

Minutes
Driftwood Key Club Board of Trustees
October 13, 2011

The meeting was called to order at 7:04 p.m. By Vice President Bill Buegel.

Roll Call: The following trustees were present: Borgomainerio, Brooke, Bryant, Buegel, Goldingay, Remington. Schwerin (arrived late)
The following trustees were absent: Arnesen, Hell
Proxies were filed with the Secretary by Arnesen, Hell

There were no additions to the agenda. The agenda was approved as presented.

Minutes:

Borgomainerio moved that the minutes of the September 8, 2011 meeting be approved as submitted. 2nd; PASSED Unanimously

Bryant moved that the minutes of the Annual membership meeting be approved as submitted. 2nd; Passed 4 yeas (Brooke, Bryant, Hell (by proxy), Remington) 0 Nays. *Note: According to the DKC policies only Trustees present at the Annual Meeting may vote to approve the minutes.*

Two representatives of the Kitsap County Sheriff's Office made a presentation on the recent Search and Rescue operation conducted for a missing woman in Driftwood Key. Questions from the audience were answered by the deputies.

Officer Reports

President—No report at this time

Vice President—No report at this time

Secretary—Bryant provided an update on the new e-mail system being put into place to communicate with Driftwood Key Club members.

Treasurer—Bryant presented the August and September Financial Reports in Hell's absence. Bryant moved approval of the August 2011 and September 2011 Financial Statements. 2nd; PASSED 7 yeas (including 2 proxies); 2 abstentions (Borgomainerio and Brooke) The approved Financial Statements are appended to the **printed** minutes as **APPENDIX A**

Committee Reports (limited to status)

Building & Grounds: The report prepared by John Remington is attached in **APPENDIX B**

Pool: The report prepared by Alan Arnesen is attached in **APPENDIX C.**

Stormwater: The report prepared by Alan Arnesen is attached in **APPENDIX C.**

Remington moved that Gene Borgomainerio be appointed to serve on the Stormwater Committee. 2nd; PASSED 8 yeas and 1 abstention (Hell by Proxy)

Architectural Control: Bill Buegel reported on several ACC related issues in the community.

- Owners at 37962 Vista Key Drive are replacing an existing rock wall. This does not require ACC approval.
- The Asp project—a 2nd story addition—includes a stovepipe that was not in the original plan. This has caused a complaint to be filed by a neighbor. Buegel is working with the complainant and the Asp's to resolve this issue. Buegel indicated that the ACC rules do not expressly address heights of chimneys.

Docks & Waterfront: The report prepared by Bill Buegel is attached in **APPENDIX D**.

Policies & Procedures: Don Jones reported that there are over 20 draft policies still need Board review and action. These will be brought to the board for action in the coming months. The board was reminded of the new policy approval system that calls for the reading of the policies at one month's meeting and voting for final adoption at the next month's meeting. A synopsis of the pending policies will be included in the Keynotes so community members are aware of policies under consideration by the board.

Events : No report

Lot Clearing: The report prepared by Constance Borgomainerio is attached in **APPENDIX E**.

Old Business

Pool and Dock Security: Consideration of this issue will be postponed until December when Alan Arnesen will submit a written proposal to address the installation of security cameras.

Chair replacement: John Remington shared information on the proposed chair purchase. The new chairs have been tried out by community members in different settings--Potluck, Harbormaster office, DKC Trustee Workshop and meeting. An informal poll was taken of members attending the 10/13/11 meeting and the chairs met with overwhelming approval. The "Analysis for Replacement of Clubhouse Chairs" is attached to these minutes as **APPENDIX F**.

Remington moved that the DKC purchase 104 Hercules chairs model #RUT-188-BK-CHR-GG from Belnik, Inc for an amount not to exceed \$2800.00. 2nd; A friendly amendment offered by Brooke to establish a chair fund to accept donations from individuals and groups toward this purchase was accepted by the maker of the motion. PASSED; 8 yeas (including Arnesen's proxy) and 1 nay (Hell by proxy)

Policies

Bryant moved that FN08 addressing clubhouse rental fees be approved. 2nd; PASSED Unanimously. The new fee schedule is attached in **APPENDIX G**.

Bryant moved that CP05 Use of Clubhouse be approved; 2nd; PASSED Unanimously. A member asked if DKC required renters to show proof of insurance for events held at the clubhouse and if a "hold harmless clause" was included in our rental agreement. This issue will be raised with our insurance agent and attorney. The new policy is attached in **APPENDIX H**.

Bryant moved that OC01 Officers and committees be approved; 2nd; PASSED Unanimously. The new policy is attached in **APPENDIX I**.

Bryant moved that OC11 Finance Committee Charter be approved; 2nd. PASSED Unanimously. The new policy is attached in **APPENDIX J**.

New Business

Office Computer backup system: Goldingay made a motion that DKC subscribe to MOZY for back up of the office computer systems; 2nd. PASSED. 8 yeas and 1 nay (Brooke)

Holiday Tree Lighting: Bryant moved that the holiday tree lighting event be approved as submitted by the Events Committee. 2nd; PASSED unanimously.

