach, Lori MacLeod, Mike Gubala

*Motion to approve all committee members per minutes. **Motion Approved 5/0***

b. Update Woodshop Rules / South Bay Rules

*Rules for the wood shop have been updated by the Wood shop steward. **Motion to approve new rules to replace existing. 5/0***

c. Bylaws correction (footnote)

ARC bylaws has an added footnote to comply with Statute 6438 effective 01/01/2028

12. Member comments

A member reminded the board about the upcoming presentations by Jefferson

Healthcare and a Dept of Transportation representative on the Hood Canal Bridge.

Another member reiterated their concern regarding SBCA taking an active interest in the Falls Terrace development impact.

13. Adjourn *Motion to adjourn at approximately 10:20 am **Approved 5/0***

Next SBCA Board Meeting: September 10, 2026

Next SBCA Board workshop date: September 18, 2026 1:00 pm