



EAGLE BEND YACHT HARBOR &
BOAT SLIP OWNERS ASSOCIATION

EAGLE BEND YACHT HARBOR ANNUAL MEETING

Saturday, June 19th, 2010 at 10:00 AM

Eagle Bend Yacht Harbor Clubhouse - 371 Eagle Bend Drive

- I. **Call to Order and Establish a Quorum** - The meeting was called to order at 10:17 AM. A quorum consists of 48 slips. A quorum was established with 54 slips represented in person and 29 slips represented by proxy.
- II. **Board Member Introductions** - President, Bernie Slogotski introduced the Board of Directors. Board Members in attendance were President, Bernie Slogotski, Vice-President, Mark Sherman and Board Members, Bob Livesay, Lane Ross and Bob Smith. Board Members unable to attend were Secretary Treasurer, Ken Taylor and Board Member, Roy Hollandsworth. By a show of hands there was one new slip owner present, Randy Snyder who introduced himself. The Board operates with a number of Committees, those representatives were introduced. Management Advisory Committee, Bernie Slogotski and Ken Taylor; Weed Abatement Committee, Bob Smith and Lane Ross; Clubhouse Rental Committee, Bob Livesay and Ken Taylor; Security Committee, Mark Sherman and Bob Livesay; Channel Marker Committee, Bernie Slogotski and Lane Ross.
- III. **Management Introductions** - Bernie Slogotski introduced JES Management. Jessica Glazier, Jennifer Anderson, Sharla Browning, Cole Browning and Matt DeFries were in attendance. Jade Bosisic was unable to attend.
- IV. **Approval of Minutes from June 19th, 2009 Annual Meeting** - The minutes were reviewed. Upon motion and second the minutes were unanimously approved as written.
- V. **President's Overview** - Bernie Slogotski presented the President's Overview. Bernie thanked the Board of Directors for their efforts over the past year. Special thanks was given to Bob Smith for his role as President for the first 7 months. Bernie thanked JES Management for their efforts in assisting the Board. As a result of the 2009 annual meeting, a clubhouse rental questionnaire was issued in which feedback was received and will be discussed later in the meeting. The Board spent a fair bit of time early this year developing a deferred maintenance schedule consisting of repair and maintenance items that were not aggressively pursued in the past. Some items included remodeling the fuel house, fixing the clubhouse door, obtaining new merchandise, building a maintenance closet under the storage area stairs, repairing the dam plate, sign maintenance, repairing unlevel dock boards, organizing the utility room and upgrading the wireless network. The Board implemented a program with JES Management to address these issues over the fall. The Board recently reviewed the matter of what information is

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appropriate to be posted to the website. In an effort to avoid contamination of zebra and quagga mussels, a gate was recently installed at the boat launch gate that restricts access to the marina. JES Management has been managing the marina for six years. As a result of an issue discussed at the 2009 annual meeting, the Board obtained bids for management. JES Management's contract was renewed and in doing so the overall management of the marina was combined to one service under JES Management. Historically there was a separation between dock staff that reported to JES Management and this resulted in ongoing coordination issues. There was a major revision of the management contract to be all inclusive and make everyone accountable to one management concept. There were a number of issues last year with the supply, control and management of fuel. Training and control procedures have been implemented in order to avoid a reoccurrence of this problem. The Channel Marker Committee, with the assistance of Tom Steffes, proposed a state of the art lighting system for the channel markers. Another initiative related to this project was an approved grant application by Flathead Electric's Round Up for Safety program to reimburse the majority of the expenses for this enhancement. Bernie acknowledged the Board's appreciation to Flathead Electric and Round Up For Safety. Over the years the weed problem in the marina has continued to grow without treatment and a program has now been implemented by the Board. Due to the deterioration of the concrete slabs at the top of the boat launch, steel plates and traction grating were installed. The Board would like to pursue additional traction grating in the fall. Bernie reminded slip owners to back down the center of the ramp when launching their boats. Geoff asked whose idea it was to apply for the Round Up for Safety grant. JES Management applied for the grant. There was a discussion reminding slip owners to keep an eye out for logs and debris in the river. A slip owner commented that the new Navionics chip included detailed areas to watch out for. A slip owner commented that he does not remember what the codes are for the combinations locks around the marina. JES Management will re-distribute the codes for the combination locks.

