

**MINUTES OF REGULAR BOARD MEETING**  
**SURFSIDE HOMEOWNERS ASSOCIATION**  
**April 18, 2009**

**Board Members Present:** Gene Bowen, Jim Flood, Cathy Gabrielson, Chris Hanson, Grant Murrell, Larry Nelsen, Debbie Richmond, Gary Williams

Board Members Absent: Walt Platt (Excused)

**Staff Present:** Ginger Byrd, Bob Haskin, Dinah McCreddie, Jim Meyers, Barbara Robinson

President Jim Flood called the meeting to order at 9:00 a.m. and opened with an invitation for Floor Comments: Walt Platt is absent due to medical issues of his wife.

**Floor Comments:** None.

The board moved into executive session at the onset of the meeting at 9:02 am and reconvened back into general session at 9:19 am. Flood summarized the executive sessions to cover the board policy of conflict of interest to make sure all board members how this issue can affect the board's discussions and decisions. Additionally, this session was held because members had raised the questions and concerns of conflict of which were considered seriously by the board and the management of Surfside. Therefore, follow up discussion, including input from Surfside's legal representative was obtained to help illuminate what is versus what isn't a conflict of interest. Specifically, Barbara Robinson explained concerns involved bidding contracts received from DPR Builders and the possibility of the new board member, Debbie Richmond, one of the owners of DPR Builders having inside information due to her position on the board. Richmond has been provided with the Operations Manual, which has the board policy delineated clearly regarding conflict of interest and Richmond confirmed she has read the manual including this policy. Additionally, she explained that DPR is not planning on bidding on Surfside jobs and therefore there is no conflict of interest for the future. DPR did however; submit a sealed bid regarding the Generator Cover project, prior to Debbie Richmond becoming a board member, and in view of the policy, Richmond will recues herself from the discussion and decision of choosing a contractor for the generator cover project. Additionally, all bids were received as sealed bids and therefore, no board members have previous knowledge of the bids.

**Adoption of Agenda and Approval of Minutes:**

Grant Murrell requested an addition item "G" to the agenda, under Old Business, regarding the issue of vehicles being stored at the RV storage site. There were

no objections or changes to the minutes presented as written and therefore, the Minutes of March 21, 2009 stand adopted as written.

### **Old Business:**

#### **2009 Capital Project – Equipment/Material Purchase Research Report:**

Chris Hanson presented the report involving the Water/Field Department equipment purchases. It was explained to the board that the mini excavator is a necessary purchase as it accomplishes the digging necessary for the project of pipe replacement much quicker and more efficiently than the backhoe, thus reducing the overtime labor costs. The Bobcat excavator was compared to the Caterpillar and the Bobcat was recommended as it is \$4,000 less expensive than the Caterpillar. However, there was a question raised of warranty, as the Caterpillar provides a three year warranty and the Bobcat came with only a one year warranty. Haskin did speak with the dealer of the Bobcat who states he is willing to increase the warranty to three years if Surfside purchases the Bobcat. The Board is in agreement with purchasing the Bobcat as long as the three-year warranty is a written factory warranty and comes from the Bobcat company itself and not simply a dealers warranty. Insurance and training of use of this equipment will also be thoroughly investigated. The mini excavator may also need some training, although the current staff already did get a chance to demo the equipment. A standardized operating training and maintenance program is available with the equipment purchase. Safety is the main goal of the Board, therefore, the use of new equipment within safety guidelines is in line with the Board goals. Additionally, Haskin and the crew have put together a maintenance schedule of all equipment. The used trucks do not come with a warranty. They will likely be hauled up here for a cost of approximately \$1,000, which will likely be less expensive than sending staff to get them. Currently the pipe and other heavy items, i.e. generator, compressor, boom, etc. are being hauled around by a small truck that does not have the engine capacity to withstand such heavy hauling use, which is causing strain on the truck. The heavy truck proposed for purchase has a generator, compressor and boom already built into it. The used equipment is in very good shape however, as with most used equipment, there is no warranty and comes "As-Is". This is somewhat of a concern to the Board.

HANSON MOVED TO PURCHASE UTILITY BOOM TRUCK FROM GRADY'S IN CENTRAL POINT, OREGON FOR \$13,000. NELSEN SECONDED.  
MOTION PASSED 7-1, WITH MURRELL OPPOSED

NELSON MOVED TO PURCHASE THE FIVE YARD DUMP TRUCK FROM GRADY'S IN CENTRAL POINT, OREGON FOR \$12,800. HANSON SECONDED. MOTION PASSED 7-0, WITH MURRELL ABSTAINING.