New Years Eve Party: Bryant moved that the New Year’s Eve event be approved as submitted by the Events Committee; 2nd; PASSED 8 yeas and 1 abstention (Brooke)

Lot maintenance/clearing: No action was taken and letters to be sent to offenders will be circulated to the board for review and approval.

Publication of committee membership/charter: A rough draft of the committee membership/charter publication has been developed. There will be further review by trustees prior to publication.

Policies: The following draft policies are being submitted to the board for First Reading per the new policy: BR02 Conducting Meetings and BR13 Managing and distributing policy documents. A synopsis of these policies will be included in the Keynotes and other communications to allow for community review and input and to ensure that community members are aware of policies being considered by the board. Copies of the proposed policies are attached to these minutes as **APPENDIX K**.

Executive Session – Legal issues regarding Zetty’s inner harbor moorage
Goldingay moved that the Board move to Executive Session to discuss legal issues surrounding the illegal moorage of Zetty’s boat in the bay. 2nd; PASSED unanimously.

The board reconvened at 10:03 p.m.

Buegel moved that the board take legal action to require the boat “GAGE” that is moored illegally in the Driftwood Key Club bay be moved immediately and require Mr. Zetty, the purported owner, to provide proof of ownership and insurance. 2nd; PASSED.

The meeting was adjourned at 10:05 p.m.

Submitted by Mary E. Bryant, DKC Secretary

Mary E. Bryant, Secretary

Date

Larry Schwerin, President

Date

APPENDIX B

Building and Grounds Committee Report

Buildings and Grounds/Pool.

Mountain display. The Caretaker hauled in one CY of soil and leveled up the surrounding grade with the new concrete slab and seeded it with grass. Project complete.

Kitsap Fire Dept. Knox Box. The Knox box has been installed and the Fire Department has been on site, put all of the keys inside, keyed the Box to their own specifications and locked it up. Only the Fire Department can now access the Box, which contains keys to all facilities and a mag card for all areas. Project complete.

Broken window at Library. A quote has been received and accepted to replace the double-glazed, east-facing window in the Clubhouse library, which was recently broken out. The new window has been ordered and installation is scheduled for next week.

Playground fence. Materials have been received and stored off site. Wooden fence rails were quite green and needed some time to dry out. Post holes will be augured and construction started once the materials arrive on site. Construction now scheduled to begin on or about Saturday, 8NOV11, depending on how the green wood materials are progressing.

Decorative rope at Clubhouse. Still needs some work at the Clubhouse entry to provide proper symmetry. Additional nailing required in a few places to maintain uniform sag between posts but project basically complete, including matching installation at the boat launch area.

Pool report. Two motion-activated, LED security lights have been purchased for the pool area and will be installed in the next several weeks. Alan Arnesen and I met at the pool and tentatively located them Wednesday, 12OCT11. He will move forward with the installation.

Reserve Study for DWK buildings and pool. Michael Fleming of Association Reserves, the firm engaged to produce the reserve study, made his initial site visit on Friday, 2SEP11. He toured all areas and took measurements and photos of all facilities.

A brief question and answer session was initiated with him on Monday, 10OCT11 and an extensive Q & A session the following day. He was given the names and telephone numbers of several other members who are long term residents to better answer some of his questions regarding the chronology of various improvements in the past.

The study is scheduled for completion in approximately 8 weeks, on or before 27OCT11 although he indicated that he intended to complete it before that time.

\$2,500 Backyard Habitat Grant for removal of noxious weeds at 2 acre wetlands behind Clubhouse. Installation of the new plants will begin at approximately 9:00 AM Saturday, 15OCT11. So far Larry, Constance, Connie & Dennis Carkonen and I are helping plant. Anyone else feeling the need to commune with the soil is welcome.

Ruby Creek/Wiltermood Landscaping is bringing the 213 one-gallon plants that are in the Contract and Carin Anderson who administers the Grant is bringing 50 additional plants, which she is donating.

Reimbursement from the County for the initial \$800 noxious weed removal and the \$330 summer maintenance must wait until the entire Contract has been executed, which will probably be the end of the year. We will then receive reimbursement from the County for the entire amount paid to the Landscape Contractor; which, after installation of the new planting will be a few dollars shy of \$2,500.

Hypothermia at Board Meetings. The Caretaker has been asked to turn up the thermostat to 68 degrees two hours before meetings. Fifty-five degrees at the recent Workshop was a bit chilly.

Leaky Kitchen Faucet. The Caretaker had already purchased the new faucet but not yet installed it. He was requested to do so.

Rat Droppings in Clubhouse. Critter Ridders, our contract pest control firm, has taken care of the problem.

APPENDIX C

October Pool committee report

The winter cover has been installed, all of the furniture except the donated iron table and chairs have been stored in the pool building entrance, the solar panels have been secured and drained, the boiler is off and the automation is set up for winter operation to prevent freezing. The pump is typically run for 24 hours a week to keep the debris cleaned off the bottom of the pool and maintain the pool water chemistry.

The new motion lights are in the process of being installed. There are existing locations that will be used unless they do not provide proper coverage of the pool area. The security camera research continues. With the input from the board I hope to have a proposal for the December Board meeting including the requirements for the marina. We are looking into a magnetic latch for the pool gate like the one installed at the marina entrance. This would solve the alignment problems with the existing latch on the pool gate.

