

RIVIERA COMMUNITY CLUB  
Monthly Meeting Agenda  
11016 Country Club Dr.  
Anderson Island, WA 98303  
Zoom Meeting



BOARD OF TRUSTEE MEMBERS  
Dana Stirn, President  
Peter Anderle, Vice President  
Jerry Hines, Secretary  
Bill Quinn, Treasurer  
Therese Pasquier, Trustee

**Board of Trustees**  
**Monthly Meeting Minutes**  
**Saturday August 27, 2022, at 10am**

To join this meeting click <https://us06web.zoom.us/j/83018503239> or call 253-215-8782 Meeting ID 830 1850 3239#

**AGENDA**

Call Meeting to Order: Dana Stirn, President Meeting will come to order at 10:00 am.

Roll Call: Present – Dana Stirn, Peter Anderle, Bill Quinn, Therese Pasquier, and Jerry Hines via ZOOM

Review of the Riviera Community Club Mission Statement *Provide an environment for a quality of life for our members through excellent membership services and communications. Creating member value by listening to and understanding the concerns of the community. Safeguarding the proper use of community funds, the quality of all member-owned building and grounds, and the impartial enforcement of the governing documents and covenants.*

**APPROVAL OF THE AGENDA**

Add Motion 08-07 - approval of lot line vacation for Jerry & Kara Kamel 17/66 & 82

Add Motion 08-08 appointing Gregg Bergstrom, Steve Evans, Susan Hatch, Laurie Keele, Murry Stewart, Gretchen Sziebert and Arthur Willetts to the Election Committee

**REPORTS OF OFFICERS** President - our focus this month has been finalizing the process for auctioning off Riviera-owned properties, the General Manager hiring process, security and the 2022-23 budget.

Regarding the Riviera-owned properties, these have come into the organization's possession through the foreclosure process. Between non-paid assessments and capital investment allocations, taxes, liens, attorney fees, the six properties have accumulated approximately \$65,000 in bad debt, which we are seeking to recover through the sale of these properties.

Notification will go out to members with the lot information and sales price at the current tax-assessed value. Members will have 30 days from the date of the letter to submit their offers upon which date, the 30<sup>th</sup> day, we will review. If there are any lots unsold after the exclusive "member window" we will re-evaluate the sales price as values are typically higher before extending the sales opportunity to the general public.

**REPORTS OF COMMITTEES**

1. ACC Committee, Murry Stewart, Chair A total of 9 new site developments were issued in the last 2 meetings, and more than a dozen other permits for smaller projects were either started or closed with deposits refunded. I'd like to take a moment to acknowledge the dedicated volunteers on this committee and say thank you!

I also want to remind everyone that our ACC permitting process is meant to help members, so please reach out to the Riviera office, or go to our website at [Rivieraclub.org](http://Rivieraclub.org) for helpful resources. The committee meets on the 1<sup>st</sup> and 3<sup>rd</sup> Wednesday of every month, and the deadline for submissions to the agenda is the Friday before

each meeting, by the end of the day. And if you or any one you know have any questions about building projects in the Riv, or even volunteering for the committee, again please don't hesitate to reach out to the Riviera office.

Rick Cole is stepping down from the committee and his hard work and positive attitude will be missed, thanks Rick! We're pleased to announce that Tina Cole, Rick's wife, is joining the committee, keeping our number of volunteers at 4. That said, there's room for one more volunteer and we'd love to have you! It's a great way to stay active and be involved in our community!

**2. Compliance Committee, Joanne Mettler, Chair** The compliance committee meets the 3<sup>rd</sup> Tuesday of the month - welcomed a new volunteer member, which is great. The committee has been refining what are the top priorities, things that need to be put to the top of the list in terms of things that keep our Riviera looking beautiful and things having to do with our amenities – docks, RVs parked on streets rather than on properties. Reminder to read the Covenants & Bylaws because this is what we look at to see how things are looking. Overall, obviously our island is beautiful as is the Riviera.

