

**LEWES YACHT CLUB
BOARD MEETING
AUGUST 19, 2007**

Members present:

Bill Purnell	Jud Bennett	Don Bland	Jason Burris
Nick Carter	Peggy Kernehan	Connie Miller	Bill Miller
Dana Orton	Bob Petterson	John Sarik	Barbara Warnell
Ed Wyatt			

Members absent (explained):

Bob Edelen

Member absent (unexplained):

Bill Reardon

The meeting was called to order by Bill Purnell, Commodore at 10:03 a.m.

Minutes: The minutes were approved as presented (1st B. Miller, 2nd Bennett).

Treasurer's report (Bland): Total cash is \$75,000 more than 2006. A robbery took place on August 8. The safe and its contents were stolen for a \$3500 loss. Insurance will cover the loss after the \$1000 deductible. It is being investigated by the Lewes police. The Marina had a large fuel delivery on July 31. The fuel purchases have improved. The Pool guest fees have tripled over 2006. The aquacize has also increased. The Sailing is on budget. Some sailing checks were in the stolen safe but cannot be cashed. Individuals will be asked to rewrite the checks. The surplus pool pump was sold for \$3850. The interest earned is \$3000 over the projected \$16,000. The Money Market is earning 4.5%. The interest expense is even on the budget.

B. Purnell: LYC is ahead of the game for 2007.

D. Bland: September is a great month with many catered events.

House (A. Hastings): The summer is almost over. It has been a successful year and hopefully everyone will continue to come this fall. In September, Thursday night will be the Land and Sea...order your lobsters early! Friday nights will be the regular menus 5-9pm. Tuesday nights will continue the Pub night 5-8 pm.

Special events will include the Sept. 1 All day barbecue, Sept. 3 will be lunch only and the bar will close at 5 pm. The Annual Trophy Dinner will be Sunday, Sept. 9 at 6:00 pm and on Sept. 16 the Sept. Board meeting will be followed by Brunch 11:30-2:00.

In July, the Clubhouse dining room took in \$96,081.34 and banquets were up \$3328.45.

There was a robbery on Aug. 8 between 5 and 5:15 pm. Someone came into the club and stole the money from the gift shop, the safe and Adrienne's pocketbook. They rolled the safe out on the office chair and left the chair in the parking lot. There was approximately \$3000 in the safe and \$50-80 in the gift shop. There was also an undetermined amount of checks from the sailing school. The police were immediately called and are investigating. If anyone saw anything on August 8, please contact Adrienne or the Lewes police immediately.

There has been another incident of property being destroyed by children during the dinner hours. The ping pong table was damaged on Thursday, August 16. It will not be replaced.

Any information on the vandals should notify Adrienne or any board member.

B. Purnell: Anyone that sees anything that seems suspicious should report it immediately. LYC is OUR club and the robbery and vandalism is costing everyone. Parents MUST monitor their children. Any damage done by children is the parent's responsibility. The member list who was dining during the time period will be reviewed.

J. Bennett: How about the dart league, is it being controlled for non-member attendance?

B. Purnell: If it is a league event, the other league members are guests of the club; if there is a non-league event; non-members are individual guests with the usual 6 time limit.

E. Wyatt: This is the 2nd ping pong table broken. Children are not attended by parents. We have had 2 service calls for the elevator for blown circuits caused by children. The elevator had to be shut down. Parents should be responsible for the kids and costs incurred by damages.

J. Bennett: Parents are responsible for the kids.

Grounds: No report

Marina (D. Valeria): Dick Valeria presented drawings of design concepts for the marina. The representative of Anderson/Miller Company has had 3 site visits. The Marina Committee presented the rep with a "wish list" of elements.

1. Eliminate the dry boat storage and gain 40 more wet slips. This would involve rebuilding the bulkhead as it would be moved towards Cedar Ave. The bulkhead is still very good. If the dry storage is removed, this would be a problem
2. Add an additional float or fixed pier would give more slips (approx. 20). The Army Corp would need to approve the additional design that would go into the canal.
3. Repair what is now there without any increase in wet slips.

The committee is looking at the options to give to Anderson/Miller for cost estimates. Anderson/Miller will handle getting all permits which will take at least 1 year. After the plans are accepted then the process can be put into action. The design costs are usually 7-10% of the total costs.

B. Miller: How many slips are there now?

D. Valeria: There are now 65 and we could gain 20 or 40 depending on the plan.

B. Miller: Any sense of the costs?

D. Valeria: The costs will be determined when the committee presents the options. The plan with the additional 20 slips and maintaining the bulkhead could be approximately 1.5 million.