October Storm Water committee report

The newly formed storm water committee met last month. Each member understands that this committee will be working with the county to implement the membership approved storm water swale on lot 54. I have a list of preliminary questions for the county about different effects this will have on their project planning and the use restrictions on the remaining land. As of Wednesday I have not received a reply from the county about the vote approving the use of lot 54.

I would like to add GENE BORGOMAINERIO as a committee member.

APPENDIX D

Well, it's been a few months since my last report and a few things have happened since. We had a committee meeting yesterday with all members present and a few extra visitors. The agenda included the new Marina office for the Harbor Master. The building is about 90% complete and as you know this project has been fully funded with cash and material donations. But as with most building projects we are a bit over budget and would ask for further donations to complete the project. If you would like to donate please see Michelle or Dietmar at the office anything would be appreciated. The building will be a source of contact for our members and the Harbor Master "Max" and also a source for information regarding the Marina and Ramp.

The gate has a new magnetic lock that seems to work pretty well, although some of our members had a little difficulty getting out. But once they found the button all was well! Although Viking Fence installed the lock their scheduling to start and finish the project hasn't been what we expected nor their work on the gate. We have paid Viking Fence for their work up to now and the gate will be rebuilt using the new magnetic lock by one of our members who has experience with this type of work.

The Marina committee and Building and Grounds are working to finalize a camera security system for the pool, clubhouse, marina and ramp areas. This will be a wireless system including a DVR recorder.

The committee has approved a new sign at the entrance of the bay on one of the red marker pilings identifying Driftwood Key Marina as a private facility and will include the harbor master phone number. The sign will be similar in design and style as the sign in front of the clubhouse. We also have ordered some red and green reflective material to apply to the existing navigation markers to make them more visible at night. We also have two new no wake signs to install in the channel. We've had an increase in wake complaints this year so I ask that we please pay attention to our speed. Although some feel a wake is harmless in the channel at lower tides this is not true regarding our recent dredge. I've been told these wakes can actually accelerate refilling the channel. So again I ask sloooow down.

The committee and the Board are working to identify a source of revenue regarding the repair and replacement of the ramp facility. The marina cost center can't be expected to foot the bill in the event the ramp, docks, pilings or any other portion require a major repair or replacement. More on this later.

Those of us who take extended cruises have been asked to park after we unload at the new parking area across the street, this is nose in parking and should accommodate those vehicles. The light from the lot reaches this area.

Registration, please bring your vessel registration up to date; it has been brought to my attention a number of boats are out of date. We require current registration on all boats in our marina so please get it done before "someone" makes the call. We also have finalized our new brochure for the Marina that includes pertinent information on our facility and these will be available at the marina office and at the club office shortly.

We will have a few minor winter projects; let Max know if you are interested in volunteering.

APPENDIX E

Lot Maintenance

There are currently three active Lot maintenance issues that have been brought to my attention since serving in this position: The Lara property – complainants are Sharon Lockwood, Peggy Miller, Robert Evans and Tom & Robbie Wright. Mr. Lara has an amenity lot that is severely overgrown. He lives in another state and has been contacted with offer of mediation by the former lot chair, Larry Schwerin, but has not responded. A second letter will be going out.

The 2nd was a copy of a letter sent to property owner, Dennis Johnson on Buck Rd. for a view obstruction by another property owner's attorney, Mr. Kearney. I have not heard if Mr. Johnson has responded to Mr. Kearney's letter.

The third issue is the foreclosed "Follwell" home on Olympic View. Larry is writing a formal letter to the bank.

APPENDIX F

ANALYSIS FOR REPLACEMENT OF CLUBHOUSE CHAIRS

Statement of the Problem

The maximum occupancy of the existing Clubhouse in accordance with current Codes is 99 people. Some functions will have attendance approaching or equaling this number. We currently only have 73 chairs, requiring some functions, such as PSA meetings, to spill outside onto the lawn.

These 73 chairs are composed of two different types, which do not stack compatibly or compactly. They are too heavy, some are bent and some have torn upholstery. There are 46 red ones and 27 brown ones of two slightly different configurations. Red must be stacked with red and brown with like type of brown. They can only be stacked 10 high and reach a height of 6'-3" (red) and 5'-9" (brown) when so stacked. The three dollies accommodate two ten-chair stacks each, are difficult to maneuver and take up too much space in our small chair/table storage room.

The red chairs weigh 11.6 pounds each. The brown chairs weigh 12.2 pounds each. The recommended new chairs weigh 7.1 pounds each.

The three existing dollies occupy a floor space of 5'-6" x 4'-8" and can only store 60 chairs.

Typically, six tables with two chairs each are left out around the periphery of the main room. The odd chair sits against the wall somewhere. Otherwise the chairs could not be accommodated on the dollies.

Alternative Solutions

Folding chairs, same or similar to those used at the Greater Hansville Community Center were considered but are not really suitable for our somewhat unique usage.

They are upholstered, which means they cannot be readily cleaned, even though the upholstery is vinyl. The crack between the metal frame and vinyl seat makes this difficult. PSA meetings do not utilize tables and there are almost always food and drink spills from members eating off of their laps.