HANSON MOVED TO BUY 2006 TRAILER FOR HAULING THE EXCAVATOR FROM HALTON FOR \$3,773. NELSON SECONDED. MOTION PASSED UNANIMOUSLY 8-0.

Discussion on purchasing older trailer versus the newer trailer pointed out that this trailer is \$1,000 cheaper, than the newer trailer but they are both so similar in condition there isn't enough difference to warrant the purchase of the newer and more expensive trailer.

BOWEN MOVED TO AMEND ADOPTED MOTION TO PURCHASE THE BOBCAT 435 COMPACT EXCAVATOR AT A COST OF \$52,357.38, SUBJECT TO INCLUSION OF A "LONG STICK" AND OBTAINING A THREE YEAR WRITTEN WARRANTY FROM THE FACTORY AT NO ADDITIONAL COST OF \$52,357.38. WILLIAMS SECONDED. MOTION PASSED UNANIMOUSLY 8-0.

BOWEN MOVED THAT IN EVENT BOB CAST IS UNABLE TO PROVIDE THE LONG STICK AND THE THREE YEAR FACTORY WARRANTY ON BOBCAT COMPACT EXCAVATOR, THAT WE APPROVE PURCHASE OF CATEPILLAR 340CCR FOR \$56,595. MURRELL SECONDED. MOTION PASSED 7-1, NELSEN OPPOSED.

Murrell requested that Robinson put something in writing to explain why the board is making the decision to purchase the equipment to distribute to the membership in case questions arise as to why this equipment is a necessary purchase. It was further explained that this report should include that previous boards have neglected to address the failing infrastructure issue causing the recent main breaks and the need for this equipment. Additionally the Water Department has now proven they can do the work, but they have been handicapped without adequate equipment. Work in house or out of house can be a part of this report but will also be discussed in this meeting as a part of the Water System Planning Committee Report.

### **Adoption of Surfside Employee Manual**

Barbara Robinson reported that the Surfside Employee Manual was discussed in Executive Session at the March 21, 2009 Board meeting, however, no final decision or vote was taken to adopt the Manual. The changes and additions requested by the Board at that time have been added and the Manual is now ready for formal adoption by the Board.

BOWEN MOVED TO ADOPT SURFSIDE EMPLOYEE MANUAL AS SUBMITTED. MURRELL SECONDED. MOTION CARRIED 8-0.

### **2009 Board Goals Update**

Robinson picked out priority goals from the 2009 Board Goals list and provided an update on what is currently being worked on. The Asset/Schwindt study is part of the Board Goals, so a draft has been prepared by Staff and is ready to be reviewed by the appointed committee. It is expected to be completed in the within the next month and brought forward to the Board for approval. Another important goal is the maintenance schedule for equipment, etc., which has been put together by Bob Haskin and the Water/Field crew. This maintenance schedule will be kept up to date daily, weekly and monthly. Meetings have also been scheduled with the Land and Building Committee as the Committee currently performing inspections on Surfside buildings. Flood requested that daily maintenance check off lists be created and used for each of the new equipment/vehicle purchases as well as existing equipment and vehicles. Additionally, the Operations Manual is in the process of being revised. The board will be provided with copies of the recently revised manual in the next couple of months.

### **Asset/Schwindt Study Update**

Robinson previously explained within the goal report that in the next couple of weeks the Schwindt/Asset study draft would be completed. Those items that had a value of less than \$10,000 were removed, so the document has been shortened considerably. There are also many items that had already been purchased and replaced there were removed from the report. Robinson worked with Jim Lanzaratta to come up with the useful life and replacement cost of items to be included on the Asset/Schwindt study.

### **Water System Planning Committee Update**

Larry Nelsen met with the Water System Planning Committee on Saturday, April 11, 2009. The committee consists of knowledgeable members including, Tom Boyer, who is the engineering manager for the city of Vancouver Water Department. All members agree that the Water Mains in Divisions 1-4, are the oldest, and have the most main breaks, and therefore must be replaced as soon as possible. The questions of whether or not outside contractors should do the water main replacement projects, was discussed. The concerns of completing these projects in house included the question of whether or not other priorities such as various maintenance of Surfside other than water lines as well as hydrants, etc. which may distract from the priority of replacing the water mains and the project could be completed quicker by outside contractors. The committee assured everyone that the project of replacing water mains would take highest priority. Water main breaks were explained by a demonstration of old pipe versus new pipe diameters, by Nelsen. The consensus of the board was that better control of what exactly is done as well as control of costs is accomplished by doing the project in house, as often contractors and costs which occur later paying sometimes charging twice as much as the original bid. Also

the new equipment which has been approved for purchase will help the Water/Field Department do this job better and faster.

GABRIELSON MOVED THAT THE WATER PROJECT BE ACCOMPLISHED WITH IN HOUSE EMPLOYEES. WILLIAMS SECONDED.