**3. ACC-Forestry Committee, Dana Stirn on behalf of Steve Evans, Chair** This past month the Forestry committee helped about half a dozen members start permits to remove trees and approved final inspection for another handful of projects. If you have any trees that may be dead, diseased, damaged, or dangerous, please reach out to Dan Morgan in the office and he will help! Overall, members are doing a great job working with the committee, and we really appreciate that!

**4. Budget/Finance Committee, Phil Ronning, BOT Committee Liaison Bill Quinn** – Every three years there is a new contract with the Union for our employees, not including the restaurant staff and GM. This payroll increase is reflected in the budget increase for next year. The other cost increases were specifically allocated to operating costs. Inflation – in fuel, materials, and supplies. These cost increases, per lot, amount to \$52.67 for Riviera Common Area expenses and for the Water operating account an increase of \$15.43. The fire flow common area usage increased \$10 from \$70 to \$80. This reflects the loss of our Antenna fee contract that expired. The company did not renew. The lost contract revenue was \$30,000, hence the \$10 increase. Capital non-water increase is \$5.75. This has not gone up since 2013/2014. There are a lot of projects coming up – replacement of floating docks on lakes, and the marina docks. The restaurant has foundation issues, and the current Capital budget has \$10,000 in it to be used for an engineering study. Water capital increased \$10.75. This is the annual 5.95% increase to cover the cost of the Water main project that is estimated to cost 30 million dollars over 40 years to complete. Total increase for 2022-2023 budget is \$95.86 for developed lot and \$80.43 for an un-developed. The 2<sup>nd</sup> page of the handout is a summary of the total revenue we expect to receive and the related total expenses. The next page is entitled “What it costs to run the Riv” – This is an analysis of the individual operating department's net cost. Net cost is the cost of operating the department, minus any offsetting revenue. The restaurant is budgeted to have a net cost of \$3,675 or .25% of total amount of the members assessment of \$1,484,000 – that's \$1.16 per/lot which is a decrease \$4.42 from last year. The restaurant has been working hard on getting prices in line, there always be payroll issues but we feel like we've made progress there. Golf & Greens net cost is \$176,123 and maintaining the grounds is budgeted to be \$554,350. Administration is \$510,100 and Taxes, Insurance and Legal is budgeted for \$200,500. Bad debt we assume is a net \$40,000. The total net cost to run the Riv is \$1,484,748. This represents a cost per lot of \$468.97. Last year it was \$416.30, an increase of \$52.67. Budgets for Non-water and Water capital accounts: Non-water capital reserve budget provides for spending new monies of \$191,495. Two substantial parts are a rough-mower and a greens-mower. These both have gone beyond their useful life – thanks to John Cammon who maintains these and has kept them going as long as they have. They need to be replaced. If we can get this done this year, we would be saving tens of thousands of dollars by not having to wait another year to purchase them. There is also \$25,000 allocated for the Marina Ramp. The total of \$191,495 is in addition to a new item that we thought appropriate to provide the membership with now and it is a carryover item. Every year we have a budget but sometimes we don't spend the money but that doesn't mean we're not going to spend the money. To keep track of these carryover items, we have the Non-water Capital approved but not spent document. These items have been previously budgeted for, but we haven't spent the money yet. Most of which is Marina/Campground. Over the last three-four years, we've been allocating 50k, 75k, 75k for the marina ramp but we haven't spent the money yet. This is due to all the permits/planning for the ramp replacement. The total of all these budgeted, but unspent items is \$244,350. Adding this amount to the previous \$191,495 equals a total spending of \$435,845 for next year on Non-water capital expenditures.

We estimate that with the money we have at the end of this year, plus the anticipated contributions from the budget we're just approving, that we will have \$487,000 available to us. Providing a cushion of about \$50,000. Water Capital Budget: Two items, one is the replacement of the main water pipes on a portion of Country Club road in the amount of \$280,000 – this is a start to the \$30 million-dollar main project. The other is tank inspection – on our water tanks budgeted for \$18,000. We are proposing to spend \$298,000 for the water dept next year. Cash balance and investments we currently have total approximately \$3,400,000 – expecting member assessments of \$606,000 so almost \$4,000,000 available giving us balance of \$3,700,000 after proposed expenditures. Budget documents are posted at [rivieraclub.org](http://rivieraclub.org). or available from the office.