The cost of this type of chair is commensurate with the cost of the recommended chair; \$25~\$26 each when purchased 2 years ago.

The chairs, at 11.2 pounds are as heavy as the existing chairs and the storage is on cumbersome; two-sided, two-level racks requiring half of the stored chairs to be folded and lifted above the head and threaded onto the rack. The storage racks are 5'-8" long by 3'0" wide by 6'-8" high with 12 racks of 6 chairs each, six at the lower level and six above for a total of 72 chairs. This leaves us still short of storage for the other 28 chairs, requiring a second storage rack. The footprint for the two racks would be 5'-8" by 6'-0", which is larger than what we now have for the existing chairs.

In spite of our changing demographics we are a community of predominately older members, many with difficulty moving and lifting heavy chairs in that manner.

Fixed chairs with upholstery could not be considered for the same reason that the existing chairs are unsuitable; too heavy and too thick to stack compactly.

There are many types of plastic or metal stacking chairs available but none with the ideal combination of low cost, low weight, comfort and good design that the recommended chair exhibits.

Cost Analysis and anticipated Life

The recent quote for 100 of these Hercules chairs from the Belnick Co. in Canton, Georgia, including two free dollies, full freight and the \$50 charge to unload at the site was \$2,649.00. The chairs come with a limited lifetime warranty. The company does not give a recommended life but the chairs have a rated load capacity of 880 pounds, which should offer long term durability.

Possible Revenue Sources

The Board is already reviewing a first draft of a letter to groups that regularly use the Clubhouse at no cost soliciting contributions towards the cost of the chairs. Several have informally indicated that they would be willing to share in the expense. Any remaining cost would be a Capital expense to the Club.

Recommended Solutions

We have previously purchased 4 of these chairs and one dolly as samples for Members to try out; one like the recommended chair, black with chrome frame and one each of gray, maroon and black chairs with a black painted frame.

It is recommended that the Club purchase 104 of the chairs, black with chrome frame plus the two free dollies. When the sample chair is added to these 104, the 105 chairs can be stacked 35 each on the three dollies. A quote obtained 10/13/11 for 104 chairs plus two free dollies and including freight and the \$50 unloading charge is \$2,752.96.

Chair nomenclature: HERCULES series 880 lb Capacity Black High Density, Compact Stack Chair with Chrome Frame [RUT-188-BK-CHR-GG].

Direct line to the quoting agent in Georgia: Selena @ (770) 721-8284. Item usually ships the next business day.

APPENDIX G

FN08 – DKC Dues, Assessments and Fees

Clubhouse Rental Rates

Security Deposit: \$100

Hours Member Charge Non-Member Charge

0 – 4 hours \$50 \$100

4 – 8 hours \$100 \$200

8 – 12 hours \$150 \$300

Round tables may be rented for use at events for \$10 each per day.

APPENDIX H

CP05 – Use of the Clubhouse Policies

CP05.1 – Objectives: The Clubhouse is a valuable amenity for the Driftwood Key community. The Board of Trustees will operate this amenity to achieve the following objectives: (1) maximize the benefit to the community; (2) comply with State law, especially as they reference tax-exempt, non-profit organizations.

Explanatory Note: State rules governing tax-exempt, non-profit organizations require that the Clubhouse (as a public assembly hall) “. . . is used an equal number or greater number of times for public gatherings than the number of times it is used by the owner for gatherings not open to the public.” Furthermore, “the owner does not use the property more than twenty-five percent of the usable time.” [WAC 458-16-300(3) (e)]

CP05.2 – DKC Meetings Open to the Public: All DKC meetings (including meetings of the Board, Member meetings and Committee meetings) are open to the general public (non-members) with exceptions approved by the Board. Board approved policies and rules shall define when non-members are allowed to participate in DKC meetings as well as when they might be asked to leave.

CP05.3 – Clubhouse Safety and Security: The Trustee responsible for Buildings and Grounds shall take the appropriate actions to ensure the safety of those using the facility. He or she shall also develop procedures to ensure the security of the facility and its fixtures and to prevent unauthorized usage. Group usage will be shut down if the established rules and regulations for use are not being followed. Trustees, DKC members and those responsible for a Clubhouse event should not Intervene in serious cases of inappropriate or unauthorized usage except to reiterate the posted rules. Instead, 911 shall be called. (Maximum building capacity has been determined to be 99). At no time may an event using the clubhouse exceed this number.

CP05.4 – Member Use Without Charge: Members in good standing (as defined by the Bylaws) and their guests may use the Clubhouse during scheduled Clubhouse hours without charge unless it has been reserved for an exclusive use. Renters of a home in Driftwood Key and their guest(s) may use the Clubhouse if the member has conveyed their right to use Club facilities to the renter in accordance with the Bylaws. Individual users 11 years old and under must be accompanied by an adult (18 or older).