Gil Gonzalez, one of the Water Department staff stated they will take pride in the project and believe they have already shown that they can do a good job on this project. The board expressed agreement.

MOTION PASSED 8-0.

### **Opening of Cabana buildings/restrooms:**

The question had been raised by a member at a previous Board meeting as to why the Cabana restrooms are not open all year long, 7 days a week.

Robinson and Bob Haskin met to review the cost involved with opening the Cabana more frequently. It was found that to open the cabana restrooms seven days a week, all year long, would require extra labor in terms of opening/closing the Cabanas, cleaning and maintenance. Additionally, there is currently a policy in place for the reservation of the cabanas which requires that a member reserve the cabana by paying a key deposit for the cabana restroom, which is then returned upon inspection of the condition of the cabana and bathroom. This policy would be meaningless if the cabana bathrooms were opened continuously. Sani-cans are an option, however, the biggest complaint about using the temporary Sani-cans is that they are unsightly in appearance. Therefore, the proposal was made to construct an enclosure around the sani-cans, which would improve the appearance. The membership would have access to the portable bathrooms, which would be maintained by the sani-can owners at less of an expense than paying labor to Surfside staff.

BOWEN MOVED TO TABLE THIS TOPIC PENDING INFORMATION ABOUT SURROUNDING STRUCTURE OF THE SANI-CANS. HANSON SECONDED.

Discussion occurred as to whether we should have sani-cans without enclosures. Consensus of the board is that we not have sani-cans without enclosures.

MOTION PASSED UNANIMOUSLY TO TABLE THE TOPIC TILL NEXT BOARD MEETING. 8-0.

### **NON-RV VEHICLES STORED IN THE RV STORAGE LOT:**

Two exceptions were made in the past allowing vehicles to be stored in the RV lot under special circumstances, and approved by the Board. Recently other members have requested approval to store non RV vehicles in this storage lot.

MURRELL MOVED THAT NO VEHICLES BE ALLOWED TO BE STORED IN THE RV LOT AND ANY NON RV VEHICLES BE REMOVED WITH THE OLD POLICY REINSTALLED.

Discussion resulted in a committee which will be formed by Hanson, the RV Trustee. This issue is now tabled and Hanson will form a committee to make recommendations regarding this issue.

### **New Business:**

#### **Small Works Roster:**

Robinson discussed the Small Works Roster, with vendors listed, to help Surfside staff pick contractors for all projects under \$20,000. Any cost over \$20,000 is the threshold in which three written competitive bids are required. Robinson had consulted Sam Jacobs who stated it's a good idea but not a requirement of Surfside. However, the consensus is that this list will be helpful because there are not many contractors on the Peninsula to choose from.

BOWEN MOVED TO APPROVE THE SMALL WORKS ROSTER POLICY WITH ADJUSTMENT TO THE SECOND LINE WHICH SHOULD SAY "ALL PROJECTS UNDER \$20,000." WILLIAMS SECONDED. MOTION PASSED UNANIMOUS 8-0.

#### **Newsletter Policy Revision**

Robinson presented a draft of changes to the Newsletter Board Policy, which proposes to reduce the number of yearly Newsletter publications from four to two. Robinson had met with the CRC co-chairs in response to a suggestion for changing the publication of the Surf-Insider Newsletter from quarterly to every six months for the reasons that it is costly to publish and it is difficult to get enough information to publish the a relevant newsletter four times per year. The number of publications will be left up to the General Manager, pending sufficient available information to be included; however, it was established that there be a minimum publication two times a year.

The Board requested that clamming tide info should regularly be put in the Weekender.

#### **Communications/Meetings and Contacts:**

#### **Staff & Committee Reports:**

#### **Water/Field Services Manager Report:**

Water main failures, water meters in front of houses, the water flushing program and water replacement status were briefly discussed. Murrell discussed safety issues of water boxes sticking up and putting protection around them. The board agreed to purchase the equipment as soon as possible and the projected arrival of the equipment will be in approximately three weeks. Haskin will obtain the aforementioned warranty on the new equipment purchase.

The two looping projects at 306<sup>th</sup> & 311<sup>th</sup> are complete and functional. Fire flow capacity is now increased to an average of approximately 12%.

### **Architectural Committee Report:**

Surfside houses/property for sale, etc. will be done quarterly rather than monthly. The next report will be in June.

