

Board of Trustees Monthly Meeting
Saturday July 31, 2021 @ 10am

To join this meeting click <https://zoom.us/j/92357548608> or call 1-253-215-8782 Meeting ID 923 5754 8608#

MEMBERS - TO SPEAK AT THE END OF THE BOARD OF TRUSTEES MEETING, PLEASE USE THE SIGN IN SHEET PRIOR TO THE START OF THE MEETING – FOR ZOOM PARTICIPANTS, PLEASE RAISE YOUR HAND

AGENDA

Call Meeting to Order: Jan Nelson, President 10:00 a.m.

In Attendance: Jan Nelson (via zoom) - George Stewart, Gil Lamb, Lincoln Mettler, present - Greg Kepner (absent)

Approval of Minutes: May 22, 2021 BOT meeting minutes, June 26, 2021 BOT Meeting minutes, and June 19, 2021 Special Member Meeting Minutes Motion to approve- Jan Nelson, passed unanimously.

BOT OPENING REMARKS

1. Resignation of Gretchen Sziebert, BOT Secretary
2. Appointed Board Members: Lincoln Mettler, BOT Treasurer; Gil Lamb, BOT Secretary
3. Review of upcoming Annual Membership Meeting and BOT Elections – September 25, 2021
Believe meeting starts early. Budget Ratification meeting starts at 9:30am. Annual Membership Meeting starts at 10:00AM. Elections then adjourn, come back for Annual Meeting.
4. Call for Candidates for Election to the Board of Trustees Jan - Memo went out – please submit one page bio w/picture. Deadline August 13 @ 4:00pm.
5. Annual Member Picnic at the Lakeshore Restaurant – PROPOSED DATE: Saturday August 28th @ 12pm (immediately following the monthly Board of Trustees Meeting) Nicola - date confirmed, time will be decided soon and then the membership will invited via mail, email, etc. Jan asks for a Post Card mailing separate from Annual Mailing.
6. RCC Policy Review update Jan – The BOT should be reviewing policies each year. This board walked into the issue that many policies had not been presented to the BOT for the last couple of years. Things were happening with BOT and/or Staff, operating off either incorrect/inconsistent policies or policies that were not readily available for all to follow. This has been one of the biggest issues for the current BOT – trying to understand what is are actual correct policies. Where do we start with our CC&Rs, Articles of Incorporation – dates that the membership approved them so we can verify we were working from the correctly approved documents. BOT has been working to find he correct Site Development Plan –BOT believes that it was 2007 version but still need to ensure its validity to show membership that it is the actual correct version. Inadvertently or unknowingly BOTs and/or Staff have made changes to the Site Development Plan – and the only people who can rightly change these documents is the membership – it must be voted on and passed by 51% of the membership. As all of this is put back together for membership – it will be clear, organized and they can be confident that the right documents and information being used is membership-approved.
 - a. Baseline CCR’s & dates of member approval Jan - Bylaws do not require the 51% majority – goes with a quorum.
 - b. Associate Member Applications Jan – still reviewing these policies, some of these have gone back many years. This BOT is working on the Associate Member Packet to get things set up properly to be fair to Riviera Members and anyone that is approved meets the appropriately set requirements.
 - c. Hardship Refunds Jan - BOT recognizes that there is a need to have a policy in place for Hardship Refunds.

d. Forestry **Jan** - The BOT is reviewing this policy -it has similar issues of the Site Development Plan – BOT is working to identify the correct documents and information – the way it was approved by the membership. **Tom McCarthy (08/081)** Is the 2007 version of Site Development Plan on the website? **Jan** – No. When the actual correct version is identified, it will be posted. How many BOT positions will be voted on in the upcoming election? **Jan** – in accordance with the RCC Covenants only three positions can be voted on at the yearly election. More info on this to come in August.

Erin Cooper (15/018) Article iv Section 4.04 – how does this fit in with only three positions being voted on in the next election? **Lincoln/George** – we are consulting with attorney to ensure we are doing what is allowed within the covenants/bylaws.

7. Action Item Log update **Jan** – In addition to carryover we’re getting into Annual Membership – a lot being worked on behind the scenes and will be sent out to membership when finalized. The membership will benefit from this log – allowing membership to know what’s happening day today, month to month, etc.