CP05.5 – Renting the Clubhouse: Members in good standing may reserve the Clubhouse for an exclusive use. Renters of a home in Driftwood Key may reserve the Clubhouse for an exclusive use if the member in good standing has conveyed their right to use Club facilities to the renter in accordance with the Bylaws. Membership in DKC shall not be a prerequisite for use of the Clubhouse. Non-members from the larger community may rent the Clubhouse for an exclusive use as long as it does not conflict with a previously scheduled member use.

CP05.6 – User Fees and Deposits: Those renting the Clubhouse for private meetings, parties or other social activities (e.g., weddings) will be charged user fees and a security/cleanup deposit as established by the Board of Trustees in accordance with the Bylaws. Rental fees will be structured according to the length of time the clubhouse will be used and the member status. The length of time rented must include the time required for set-up prior to the event and clean up after the event. The Board approved rental fees are specified in Policy FN08.

CP05.7 – Collection of Fees, Deposits and Refunds: The Office will collect the user fee and security/cleanup deposit at least two weeks prior to the event. The fee and deposit will be deposited into the Club's accounts. A final inspection shall be made as per the Clubhouse Inspection Sheet and all or part of the deposit refunded as appropriate. User fees will be refunded only if the event is canceled at least 48 hours in advance. The security/cleanup deposit will be refunded if the reservation is canceled.

CP05.8 – Clubhouse Rental Agreement: Members and non-members renting the Clubhouse for exclusive use must complete and sign a Clubhouse Rental Application that is consistent with this policy document. This application will include an agreement to follow the Board established Clubhouse Rental Rules. When a member has conveyed their right to use Club facilities to their renter, the *member* must sign the rental agreement and assume responsibility for the Clubhouse rental. The person signing the Rental Agreement must be the host of an event, must be present at all times during the function, and is responsible for the conduct of their guests while they are on the premises. Exception: when a member's rights have been conveyed to a renter, the renter must be present at all times.

CP05.9 – Group Reservations For Exclusive Use Without Charge: The following groups may reserve the Clubhouse for exclusive use without charge with Board approval prior to the event:

- Groups doing the business of the Club (e.g., DKC Board and committee meetings)
- Events sponsored by Driftwood Key Club (e.g., New Years Eve party)
- Local civic groups and civic clubs (e.g., Hansville Ladies Aid)
- Events organized by local, county, state or federal government (e.g., public safety presentation by the County sheriff)
- Events open to the community where the primary purpose is entertainment or education (e.g., a musical performance)
- A memorial service for a deceased member
- Groups pre-approved by the Board who use the Clubhouse facilities on a regular basis, as long as 50% or more are DKC members.

Groups using the facility without charge may be asked to complete a Clubhouse Reservation Agreement.

CP05.10 – Use Involving the Exchange of Money: Use of the Clubhouse without charge that involves collecting a fee, donations or sale of a product or service requires advance approval by the Board. DKC fund raising events are exempt.

CP05.11 – Use For Community Enrichment Activities: Use of the Clubhouse for community enrichment activities is to be encouraged. Community enrichment activities may include, but are not limited to, educational programs and exercise/dance groups. This usage will be free of charge and must be approved by the Board of Trustees prior to commencement of the activities. The standard security deposit amount for rentals of the Clubhouse may be required. Sessions shall be open to all members and the general public.

CP05.12 – Use For Political Events: The Clubhouse may not be used to support a specific political candidate, initiative, issue or party. However, political events are allowed when all of the candidates for a specific position are invited to attend (e.g., a candidate’s night) or when proponents for all sides of a political issue are invited to discuss their positions.

CP05.13 – Scheduling Restrictions and Conflicts: Scheduling is on a first come, first serve basis except for Club sponsored events which have priority. The Clubhouse may be reserved for Sunday events. All groups must reserve the Clubhouse in advance with the Office. Both the large meeting room and the small library room may be reserved for exclusive use, together or separately. Scheduling conflicts involving groups being charged for use will be resolved based upon the specific date and time the appropriate fees and deposits are paid in full.

CP05.14 –Reporting to the State: Annually, the DKC shall provide the Washington State Department of Revenue with a detailed summary of use as required by WAC 458-16-300 (3) (d).

CP05.15 – Clubhouse Usage Rules: An appropriate set of Board approved Clubhouse usage rules will accompany all user agreements and shall be posted in prominent places.

*Approved by the Board of Trustees May 2011;
several revisions approved by the Board October 2011*

APPENDIX I

OC01 - Officers and Committees

OC01.1 - Overview and General Policy: The Board shall fill all of the Officer positions and maintain all of the standing committees that are listed in the Bylaws. The Board shall, by a formal motion passed by a majority of the Trustees, form and/or disband other committees as the Board deems appropriate. The Board should rely on established committees to advise them. The Board shall actively encourage community involvement in the work of its established committees.

OC01.2 - Electing Board Officers: At the first Board business meeting after the Annual Member's meeting, the new Board elects its officers for the coming year. The retiring President or acting chair will conduct this meeting until the new President is elected. Even though an incumbent Vice President will often agree to replace a retiring President, this action is not automatic and must be ratified by the new Board. All Board officers are elected for one-year terms. Following the Bylaws, "Two or more offices may be held by the same person, except that a person may not hold the offices of President and Secretary simultaneously."