- VI. **Managers Report** - Jessica Glazier presented the Manager's Report. She thanked the current Board of Directors for providing JES Management with a customized scope of work and the authority and accountability necessary to succeed. Jessica thanked the slip owners for their constructive criticism and words of encouragement. Jessica encouraged slip owners to continue to communicate as to how JES Management can better serve them. All of the site staff has been trained in haz mat and received their DEQ underground storage tank operator certification. Cole Browning is available as an emergency contact during the boating season if there is an emergency during the hours the fuel shack is closed. Cole and Matt accomplished a tremendous amount of work prior to the marina opening on the deferred maintenance schedule approved by the Board. In order to join the statewide campaign to help

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control the spread of zebra and quagga mussels, the Board installed a gate at the boat launch. A point of sale software system was installed at the gas shack for better tracking of inventory and efficiency. Cole and Matt pressure washed the docks, bumpers and dock boxes this year which saved the association approximately \$2,500.00. Jessica encouraged slip owners to register on the SenEarthCo website. SenEarthCo allows slip owners to access their accounts, pay dues on-line, and view the governing documents and rules and regulations. Owners are also included in mass e-mail messages with important updates, notifications and reminders of events allowing the association to move closer to going completely paperless. There will be a barbeque immediately following the annual meeting and a Mexican fiesta on Saturday, August 7th. Saturday, August 28th will be the last social event in which JES Management encouraged slip owners to make suggestions as to what they would like. Jessica encouraged slip owners to check out the new merchandise in the gas shack.

VII. Treasurer's Report - Jessica Glazier presented the Treasurer's Report in Secretary/Treasurer, Ken Taylor's absence. This past year Eagle Bend Yacht Harbor, as of November 1st, 2009 had forecast a year ending budget surplus of \$31,137.76. The actual year ending budget surplus was \$27,454.97 the difference was accounted for by unanticipated year end expenses and adjustments. The primary reasons for the surplus were:

1. \$15,000.00 was not spent on budgeted aquatic weed maintenance in 2009
2. There were minimal Capital Improvement expenditures in 2009

Thus far in 2010 the Yacht Harbor has allocated a portion of its 2009 surplus to a number of deferred maintenance projects and upgrades to the Marina. Some of the upgrades include:

1. An improved internet wireless network for those homeowners accessing the internet from their boat or boat slip.
2. Upgrades to our fuel shack computer system to include Point of Sales software for improved efficiency and bookkeeping accuracy.
3. You will notice General Improvements to the fuel shack and increased inventory replenishment.
4. Many of the dock boxes had been damaged for a variety of reasons. We have replaced a number of those dock boxes and cleaned and repaired others. New dock boxes have been ordered. As the season progresses we will replace or repair dock boxes, as determined by management, as needed.
5. To curtail the use of our launch facility by unauthorized users, we have installed new posts and chain to the immediate launch ramp area.
6. We have replaced signage as needed.

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Anticipated and unanticipated maintenance and repairs:

1. Additional Metal Plates were an unanticipated repair to our launch ramp
2. For a number of years we had not power washed the docks. This pre boating season all docks and rubber bumpers have been power washed.
3. Plumbing repair projects in the Men and Women's outside bathhouse restroom facilities.
4. Patch and Painting, as needed, for Clubhouse trim and siding, Clubhouse fence, Bathhouse trim and siding, Fuel Shack and all areas throughout the marina are currently being addressed.
5. There was some general maintenance required for the dam with respect to the plates below the water level.
6. Water damage surrounding some of the windows and base in the clubhouse have and will continue to be addressed as needed.
7. For the past few years the large front entry doors to the clubhouse were not functioning properly. Repairs have been made to improve this situation.
8. Bath house keypads for member use have been repaired
9. Eagle Bend Yacht Harbor applied for a "Round up for Safety" grant from Flathead Electric for the amount of \$9500.00. We have contracted to improve the navigational lighting and add reflective tape for better visibility of the river channel markers adding to your enhanced safety.