8. Review results of 2019/20 Annual Financial Audit **Jan** – Favorable results in all areas. Did make money. RCC is a non-profit organization. Goal is to only take in what is needed – not to have excess revenue. But due to Covid-19, a lot of things didn’t happen – in March 2020 everything just shut down. Because of this, all the money that would normally be spent – was not. And at the end of the year, we did end up with excess funds and had to pay tax. As the end of this year approaches the BOT is trying to identify the numbers – as some things resumed but not all – not totally business as usual. Goal is to break even. **Jan** thank you to Nicola, who came on in the middle of the year, for taking the time and effort to learn the system and all that takes place – all the different the aspects of the RCC – lakes, parks, campground, marina, restaurant, etc. Thank you to Nicola’s team as well.

Malia Denis (08/014) With unexpected excess funds from this year, does the money get put in reserve, tax free? So, we may use it later if needed? **Jan** – Yes, there are reserve funds, emergency fund, etc. At the end of the year, these excess funds will be managed to best suit the needs of the organization. Good question, thank you.

Colleen Hines (08/122) When was the last reserve study done? There must be annual donation to your reserve fund. With the huge amount of infrastructure of the water dept. and the \$30,000,000? **Jan** – RCC is due for a public reserve study to check against our in-house study. We have a full in-house reserve program and process in place. But will be reviewed a.s.a.p., this fall for the next fiscal year. We do have a full reserve study that takes things out to 60 years.

Motion - The BOT is committing every year until 2030-32 when the main water main replacement system -in small increments adding to the water capital budget so that it’s being paid for a little by year by members. By starting now, the fund will help with a shortfall in the future. 5% has been pledged in addition every year that will bring us to a point when we get there that we will have sufficient funds. The advantage in doing this is we will have the ability to apply for grants – as many as we can and will be able to fund that.

COMMITTEE REPORTS:

1. ACC Committee (Jan Nelson, Acting Chairperson) **Jan** - The ACC are working hard to streamline policies and procedures for membership – example: Site Development package that is whole and clear for all parties to have all the information - same every time. Every aspect of Site Development will be included. Not there just yet.

Recommendation to BOT of new committee member – Annie Tustison

Call for additional volunteers still needed

2. Compliance Committee (Arthur Willetts, Chair / Joanne Mettler, Co-Chair) **Arthur** – no quorum so meeting did not happen this month. The committee is still out and about, keeping in touch with members, staff, BOT and Management. Looking forward to new members.

Recommendation to BOT of new committee members did not happen because there was no meeting – Rob Steele and Robert Patterson

Call for additional volunteers still needed

3. ACC-Forestry Committee (George Stewart, BOT Representative to the Committee) **George** – We did not have a quorum last week, so no meeting was held.

Call for additional volunteers still needed

4. Budget/Finance Committee **Jan** – Nicola and Finance committee met – thank you. Thank you, **Bill Quinn** for your commitment to the Riviera and time spent on the budget - it is much appreciated. The capital water plan is going up 5%.

Update on current status of 2021/22 Budget

BUDGET TOWN HALL MEETING Tuesday August 10th @ 6pm in Martha Smith Room – will be broadcast.

5. Golf & Greens Committee (Brian Bolton, Committee Chair)

Nicola - Meeting held June 30, 2021 in the Marth Smith Room then committee walked the golf course, talked with Trevor (Golf/Grounds Superintendent.) Some new signs are coming that should help clear up some of the confusion for non-golfers (dog-walkers/runners, etc.) and golf course safety. **Jan** – Would like to remind the membership that golfers with golf carts are the only ones who pay (yearly) for the golf cart path maintenance within the course. The cost for the path maintenance is in no way paid for by general membership.

6. Member Relations Committee (Jan Nelson, Committee Chair)

Jan - Meeting held July 20, 2021 – “Lessons Learned” about communication with membership and next steps: Survey of Membership. The most critical part is getting the word out to ALL membership and not just a few here and there – such as social media platforms. **Tom McCarthy (08/081)** - Feels that survey should wait for the new BOT, those who would be enacting policy. When will the survey be sent out? **Jan** – the survey is not BOT specific and will be sent out a.s.a.p.

