

APPROVED

8/11/11

Minutes
Driftwood Key Club Board of Trustees Meeting
July 14, 2011
7:00 p.m.

The meeting was called to order at 7:00 p.m. by Larry Schwerin, President.

The following trustees were present: Remington, Buegel, Schwerin, Brooke, Bryant, Goldingay. A proxy was filed by Hell. (Appendix 1)

Schwerin led attendees in the Pledge of Allegiance

The following items were added to the agenda:

- Insurance Premium approval
- Proxy Form

Approval of minutes: Bryant moved approval of the minutes of the June 9, 2011 regular meeting of the Board of Trustees and the July 7, 2011 special meeting of the Board of Trustees. 2nd; Passed unanimously. (Appendix 2 A and B)

Officers' Reports

President's report: Several legal issues have arisen within the past month. The motion filed by Feola has received a response from the DKC attorney. This has been reported to the DKC insurance company. A complaint was filed with the Washington Bar Association by a former trustee. This has been reported to the DKC insurance company. DKC received notice of a Chapter 13 Bankruptcy on a property on which DKC has outstanding liens. DKC will likely not file with the Bankruptcy Court as the cost of such legal action will far outweigh any funds recouped through bankruptcy. The liens will still be on the property in case of sale.

Vice President: No report

Secretary: No report

Treasurer: The treasurer's report was provided in writing to Trustees at the Workshop on July 7, 2011. Bryant moved that the report be approved as submitted. The report is attached to these minutes at Appendix 3.

Committee Reports:

Building & Grounds/Pool: Updates were provided on the mountain display; Fire Department Access to clubhouse; Infrared scan of electrical; Pool water test by the Department of Health; Parking lot remodel; Launch ramp parking; Backyard Habitat grant; GHAAC; Traffic calming on Hood Canal Drive; Picnic in the Park
John Remington provided a written report that is attached to the minutes as Appendix 4.

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Architectural Control: Bill Buegel indicated there is nothing new to report.

Docks & Waterfront: Bill Buegel reported on plans to construct a portable Harbormaster office and enclosure for the dumpster and portable toilet. A written report is attached to these minutes as Appendix 5.

Policies & Procedures: Bill Buegel reported that policies are on the agenda for approval at this meeting.

Events: Mary Bryant provided an update on the Music By the Bay event scheduled for Friday, August 19, 2011 at 7:00 p.m. Donations will be accepted to cover the cost of the event including some of the musicians. There will be a bake sale and pie ala mode and root beer floats for sale.

Lot Clearing: John Goldingay reported that three letters have been sent to DKC members inviting mediation to resolve lot clearing issues.

Old Business

Committee structure and assignments: Larry Schwerin reviewed Board plans to establish a structure for committees that will include appointment of the chair by the board, appointment of committee members by the chair with ratification of members by the board. The committee information will be included on the website and in Keynotes.

- Finance: Goldingay moved that Mark Bell be appointed chair of the Finance Committee. 2nd; PASSED unanimously.
- Building & Grounds/Pool: Remington moved that Alan Arnesen be appointed chair of the Pool Subcommittee of the Building and Grounds Committee and the following DKC members as Pool Subcommittee members: Larrison, Pinkham, Bower, Lanfear and Johnson. 2nd; Passed 6 yeas (including 1 proxy) and 1 abstention (Brooke). Discussion regarding the status of the existing Pool Advisory Committee ensued.
- Communications: Schwerin reported on current membership of the committee.
- Architectural Control: Buegel reported on status of the committee membership.
- Events: Bryant moved that Marlene Bock be named co-chair of the Events Committee. 2nd; Passed unanimously.

Policies: A copy of the approved policies are attached to the minutes as Appendix 6
CP01 Marina and Harbor Operating Policies: Don Jones, committee chair presented the policy for consideration. Several changes were made to correct spelling errors (CP 01.5) and for clarification (CP 01.9). Buegel moved approval of CP01: Marina and Harbor Operating Policies as amended. 2nd; PASSED: 6 yeas (including 1 proxy) and 1 nay (Brooke)

CP11 Marina Slip Waiting List: Buegel moved approval of CP11. 2nd; Passed unanimously

FN08 DKC Member Dues, Assessments and Fees: Following discussion the proposed policy was amended to re-insert the cost per slip for rental. Bryant moved that FN 08 be approved as amended. 2nd; PASSED 5 yeas (No proxy was voted on this issue) and 1 nay (Brooke).

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Insurance Premium Approval: Bryant moved that the Liberty Northwest Insurance Premium in the amount of \$12,480.00 be approved for payment. 2nd; PASSED Unanimously.

New Business

Membership Meeting Notice/Ballot packet: Bryant provided an update on the ballot packet preparation. The date for mailing will be July 18, 2011. The material (without the ballot) including the proxy form will be posted on the Driftwood Key Club website. Bryant moved approval of the proxy form. 2nd; PASSED unanimously.

Reserve Study: Remington moved that DKC engage Association Reserves to conduct a reserve study utilizing the single year engagement for the Economy study (8 weeks) for \$2960.00. 2nd; PASSED unanimously.

Marina Fund-Harbor Dredging Fund Interest Rate: Bryant moved that the board clarify that the interest to be paid on the loan to the Harbor Dredging Fund from the Marine Fund be based on reimbursement of prevailing unrealized CD investment returns rather than prevailing commercial loan rates. 2nd; PASSED unanimously.

Harbormaster Facility: Buegel provided a drawing of the Harbormaster facility that will include a reconfiguration of the dumpster enclosure and the portable toilet facility./ The construction will be done by volunteers with donated materials and work in compliance with ACC guidelines. Buegel moved that construction of a harbormaster facility with electricity be approved. 2nd; PASSED 6 yeas (including 1 proxy) and 1 nay (Brooke)

Parking Facility: Remington moved that the trustees approve up to \$1000 for the revised parking facility. 2nd; Passed unanimously. The playground fence is being prepared for installation. 600 feet of 2 ½ in hawser has been donated for the fence around the parking and clubhouse area.

Lot Clearing initiative: Following discussion it was decided that the “Lot Clearing Initiative Proposal” be reviewed by legal counsel and re-submitted for board approval.

Architectural Control Petition: Schwerin has submitted a request for ACC approval of a fence to be built on his property. The ACC will review the request and act on it during the coming month.

Prior to entering executive session, Don Williams addressed the trustees regarding aspersions cast upon NKPSA by a board member.

Gene Borgomainerio asked why the January and February minutes of the DKC Trustee meetings are not posted on the website.

Buegel moved that the Board of Trustees move into Executive Session to consider legal issues for less than 1 hour. 2nd; PASSED unanimously.

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The Board of Trustees reconvened in regular session following Executive Session.

Schwerin moved that Driftwood Key Club write a letter of apology to the North Kitsap Chapter of the Puget Sound Anglers (NKPSA) apologizing for aspersions cast on the organization by a board member. 2nd; PASSED 5 yeas (No proxy was voted on this issue) and 1 abstention (Brooke).

Schwerin moved that the DKC Board develop a board communication policy that will establish protocols for responding to member or other communications on behalf of the board of trustees. 2nd; PASSED unanimously.

Schwerin moved that the board explore long-term solutions to issues resulting from the Feola litigation and subsequent legal actions. 2nd; PASSED unanimously.

Bryant moved that the meeting be adjourned at 9:57 pm. 2nd; PASSED unanimously.

Good of the Order

Submitted by Mary Bryant, DKC Secretary

APPROVED August 11, 2011

Secretary

President