OC01.3 - Types of Committees: There are four types of DKC committees:

- core *standing* (permanent) committees recognized and required by the Bylaws (e.g., Building and Grounds; Lot Maintenance; Public Safety; Docks and Waterfront; Governance; Finance)
- additional *standing* (permanent) member committees and sub-committees established by the Board (e.g., Nominating; Policy and Procedures; Communications; Swimming Pool; Events Planning and Fund Raising)
- temporary, special *ad hoc* committees (e.g., Member Voting; Signs; DKC sponsored events)
- *Board* committees, either standing or temporary, that have been given the authority to act (e.g., sign contracts) in the name of the Board of Trustees in the management of the corporation (e.g., Harbor Dredging; Architectural Control)

As per the Bylaws, all DKC committees (except *Board* Committees) are advisory and do not have the authority to act for the Board.

OC01.4 - Committee Charters: The Board will provide all committees (except temporary, special *Ad hoc* committees) with a Board approved charter. Each charter should include at least the following: statements of purpose, guidance for membership and meetings, and a scope of activities. Special *Ad hoc* committees will be provided at least a written statement of purpose.

OC01.5 - Board Liaisons: All committee chairs who are not themselves Trustees will be provided with a Board liaison. Board liaisons are responsible for two-way communication between the Board and the committee chairs. Board liaisons should be active in the work of their committee(s).

OC01.6 - Appointing Committee Chairs: The Board shall appoint by formal motion all committee chairs. Incumbent chairs may keep their current positions or ask for a new open position prior to any appointments. Board members may hold multiple officer and chair positions. The President should not be appointed as a committee chair. There is no requirement that committee chairs be current Board

members, except as provided in the Bylaws. All committee chairs (both standing and *Ad Hoc*) shall be listed in the *Keynotes* and on the Club's website accompanied by contact information.

OC01.7 - Appointing Committee Members: The Board will appoint by formal motion all members of all committees.

OC01.8 - Supervising Board Established Committees: The President has primary supervisory responsibility for Board established committees unless he or she delegates this responsibility to another Board officer. The President is an ex-officio member of all committees, except for the nominating committee.

OC01.9 – Meeting Attendance and Participation: Any member in good standing may attend meetings of DKC committees. However, participation in the work of committees is limited to members who have been appointed by the Board (unless visiting members are invited to participate by the committee chair).

OC01.10 – Notice of Meetings: Notice of regular committee meetings shall be posted in the *Keynotes* and on the Club website. Notice of committee meetings that occur irregularly, shall be made at least 48 hours in advance by: (1) sending an email notice to members who have agreed to receive such communication and (2) posting a notice on the Club's website. A good faith effort should be made to give notice of committee meetings held to handle emerging situations where 48-hour advance notice cannot be made.

OC01.11 – Minutes of Committee Meetings: In the case of *Board* committees, minutes of meetings are required. Otherwise minutes of committee meetings shall be kept at the discretion of the Board or committee chair. An alternative to formal minutes is for the chair to send its members and other interested parties a synopsis of what occurred at each meeting.

OC01.12 - Written Committee Reports: Following *Robert's Rules*, each committee chair (both standing and *ad hoc*) should regularly file written committee reports and submit them to the Board Secretary for inclusion into the minutes of Board business meetings and into the *Keynotes*. A report of "No activity this month" fulfills this requirement. If a committee chair does not agree with an action being recommended by their committee, another committee member should write and submit the report. Committee reports should deal only with the responsibilities of the specific committee (as detailed by their charter) and not other Board or Club matters.

OC01.13 - Committee Expenditures: All committee expenditures shall have prior Board approval.

OC01.14 - Trustee/Chair Training: The Board President is responsible each year for conducting training sessions for all Trustees and committee chairs.

OC01.15 - Development of Board Policies and Procedures: Board Officers and committee chairs are expected to work with the Policy and Procedures committee when they develop such documents (including formulation of committee charters). Alternatively, Board Officers and committee chairs may request that the Policy and Procedures committee take the lead in such development. The Policy and

APPROVED BY THE DRIFTWOOD KEY CLUB BOARD OF TRUSTEES 11/10/11.

Procedures committee is responsible for managing and distributing the documents resulting from this collaboration.

Approved by the Board of Trustees, October 2011

APPENDIX J

OC11 – Finance Committee Charter

OC11.1 – Purpose

The purpose of the Finance Committee (FC) is to provide objective oversight, analysis and input regarding the Club's financial affairs as determined by the FC. The FC will help develop and refine financial related policies and procedures which will then be recommended to the Trustees for approval. The FC will act as a continuity force in the transition from one treasurer to another.

OC11.2 – Membership and Meetings

The FC will consist of, at a minimum, five members, three Board members (one of which will be the Club Treasurer) and two community members. The committee will meet at least once per month prior to the Board of Trustees' regular business meeting. Minutes of these meetings will be kept and provided to the Board. The Board shall have sole discretion over FC membership, charter and term.