**5. Short Term Rental Committee, Peter Anderle, BOT Committee Liaison** Bryan Schmidt, Vice-Chair, reported. This committee has met over the past months, looking at the issue of impacts on the quality of life here in the Riviera. What are the things that can be done about that and where to go from here. At our last meeting, we worked as a group and created a document with our findings and recommendations to the BOT and membership. We had a lot of differing perspectives in this group, so we stepped back to think about the big picture look of the impacts of STRs in the Riviera Community. Bryan states that he is a STR owner here in the Riv – in the committee there were two STR owners, two that used to be and then a couple who were just very interested in the topic.

We all felt that when looking at this, what are the impacts? In his view there are three categories (buckets) that STRs affect the membership. 1) Nuisance – overcrowding, loud parties past 10pm-during quiet hours, parking, etc. 2) Overuse of amenities – people who are here for only a short time are far more likely to access the parks and the like. 3) General – How many are there? Is this something that is growing, and do we have a grip on what impact this might have on the membership and community at large – property values, quality of life, etc. There isn't one solution that fixes all three things at one time. We all felt strongly that something needs to be done – some sort of regulation process. There are limits to what can be done based on the rules that currently exist. We spent a lot of time looking at the Covenants, Pierce County (PC) Code, WA State Code. Of the rules that exist, which apply and what can we do with them?

Nuisances– there a lot of existing rules that are just not necessarily being applied. PC has a section in the code for STR operating in the county and some of the regulations that they have. There are several, that we know for a fact there are STRs in the Riviera that are not within PC code. If they were compliant in the code, some of these issues would be taken care of – like overcrowding issues, limiting # of people/beds in homes. We talked a lot about education of the STR owners, renters, and surrounding neighbors. We've had confirmation with PC that they would be more than happy to help us with this, and this is a which is a tool that we can use. A big part of what we've done, and Jessica (from the office) has helped us a lot with this – some brochures for STR owners and renters – here are what the rules are from the standpoint of both PC and The Riviera and that you're expected to follow. Along with these, we want to put together another brochure for surrounding neighbors with pertinent information on where and how to report issues. If you are seeing this issue, this is the number to call to report or file a complaint with PC or the Riviera if it's a Covenant/Compliance issue. Contacts for the various STR organizations, AirBnB, VRBO so you can report this STR owner on their site.

Overuse of amenities – We feel that an STR should be registered with the Riviera. Along with that, there should be a significant fee. The fee can go towards amenities. We feel this would be an easy thing to be in compliance with. Part of the fee and bringing renters in, could go a long way with the education part.

Limit # of STRs in the Riviera – There are STR owners, like me, who want and intend to move here full-time and be a part of the community and rent their house for a little income when not here. We don't want the place over-run with this, we want the quality of life here – it is important. There is a percentage of STR owners that fit into this, are engaged in the community, and responsive. But there is another percentage of the STR owners that we don't want here. They never come to the island – buying here as a real estate investment, trying to fill their houses with as many as they can and don't necessarily care about the community – they only care about the money. That is something in our community we would want to actively discourage. This is where the nuisance rentals are coming from. Having STRs as a service, as family members come, weddings, etc. is great but as long as it's not a nuisance. We got the feeling that the absentee STR owners are the greater source of the nuisances.

We felt the best place to start is to engage with PC. They have a code for STRs – already in place. When it was initially proposed, there was a section that said – in order to operate a STR in PC, it had to be owner occupied 90 days/year. It was taken out when approved. We felt the long-term solution to managing STRs on the island as a whole and especially in the Riviera is getting that put back in. This would require change to PC laws and/or Riviera Covenants.