B. Miller: When was the bulkhead put in?

D. Valeria: 1997

N. Carter: The slips will be on the inside of the dogleg and the outside/inside of the gas dock.

J. Sarik: When LYC looked at this before and contacted the Army Corp, they said that the finger piers would be OK.

D. Valeria: The buffer zone is 10' from the center of the canal. The company must deal with the navigational issue if sand/slit goes into the canal.

B. Purnell: This was a great briefing. What is the committee's request at this time?

D. Valeria: Permission to go forward.

B. Purnell: There was \$12,000 allocated.

D. Valeria: The committee turned that money back as we did not need it.

Motion: The Marina Committee has the authority to proceed accordingly. 1st J. Bennett, 2nd J. Sarik; approved.

Pool (L. Carter): It has been a good season. The pool will close on Oct. 1. Short reports were given by the swim team coach and the pool manager.

J. Bennett: The pool will be opened at 6:30 a.m. after 8/22 but the pool will not be guarded at all times. Another act of vandalism occurred at the pool UNDER the WATER. A child wrote with a crayon on the plaster. Who lets their child take a crayon into the pool? The parents are responsible for the children.

L. Carter: The pool plaster is under warranty for 2 years. The step entering the pool is cracked and will be fixed.

B. Purnell: Another layer of sand will be put down before next year to fill in the pavers.

Thank you to Laurie, Jud, Melissa and Scott for a great season.

Sailing (C. Miller): The water aquacize class attendance is up. This was a transitional year for the sailing school. There were 442 lessons for 105 individuals. The Optis were introduced. Tuesday night sails were held for adults and children. Children have been sailing in the Sunday races. The turtle will be taken out this week. There are now 12 sunfish and 3 Optis.

D. Bland: The insurance will not cover any tubing therefore none can be allowed at any time.

Youth: No report.

Maintenance (E. Wyatt): The Workman's Compensation inspection was completed and LYC received the highest discount (18%). The ceiling in the men's upstairs bathroom fell down due to the anchors being attached to the sheetrock and coming loose. They have been re-anchored. The condensation pan in the upstairs bar has had a float installed, cleaned and the ceiling patched. The fire system had the routine inspection and passed.

The elevator has had 2 service calls due to kids misusing the elevator. A breaker for the pool heater was replaced. The taping in the dining room needs to be repaired again.

Security Systems were investigated. The weather resistant cameras will be installed inside and outside (12 total). The DVD burned will run 14 to 30 days. \$16,300 installed.

B. Warnell: There has been vandalism to the pool, ping pong table, and the elevator.

The kids must be watched by the parents.

J. Sarik: There was a ping pong table donated that was competition weight. Where is it?

D. Bland: I have no idea.

B. Purnell: The security cameras will help. They will show who is in the children's room, elevator and other areas at all times. When there has been a problem, we can then look at the DVD.

D. Valeria: Are they wireless?

B. Purnell: Yes.

E. Wyatt: There will be easy access for the camera wiring with the suspended ceiling.

C. Miller: Do we need 3 bids?

E. Wyatt: Seamans handles some of the security but there has been a problem with service and parts. The bid was from Delaware Electronic Systems.

B.Purnell: There are many companies that do camera security. Ed is tasked with making a proposal. An unmaintained system would be self contained.

E. Wyatt: Last month, I gave the numbers for unmaintained but the cameras are not as good in this weather conditions.

Motion: The Board will make a decision on a security plan at the October meeting. 1st. Bennett, 2nd C. Miller. Approved.

E. Wyatt: Dick Valeria will walk through the marina with Wyatt and the company rep and get costs that will include marina.

B. Petterson: What and how is it monitored?

E. Wyatt: Cameras and TV will need to be mounted. For the safe, we are looking into a drop box with the new safe.

D. Bland: The insurance will cover the replacement of the safe. The discount for the workman's comp is \$3600 per year.

D. Orton: Put a sign in the elevator: No one under 12 unless accompanied by an adult.

Sign on the door: Dry off before entering room. Sign: No one under 12 unsupervised.

N. Carter: Will we get a deduction for having a security system?

D. Bland: No, we are not having a burglar alarm.

Membership (B. Miller): Deposits from Membership activity since the July Board meeting have been \$1700. The Waiting List is now 209 names with 72 added since the beginning of this fiscal year. Four Active members have applied for Senior Membership (deadline is Sept. 1). The committee recommends that the current Active Membership be continued at the present limit of 575 for the coming year. The committee also discussed the suggested concept of a new form of "lifetime membership" whereby an LYC member could prepay their membership fees and thus be exempted from annual payments and changes in member fees for a designated period of time. The feeling of the committee was that this concept was fiscally unwise for LYC and that it would be difficult to administer. The committee recommended to the Finance Committee that it not be initiated.