OC11.3 – Scope of Activities

The FC shall have wide purview concerning all aspects of the Club's financial affairs. Board appointed members of the FC shall have unfettered access as required to all Club records, including but not limited to the annual audit, budget plans, information of all funds and accounts, tax records, information on fund reserves, as well as bank and monthly accounting reports. The FC will report to the Board of Trustees. Feedback, analysis and recommendations will be made to the Board at workshop or business meetings as required. The FC shall perform reviews and conduct research as appropriate to ensure that financial resources are adequately and appropriately managed. The FC shall address the following duties:

- Identify and recruit candidates for the position of DKC Treasurer when required.
- Regularly review current budget reserve/contingency fund status
- Review of current monthly and YTD financial records
- Review the club reserve studies and make recommendations for budget development
- Regularly review dues receivable status and recommend action to address chronic nonpayment
- Assist in the preparation for the annual audit and review audit findings and strategies to address the findings/recommendations
- Regularly review insurance policies for adequacy and appropriateness of coverage
- Assist the treasurer in preparing the annual budget
- Assist the treasurer in preparing the budget/fiscal report for the annual meeting
- Review and make recommendations of financial policies and procedures

Original charter approved by the Board of Trustees, August 2011

Revisions approved by the Board, October 2011

APPENDIX K
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BR02 - Conducting Meetings

BR02.1 - Overview and General Policy: The Trustees are responsible for conducting meetings in accordance with the Driftwood Key Club Bylaws, Robert's Rules of Order, policy documents approved by the Board and State laws governing non-profit corporations and homeowners' associations.

BR02.2 - Determining the Presiding Officer Sequence: Following *Robert's Rules*, all Board and member meetings shall be presided over by the president or vice-president (if the president is absent or must step down or the office is vacant). If neither of these two officers is present, the Secretary shall call the meeting to order and the Board shall elect a chair *pro tem* as the first order of business. The chair *pro tem*, elected by a majority of votes by the Board, will preside over the meeting (and only this one meeting). The arrival of the president or vice president terminates the *pro tem* position and the officer present conducts the meeting from that point on.

BR02.3 - Meeting Agendas: The presiding officer shall prepare a written agenda for all regular meetings of the Board and of the members with some extra copies for expected attendees. Draft agendas shall be emailed to the Trustees, posted in advance of the meeting on the Club's website and emailed to those member's receiving emailed communications from the Club. Regarding Board and member business meetings, the Presiding officer shall address only those items included on the agenda, unless it is voted at the beginning of the meeting to include other matters. Any new business raised at the meeting but not on the original or modified agenda shall be tabled for future consideration. Following *Robert's Rules*, the agenda of business meetings shall contain reports from all officers, and from committees established in the Bylaws. Business meeting agendas shall contain a "Member Comments" section sometime during the meeting.

BR02.4 - Starting Sequence/Preliminaries For Business Meetings: Five meeting preliminaries are important before conducting the main business of the meeting:

- attendees recite the Pledge of Allegiance
- approval of the agenda (or a motion to modify the agenda)
- determine whether a quorum of Board members is present for conducting Board business and whether any proxies will be voted
- presiding officer shall determine that the meeting is being properly recorded both electronically and by written summary (in case electronics fail)
- presiding officer communicates to all present the guidelines by which non-Board members may participate.

BR02.5 - Motions Up For Vote: Substantive motions shall be in writing with a copy provided to the meeting secretary. When a substantive motion has been made and seconded, a Board member shall present a brief summary of the issue before the assembly. Comments on the motion shall be addressed to the Chair, not to individual Board members. The audience may participate in said discussions only if invited by the meeting chair.

BR02.6 - Board Member Statements for Record: A Board member may request that a statement be read into the record and that request shall be granted only by a majority approval vote of the Board.

BR02.7 - Open and Closed Meetings: Washington State Law (RCW 64.38.035, Section(2) requires that all meetings of the Club (both Board and member meetings) be open to all members with the following exceptions: "discussion of personnel matters; consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violations of the governing documents of the association, and matters involving the possible liability of an owner to the association." If a situation arises necessitating a closed "executive" session for these reasons, the Board will follow the RCW rules regarding closed meetings paraphrased as follows:

1. The Board must in open session make a formal motion and vote to have a closed meeting; this motion must state the specific purpose of the meeting.
2. The closed meeting is limited to discussion of the topic(s) stated in the motion.
3. If an action is agreed upon in a closed session, it cannot be implemented until the Board considers the action in the form of a motion in an open public business meeting, either when the Board reconvenes back into an open session of the current meeting or at a future meeting.

As a courtesy to members, the motion to go into executive session shall state how long the session shall last. If the business at hand needs more time, the Board shall, in open session, consider a new motion to go back into executive session. If the Board is not in temporary recess from a regular Board business meeting at the time of the closed session, a minimum of one-day notice must be given to hold a special Board business meeting (following the Bylaws) to consider a vote to go into a closed executive session. The Board cannot consider a motion to go into executive session during a Board workshop meeting. Non-Board members may attend a closed executive session by invitation only.

BR02.8 – Notice of Special Board Business Meetings: The following methods should be used to announce open and closed *special* meetings of the Board: posting at the Club's office and website, sandwich board notice at the entrances to the community and email to members. If the special meeting is to include a closed executive session, the notice shall include the topics to be discussed at that meeting.