What can we do with what we have? What would we want if we could get it? And how does this affect the quality of life as a whole? Here are our recommendations to the BOT:

- Owners of STRs are required to register with and comply with PC regulations.
- Owners of STRs are required to register with the Riviera. This would help owners understand the rules, how to be good neighbors and help us monitor, enforce compliance, etc. When they register with us, they must show they are registered with PC.
- Language in the Covenants that refer to rentals being more long term and not short term. Look at our policy for some of how this is done, more on just an operational level, i.e., owner's transfer of rentals, etc.
- Create a fee specific to operating an STR in the Riviera that acknowledges the impact, office staff's time and use of amenities. Significant fee.
- Brochures to STR owners, renters, and another for neighbors. Educating everyone what the rules are and how to report if rules are not being followed.
- We want to work with PC code enforcement – anyone not registered with them or not in compliance.
- Establish enforcement procedures up to and including fines for people operating STRs that are not being good neighbors and reducing the quality of life in the Riviera. This is a process that needs to be written down, absolutely.

The two big picture items: 1) Would be prudent to amend the CC&Rs – Adding a section for STRs and how the Riviera would want to do that. 2) Look at the language left out in the PC code about owner/occupying in the home a certain number of days/year. It is recommended that we engage with the PC to get the occupancy requirement put back in place or get it put into our Covenants/Bylaws.

**6. Golf & Greens Committee, Pete Anderle, BOT Committee Liaison** The intent is to keep the course in playable, nice condition for everybody to enjoy. There is new signage on the path 'for golfers only' and 'pro shop.' Looked at tree removal, limb removal/trimming to make it more playable. We have shortage of staff right now. New cards for players. There has been an uptick in play over the summer. Annie has brought new food and beverage to the shop.

#### OLD BUSINESS (including essential motions approved between monthly board meetings):

1. **Motion 2022 08-01: Approval of July Board of Trustee Meeting Minutes, approved unanimously**
2. **General Manager Hiring Dana** – we did have a finalist interview with a candidate on Aug 10 – he met with the BOT, toured the Riv and got to meet staff. Ultimately, while he had some great qualities the Trustees didn't feel like he was the right mutual fit. There have been additional applicants since the last BOT meeting, one had a phone screening with a candidate who has an HOA certification, however, had no experience with amenities or managing teams of people, so did not move forward. Additionally, Phil Ronning has applied for the permanent position and will be interviewed per the process.
3. **Member & Guest Conduct Policy Dana** – There is continued discussions surrounding security along with the GM and what he has seen in the last couple of months. And started discussions with island organizations. The incidents that occur at our amenities are also happening with the parks dept, The Old Swimming hole is a perfect example. There have been multiple incidents over the summer. When we are proposing policy, we will give membership opportunities for feedback prior to any approval and implantation.
4. **Marina Ramp Replacement Dana** – We have pushed forward to 2023 our contract with Parametrix, the engineering firm.

#### NEW BUSINESS:

1. MOTION 2022 08-02: Motion to approve sale of RCC-owned lots for current tax-assessed value for membership to initially purchase [Therese moved, Bill seconded, passed unanimously](#)  
16/145 11014 Matthews Way, 18/056 9016 Davenport Rd, 12/015 12017 Sunset Place,  
23/286 10509 Vantage Drive, 22/012 8808 Otso Pt Rd, 23/162 12911 99<sup>th</sup> St Ct
2. MOTION 2022 08-03 Motion to approve Parametrix Professional Services Agreement for Community Boat Ramp Design at \$34,631.00  
[Therese moved, seconded by Pete, passed unanimously](#)
3. MOTION 2022 08-04: Motion to adopt 2022-23 budget for membership to vote upon  
[Therese moved, Bill seconded, passed unanimously](#)
4. MOTION 2022 08-05: Motion to appoint Tina Cole to the Architectural Control Committee  
[Therese moved, Pete seconded, passed unanimously](#)
5. MOTION 2022 08-06: Motion to adopt Compliance Committee Charter  
[Therese moved, Bill seconded, passed unanimously](#)
6. MOTION 22 08-07: Motion to approve lot combination for Jerry & Kara Kamel 17/66 & 82  
[Therese moved, Bill seconded, passed unanimously](#)
7. MOTION 22 08-08: Motion to appoint the following to the Election Committee: Greg Bergstrom, Steve Evans, Susan Hatch, Laurie Keele, Murry Stewart, Gretchen Sziebert, Arthur Willette  
[Therese moved, Bill seconded, passed unanimously](#)
8. Call for Election Committee Volunteers [Went out last week – had quick response, thank you volunteers!](#)