Reminder: Legacy applicants must apply by midnight before their 30th birthday.

Finance (N. Carter): The Finance Committee met on Tuesday, Aug. 14 to review and finalize the 2008 budget and the Capital Improvement requests for the Capital Reserve Fund. Several items were discussed including: current cash flow issues, future CRF

funding, LYC security system, acquiring a power point projector system, construction of storage facilities, replacement of pool umbrellas, purchase of 3 Optimist sailboats, the maintenance, replacement and/or repair of the LYC marina and emergency items over and above normal operating budgets.

The Finance Committee will motion to modify the LYC By-laws regarding how the CRF will be governed as approved at the July meeting.

The Finance Committee continually monitors LYC income and expenses and reviews all committee's Capital Improvement requests. LYC members are encouraged to submit any and all suggestions and to attend the monthly Finance Committee meetings.

Motion (1st N. Carter, 2nd D. Bland) Approved:

1. The CRF is to be funded by:
 - a. Allocation of all new members joining fees (initiation fee plus stock purchase fee minus the par value of the stock).
 - b. An amount set aside as a line item from each year's annual dues as approved by the Board.
 - c. Any excess monies occurring in any of the several departments of the Club at the end of each fiscal year.
2. The LYC Board may access the CRF for amounts up to \$250,000 by a 2/3 majority vote of the total number of the Board of Directors. The monies in the CRF are to be used for any one or all of the following:
 - a. Capital Improvements
 - b. Emergency Expenses
 - c. Reduction of the Club's indebtedness
3. For any single Capital Improvement/Expenditure in excess of \$250,000 a referendum of the members is required with at least 2 informational meetings concerning the expenditure held at 1 week intervals at least 6 weeks prior to the actual referendum. The referendum shall be noticed to the membership at least 60 days in advance, by use of the newsletter, the website and the "Quick Notes".
4. A simple majority of all LYC shares voted shall determine the results of the referendum.

Motion: (1st Nick Carter, 2nd Jud Bennett); approved.
Move \$7700 from expenses to the CRF.

Burgees (B. Petterson): A burgee was presented to Bob from ST. Andrews by Feffie Barnhill.

Old Business:

D. Bland: The election voting ends on August 22 at 4:00. Votes will then be counted.

New Business:

J. Bennett: There has been a concern on how the votes are counted as members must sign their ballots. I suggest that we get an outside agency to count the votes in the future.

B. Purnell: It is too late to change the process this year.

C. Miller: Change to having the envelope signed instead of the ballot.

J. Bennett: The process gives the appearance of impropriety.

J. Sarik: Does everyone have the same number of shares?

D. Bland: No. There are a few members who have less than the 100. The committee counting the votes has crosschecks to be sure of accuracy. If you have an outside firm, there is the issue of mailing; they cannot come to the clubhouse. There is also the cost. It can be considered for next year.

B. Purnell: LYC received a letter from the city concerning personal watercraft. They cannot be launched from the beach.

Membership:

D. Valeria: Signage for personal watercraft is in process. Also, the bar sub-committee is no longer a sub-committee, it is now a committee.

E. Simmerman: LYC needs to have a secret ballot or get an outside counting firm.

J. Campanelli: You are looking at the design for the marina running approximately \$150,000. Every time the design is changed you have to have a new EIS, is the company covering this?

D. Valeria: Anderson /Miller will handle the EIS.

J. Campanelli: The security system is overdue. The children are a parent's responsibility and parents need to be cautioned of the penalties involved for their children's damage. The rules must be updates and signage is needed.

B. Miller: The membership rules have guidelines for parents. Members can notify the membership committee in writing and the committee will that any problem to the board. Parents have had to make restitution in the past.

J. Campanelli: I would like to suggest a "Club Raffle" with raffle tickets mailed to all members.

B. Purnell: That could be done in conjunction with the Christmas Open House.

J. Bennett: Kids are throwing wet paper towels that stick to the ceiling of the dressing room. They are difficult to remove. If anyone is caught, action will be taken.

J. Vanbert: The pavers are very hot. Why were they installed instead of cement?

L. Carter: They can be removed in order to repair piping rather than tearing up the cement and patching. They were not cheaper than cement but allow for repairs and chemical and filtration adjustments. The final layer of poly sand will be completed before next season so the dirt will be less next year. The darkness of the pavers has been an issue and hosing down the pavers has been tried.

B. Fleming: Most pools in Florida use pavers and the second year is much better.

D. Valeria: Establish criteria for the offences.

B. Miller: The Membership rules gives flexibility.

The meeting was adjourned at 11:58 a.m. Motion: 1st J. Bennett; 2nd B. Miller.

Respectfully submitted:

Peggy Kernehan, Secretary