BR02.9 - Annual Meeting of Members: State law and Club Bylaws require the Club to hold a meeting of the full membership at least once a year. The primary purposes of this meeting are to:

- hear summary reports of the year's activities
- receive a report on the financial condition of the Club (including a report on the annual audit)
- announce the results of the election of Trustees and any ballot measures
- provide a platform for hearing member concerns, questions and compliments.

The above items are classified as "Old Business." New business can be conducted, if a quorum of the membership is present and if the item of business is listed on the agenda. As per Board policy, formal minutes of this meeting shall be taken and approved at the next business meeting of the Board.

BR02.10 - Special Meetings of Members: Special meetings of the association may be called by the President, a majority of the Board, or by members having ten percent of the votes in the association (RCW 64.38.035; DKC Bylaws).

BR02.11 - Inappropriate Meeting Content: The Presiding officer shall deny the floor to anyone who attempts to support a specific political candidate, political party or political/ social cause or issue. The same policy applies to anyone supporting a specific religion or religious/spiritual belief or cause. (Exception: meeting announcements dealing with political/ social/ religious topics shall be allowed during the member comment period.) Finally, no commercial activities shall be promoted during any meeting of the Club or Board.

BR02.12 - Member Participation At Business Meetings: Only members in good standing may comment at business meetings. Following *Robert's Rules*, Club members who are not on the Board, should be asked to refrain from participating during the business part of Board meetings, unless such participation is requested by the chair. Instead, members should be encouraged to communicate their concerns either to the appropriate Board member or committee chair or during the "Member Comment" portion of the meeting. The Board is not required to react, discuss, debate, resolve or vote on the member comments and concerns. Asking questions of clarification are to be encouraged.

Member concerns will be placed on the agenda of the next Board workshop, as appropriate, to which the presenter/writer is invited to attend. Members will be encouraged to present their concerns to the Board in writing. Any member unwilling to follow this meeting format shall be asked to leave.

BR02.13 - Meetings Open to the Public: All DKC meetings (including meetings of the Board, member meetings and committee meetings) are open to the general public (non-members) with exceptions approved by the Board. Board approved policies and rules shall address when nonmembers are allowed to participate in DKC meetings as well as when they might be asked to leave.

BR02.14 - Participation By Non-Club Members: Non-Club members may participate in Board meetings only at the invitation of the meeting chair. Non-invited, non-members (including immediate family of members and renters) should not participate in Board or member meetings in any way.

Draft #13 prepared by the Policy and Procedures Committee; last revised 10.04.11

BR13 - Managing and Distributing Policy and Procedure Documents

BR13.1 – Distribution of Policies Up For Review: Policy and procedure ("P&P") documents on the table for review or revision will be sent to all Board and P&P committee members in PDF format in a timely manner. MS Word formatted documents will be sent to Trustees and P&P committee members upon request.

BR13.2 – Approved Policies to Board Secretary: Newly approved P&P documents will be sent to the Board Secretary in PDF format for distribution as follows:

- attachment to the Board minutes

- uploading to the Club's website.

BR13.3 – Approved Policies to SkyDrive: The P&P Chair will maintain all Board approved policy documents on the Board's SkyDrive (in PDF format). The Office shall have access to Board approved policies on the SkyDrive. The SkyDrive index will be updated when recently approved policies are added.

BR13.4 – Maintaining Complete *Board Handbooks* For Reference: The complete *Board Handbook* includes both Board approved and P&P committee draft policy documents. The P&P Chair and the DKC Office will maintain up-to-date and complete *Board Handbooks*. On a regular basis the P&P Chair will send to the Office electronic copies of recently approved policy documents and updated draft documents (all in MS Word format). In September each year the P&P Chair will provide an updated Table of Contents of the complete *Board Handbook* to all Board members, to P&P committee members and to the Office.

BR13.5 – Hard Copies of the *Board Handbook*: Periodically, upon direction of the Board, the Office will print hard copies of a new edition of the complete *Board Handbook* and make them available in three-ring binders to all Board members and P&P committee members. DKC members may request paper copies from the Office of any Board approved policy document. Draft documents will not be made available to DKC members without permission from the Trustee in charge of Office Operations (Office Operations policies CP07).

BR13.6 – Maintaining Backup Copies: Complete and up-to-date electronic versions of the *Board Handbook* will be available from at least two sources: DKC Office and P&P committee chair. In addition, the Office and P&P chair shall regularly backup all *Board*

Handbook related documents on their respective computers. When a new P&P chair is appointed, the previous chair will provide the Office and the new chair with an electronic copy of all *Board Handbook* related documents and reference notes.

BR13.7 – Archiving Replaced Policies: When the Office receives newly approved P&P documents, an electronic PDF copy of the replaced document shall be archived in the Club's computer. When the Office prints a new version of the complete *Handbook*, the replaced version should be kept in the Office files. Both the replaced electronic documents and the printed *Handbooks* should be kept as long as is dictated by the Office archiving schedule.

BR13.8 – Keeping Members Apprised of Newly Approved Policies: Both a synopsis of newly approved policy documents and, when appropriate, excerpts of the most important paragraphs of these documents should be included in the P&P chair's *Keynotes* report with a note that the full policy is available both on the Club's website and in the Office.