CONSENT AGENDA: **Jan** turns these over to Gil Lamb to read. **Nicola** makes a small change (typos) MOTION 2021-07-01 should read 2021-07-11, MOTION 2021-07-02 should read 2021-07-12. **Jan** was asked by a member to be more consistent in noting the status of the motions, as a part of the process. **Nicola** – it will be there in the minutes. **George** states that these motions have already been passed due to the urgency of filling the two vacated positions. **Nicola** states that George should be the one to read based on that he made the motions.

1. MOTION 2021-07-01: Motion to appoint Gil Lamb to the Riviera Board of Trustees, effective July 23, 2021. Motion made by George Stewart, Second Jan Nelson. **Motion carried.**
2. MOTION 2021-07-02: Motion to appoint John Lincoln Mettler to the Riviera Board of Trustees, effective July 23, 2021. Motion made by George Stewart, Second Jan Nelson. **Motion carried.**
Tom McCarthy asks was this done in a special BOT meeting or email vote? **Jan** – Special Board Meeting called three days in advance.

NEW BUSINESS:

1. MOTION 2021-07-03: to accept the results of the 2019/20 annual audit performed by Clarke Whitney. Motion made by Gil Lamb, second by George Stewart. **Motion carried.** **Jan** – we have a great relationship with Clarke Whitney, and they did a great job again this year. We have new person on budget/finance committee.
2. MOTION 2021-07-04: to appoint Annie Tustison to the Riviera ACC Committee. **Motion made by Gil Lamb, second by George Stewart. Motion carried.**
3. MOTION 2021-07-05: to appoint Rob Steele and Robert Patterson to the Riviera Compliance Committee. **Gil Lamb states this motion was tabled – more discussion needed.**
4. MOTION 2021-07-06: to appoint David Wolfe as Election Chair for the 2021 Annual Member Meeting **Motion made by Gil Lamb, second by George Stewart. Motion carried.** **George** – David has been the Committee chair for a number of these meetings and always done a great job – very accurate.
5. MOTION 2021-07-07: to appoint the following Riviera Members to the 2021 Election Committee for the Annual Member Meeting: **Murry Stewart, JoAnn Mettler, and Arthur Willets.** Objections heard from members in attendance. **Jan** states that this is a BOT function so unclear even what the objections are for or to. **Jan** allows discussion. **Erin Cooper (15/018)** – reason for my objection is that according to Bylaws Article VI Section.03 -Members nominated to a committee cannot be immediate family members of Trustees. There are two members on this committee that are related to Trustees. **JoAnn Mettler** speaks up to say she put her name forward prior to **Lincoln Mettler** (husband) became Trustee member. Is not clear on rules – but is willing to step down. **Jan** strikes **JoAnn**

Mettler and **Murry Stewart** from the list. **Tom McCarthy** states that David Wolfe has done many elections and always has chosen his own Election Committee, the bylaws specifically allow the BOT to appoint an Election Chair and delegate the choosing of the committee members. **Jan** states if BOT chooses. **George** states the BOT still must approve the committee members. **Tom** recommends talking to David Wolfe for specifics. Jan replies that the BOT has discussed this with David and has his resources. **Gil Lamb** states that it has been customary for discussion at the BOT meetings of sub-committee members. We will review this policy. **Colleen Hines** (sec/lot#) speaks up to say she sent an email three weeks ago to volunteer for Election Committee and has had no reply. **Nicola** asks **Colleen** to resend email.

(Amended) MOTION 2021-07-07: to appoint the following Riviera Members to the 2021 Election Committee for the Annual Member Meeting: **Arthur Willetts** – Motion made by **Gil Lamb**, second by **Lincoln Mettler**. Motion carried. **Arthur** is approved.

6. MOTION 2021-07-08: to set the 2021 Annual Member Picnic for August 28th at 12pm at the Lakeshore Restaurant Motion made by **Gil Lamb**, second by **Lincoln Mettler**. Motion is carried.
7. MOTION 2021-07-09: to set the date of August 10th at 6pm for a Budget Town Hall for members. Motion made by **Gil Lamb**, second by **Lincoln Mettler**. This Town Hall is for members to communicate with the BOT and the budget will be presented at the meeting. Motion carried.
8. MOTION 2021-07-10: to approve Riviera Lot Line Vacate for Sec/Lot# 17/236 & 237 (Haglund) Motion made by **Gil Lamb**, second by **Lincoln Mettler**. Motion carried.
9. MOTION 2021-07-11: to approve Riviera Board of Trustees commitment to increase Water Reserve Budget by an additional 5% per year. This percentage may be adjusted if significant changes in timing if work/projects occur based on a future BOT decision. Motion made by **Gil Lamb**, second by **Lincoln Mettler**. Motion carried.