### **Community Relations Committee Report:**

In response to an inquiry to the CR Committee on the possibility of having a community garden on Surfside owned land, it was found that there was not land available given well site property and lack of available water service to Surfside-owned lots. It was determined that this type of project should probably be directed to the Land and Buildings Committee rather than the CR Committee. Water could be made available to a community garden by the water department if a satisfactory site is found. It was recommended that a committee be formed to research the availability of land for community gardens by those who would be interested in orchestrating the operation and determining issues such as how much square feet that individuals could use for gardening. The garden should be on a lot that does not border well site, the canal or the lakes due to pesticides and fertilizer that might be used. The article in the Weekender asked for people who are interested to call the office and these people will be asked to see if anyone is interested in chairing such a committee.

### **Tree, Brush, & noxious Weed Sub-Committee Report:**

The clean up effort last Saturday was a very good and successful project. Some discussion involved the proposal of the purchase of a heavy-duty chipper is at the cost of approximately \$5,000. However, some Board members stated that the expense of cleaning up individual properties is a homeowner's responsibility and not a Surfside responsibility.

### **Grievance Committee Report:**

A home on G Street is being advertised as a vacation rental, which is a violation of the Restrictive Covenants, however this has been addressed by the compliance officer.

**Treasurer's Report:**

Surfside's financial position has been approved by about 6% since this time last month. We are still at 14.24% uncollected, which is a bit behind last year at the same time but this is expected since this year we have more people on the payment schedule. The payment schedule allows payments to the end of June.

**Financial motions:**

Bowen moved to adopt all financial motions as submitted in their entirety.

Hanson questioned the \$21,395.88 to HD Fowler and this will be explained following some accounting procedural studies. All employee hours used in water main breakage \$9,800 was transferred and charged to the special assessment. The additional half time, for overtime, was charged to regular operational costs.

BOWEN MOVED TO APPROVE THE FOUR FINANCIAL MOTIONS IN THE BOARD PACKET. WILLIAMS SECONDED. MOTION PASSED 7-0, WITH RICHMOND ABSTAINING.

**Land and Buildings Committee Report:**

Discussion occurred of the need for warehouse/office and file storage to meet present and future needs. Additionally, storage space to store the new equipment was also discussed and it was determined that there is space to store the new equipment within the existing Water Warehouse building. The back part of the warehouse needs to be cleaned and shelves will be installed to help organize everything which is currently sitting on the floor. In the Oceanside Pump House Building, some boxes, etc. have been damaged by recent flooding and must be thrown out. Much of the records saved do not need to be retained permanently so can also be thrown out. Robinson and Ginger Byrd will be assessing the files currently in storage for retention and disposal.

The stairway on J Place has been fixed by tightening up the handrail and hopefully this will solve the issue. Liability issues were discussed as this easement is located on Surfside property.

**Fish & Waterway Management Report:**

No report was sent in. Bass are expected to go in the waterways in June. Fishing season in Surfside waterways is still expected to open April 25, 2009.

**Emergency Management Committee Report:**

Inactive at this point, as the chair resigned, but this committee is expected to be formed in the coming month.



**Safety Program Report:**

Safety while at work in Surfside is part of the focus of the year's goals and great strides are being made. Safety videos are viewed on a regular basis at the monthly staff meetings.

MURRELL MOVED TO ACCEPT COMMITTEE REPORTS. NELSON SECONDED. MOTION PASSED. 8-0.

**Generator cover construction project:**

Richmond recused herself from this discussion. Four different bids were received. Lowest bid had two exclusions, the stand-still roof jack (exhaust system stainless steel ) chimney cap and the painting of this cap. However, the bidder was called and this will be included in the bid.

BOWEN MOVED TO APPROVE THE BID BY DPR BUILDERS IN THE AMOUNT NOT TO EXCEED \$4,052.28 WHICH WOULD INCLUDE TAX AND THAT SURFSIDE BUYS THE EXHAUST STACK WHICH WILL BE INSTALLED BY DPR. HANSON SECONDED. MOTION CARRIED 7-0, MURRELL ABSTAINED

**Floor Comments:**

George Miller commented on the decision of constructing covers for the sanicans and not wanting to wait till next board meeting and hopes to get this done faster. Board thinks this can all be accomplished by Memorial Day. Restrooms should be closed unless cabana is reserved by members.

Miller also stated that the perception of members is important and choosing to purchase the Bobcat versus the Caterpillar could be viewed as cutting corners and does not show a commitment to change the focus of the Board to maintain Surfside property better than in the past. Perceptions versus cost are the issue and the Board stated that purchasing the Bobcat in their view showed the balance between commitments to maintenance versus responsible disbursement of Surfside funds.

GABRIELSON MOVED TO ADJOURN THE MEETING AT 12:15 PM. MURRELL SECONDED. MOTION PASSED 8-0.

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Jim Flood, President to the Board

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Grant Murrell, Exec. Committee Secretary

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Dinah McCreddie, Recording Secretary