Member Picnic moved to coincide with Annual Member Meeting Member Picnic moved to coincide with Annual Member Meeting due to scheduling and will be at The Lakeshore.

#### GENERAL MANAGER'S REPORT

I would like to thank Bill for his astounding work on putting the budget together, it was a herculean effort because of the transition, and it consumed a lot of energy all around and we are anxious for member approval next month.

Next month is our Annual Member Meeting and the Annual Packet is being compiled and consumes an enormous amount of resources on the part of our staff upstairs and an enormous amount of paper. We ordered 10 cases of paper which we will go in producing these packets. One of the things we're working on is cleaning up and reconciling our record of assets, depreciation schedules, assets in our reserve study and assets which we insure

The financial results to date show us over budget by \$300k, \$240K due to the foreclosure process. We've invested a lot of money in securing deeds of lots from people who have not paid their dues and penalty fees associated with past dues. The six lots that we've secured have come about as a result of this expenditure of effort and legal fees. So, we are getting back a return on our investment. The value of getting the properties back is twofold – we get the cash from the sale but more importantly, we'll get a member contributing monthly/annually, their dues which is a critical part of our financial future.

Listening to Bryan report on the STR issue and the associated problems, I was thinking more trips for me or possibly Dan, when there's a problem with a noise complaint. I respond to complaints – recently a call about a dog at Interlachen park, The leashed dog was sleeping next to his owner on a blanket. But as the sign says "no dogs" I saw that the dog was escorted out of the park. I've also been delighted by the number of visitors I've met in the office discussing any number of issues. We are a homeowner's association, but we are also a community. We need to spend more time and effort developing us as a community, not just an association of homeowners. I don't know exactly what that process entails but it certainly entails listening to one another. I hope there is an opportunity to do more listening and I encourage you as homeowners, as lot owners, if you have issues or concerns about anything, please stop by because the more I know about you and what your needs and concerns are, the more I am able to respond and also to put together a network of caring community members.

## MEMBER COMMENTS

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

## 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 11:18am

MEETING MOTIONS  
BOARD OF TRUSTEES MEETING  
AUGUST 27, 2022 @ 10AM

MOTION 2022 08-01: Approval of July Board of Trustee Meeting Minutes, approved unanimously

MOTION 2022 08-02: Motion to approve sale of RCC-owned lots for current tax-assessed value for membership to initially purchase  
Therese moved, Bill seconded, passed unanimously

MOTION 2022 08-03 Motion to approve Parametrix Professional Services Agreement for Community Boat Ramp Design at \$34,631.00  
Therese moved, seconded by Pete, passed unanimously

MOTION 2022 08-04: Motion to adopt 2022-23 budget for membership to vote upon  
Therese moved, Bill seconded, passed unanimously

MOTION 2022 08-05: Motion to appoint Tina Cole to the Architectural Control Committee  
Therese moved, Pete seconded, passed unanimously

MOTION 2022 08-06: Motion to adopt Compliance Committee Charter  
Therese moved, Bill seconded, passed unanimously

MOTION 22 08-07: Motion to approve lot combination for Jerry & Kara Kamel 17/66 & 82  
Therese moved, Bill seconded, passed unanimously

MOTION 22 08-08: Motion to appoint the following to the Election Committee: Greg Bergstrom, Steve Evans, Susan Hatch, Laurie Keele, Murry Stewart, Gretchen Sziebert, Arthur Willette  
Therese moved, Bill seconded, passed unanimously