FYI - **Jan** states that for all the new members within the Riviera that it is imperative that they learn their sec/lot# as that is how you are identified as a Riviera Member.

Added: Motion 2021-07-12: I **Gil Lamb** moves to appoint as parliamentarian **Paul MC()** for the annual meeting Sept 25, 2021, in accordance with Riviera bylaws. Second by **Lincoln Mettler**. Motion carried. Some discussion regarding cost of parliamentarian – **Jan/Gil** respond that don't have cost, but it is reasonable regarding an expert in their field. **Tom McCarthy** speaks up that it would be prudent to have our own parliamentarian and **Jan** agrees but would need to research the bylaws.

GENERAL MANAGER'S REPORT: Nicola McDonald, General Manager

- a. Water Department Update Forest fire mitigation at grade 7 – hydrant maintenance – meter repairs, leak reduced water loss by 1.6 million gallons a month since April. Leak detection equipment and system maintenance. That puts us at under 10% loss which is what the state requires. June pumped 5.1 million gallons. **Russ Rodocker**, Water Superintendent, asked membership to keep a look out for water on or in the roadways – if you see something suspicious, please contact the water dept immediately.
- b. Golf Course Update Golf course is well and busy. Golf shop is a little over \$7,000 – higher than projected in revenues and almost \$14,000 under in expenses.
- c. Restaurant Update Struggling due to being under-staffed – need servers over age 21. Excessively under labor budget – numerous reasons – some due to streamlined scheduling and how it's running, and some because under-staffed. Online ordering has been cut down 3pm-5pm when opened at 3:00pm, noon-5 when opened at 11:00am. There is just not enough staff in the kitchen to warrant the online ordering because there are more in-dining customers.
 - i. Receipt of additional \$10,000 covid relief grant from Pierce County

- ii. New schedule of events is available – more to be added soon Live music, karaoke, comedian, Halloween party – check out the schedule, more and more all the time. Looking to fill out schedule for activities.
- iii. Restaurant still looking for additional staff – especially kitchen help and servers aged 21 and older.
- d. Junior Golf Tournament Results – July 25th, 2021 **From tournament Chairs** – The annual Junior Golf Tournament was held – 10 participants ranging in age 6-16. Thanks to the generous support of the Riviera, we were able to offer this opportunity at no cost to the participants. The last year has been a struggle for all and it was a great day to see the smiling faces of the junior participants and their parents. We had 12 volunteers who worked with the participants and made certain that all experienced an enjoyable day on the course. Everybody had a great time, and we look forward to doing this again next year. Thank you to the Riviera Membership. **Jan** – special thanks to Murry Stewart for taking pictures – the participants went home with a picture, had lunch. It was a great day – it took a whole lot of volunteers to pull this off. It’s the last Sunday in July, every year.
- e. Bocce Ball Courts – location TBD by BOT Approved in a prior year’s budget – looking at possible locations – more information to present to the BOT, so that they can decide soon. Hoping to get that Capital reserve project completed this year but if not, it will carry over to next year.
Gil Lamb speaks up that the restaurant needs a/c in the kitchen and has had to close because it was just too hot in the kitchen. What efforts are being made to get bids for this? **Nicola** – yes - we are actively looking into fixing this issue immediately.

OLD BUSINESS:

1. Marina Ramp replacement – Waiting on final permit approval – Army Core of Engineers
2. TOPS accounting software upgrade – IN PROCESS - Hoping to have this finalized starting October
3. Riviera staffing update – Community Dev & Compliance Manager – IN PROCESS

Added: Drain replacement at Interlachen between the lakes across the road on Mathews. This project was scheduled for last year but has put this off – on hold until Pierce County is ready. Current dates are August 16th – 25th, 2021

MEMBER COMMENTS

Each member may identify at start of meeting as wishing to speak at end of meeting on any subject. Time limit previously established at 3 minutes each.

EXECUTIVE SESSION (as needed):

Motion to adjourn and call for Executive Session under RCW 64.38 at a time and date to be determined for the purpose of discussion personnel matters; consulting with legal counsel and 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.

MOTION TO ADJOURN by Jan, second by George, passed unanimously. Time not stated.