The balance of the 2009 surplus will be applied to either a new operating reserve fund or our current capital reserve fund. Over the past five years it has been observed that the Yacht Harbor is required to address certain unanticipated, non budgeted, non recurring maintenance and repairs or other unplanned expenditures. The expenditures for these projects have ranged from \$10,000.00 to \$30,000.00 annually. For this reason we are proposing the addition of an operating reserve fund (for non recurring expenditures) to be funded from surpluses from our operating fund and or any increase in revenue or realized savings that may occur. JES Management discussed this with our CPA who indicated such a fund to be appropriate.

This past year our property tax actually decreased. We would not expect this situation to continue. For this reason, we have left our tax assessments unchanged anticipating potentially higher taxes in the future.

This year, prior to the 2011 proposed year end budget, the Management Company and the Secretary/ Treasurer will begin working together on a Capital Reserve Study. This will assist the Yacht Harbor in assessing its long term capital reserve requirements.

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The Association's total current equity is \$499,700.57. The equity is comprised of the following fund balances: Operating Fund - \$47,359.91; Property Tax Fund - \$4,725.51; Capital Reserve Fund - \$79,779.70; Operating Reserve Fund - \$2,662.53; Building Fund - \$365,172.92. Accounts receivable of \$9,099.59 consists of 5 slips either in bankruptcy or going to trustee's sale. It was clarified that the funds are calculated on an accrual basis and are not cash funds. Upon motion and second the membership unanimously approved the Treasurer's Report.

VIII. Committee Reports

a. Management Advisory Committee - Bernie Slogotski presented the Management Advisory Committee report. Upon renewal of the Management contract this Committee was appointed to provide assistance to JES Management. The marina is a more complex operation in comparison to the average Homeowners Association. When problems or issues arise that are not standard, the Committee acts outside the executive of the Board to interface between the management company, Board and slip owners. Bernie encouraged slip owners to contact a member of the Committee if they have any issues they would like addressed. This concept has proven to work well on several occasions and management welcomes the Committee's input.

b. Weed Committee - Bernie Slogostki presented an update in the absence of a formal Committee report. The Board recently approved a bid from Aquatic Weed Abatement of Montana (AWAM) for weed harvesting for the 2010 season. The bid was for just under \$15,000.00 and included harvesting of the main waterways and the shoreline area involving approximately 30 boat slips. Bernie stated that any slip owner not included in the 30 who is interested in harvesting of their slip may contact JES Management to arrange for harvesting at their expense. Geoff Bayliss commented that he is in contact with several other areas with weed problems and suggested the Board contact them. Bernie requested Geoff pass any information he has along to Bob Smith. Lane Ross commented that there will be grant money available from the state of Montana and suggested JES Management research this. A slip owner commented that Bob Smith stated at the 2009 annual meeting that weed harvesting is not a conducive way to treat the type of weeds in the marina. Bob Smith stated that his comments at the 2009 annual meeting were based upon a weed study conducted by Sue Ball in 2008. Since then, Lakeview Park Villas harvested their pond and it proved to be effective. Paul Dearman commented that he worked with the weed committee in 2008 and asked what the Board is doing to prevent fertilizers from running off into the marina. The marina ceased fertilizing on their grounds and Eagle Bend Golf Course agreed not to fertilize within 30 feet of the shoreline. Paul Dearman further recommended that JES Management remove geese droppings from the docks

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prior to pressure washing. Rudy Frame asked how long the harvesting will take. Lane Ross suggested it would take approximately 3 days. Lane commented that as a Board Member, he abstained from voting on weed abatement issues. Bob Livesay commented that during the harvest the weeds removed from the marina will be stored at the south end of the parking lot and will be removed once they have dried which is estimated to be 3 - 4 days or dry weather. Bernie stated that the slip owners whose slips will be involved with the harvesting will be contacted by JES Management once the harvesting schedule is determined to move their boats. If slip owners are unable to move their boats at the scheduled time they may make arrangement through JES Management for Steffes Marine to contract to move them. Bernie encouraged the slip owners whose slips will be involved in harvesting to try to make special efforts to accommodate moving their boats. Fran Purdy commented that she is thankful to see harvesting being pursued opposed to chemical treatment. Randy Wolff asked if the slip owners whose slips will be involved in the harvesting could move their boat to the slips in bankruptcy. JES Management stated that although the slips are in bankruptcy it would not be advisable to utilize their slips. There will be areas marked with tape at the end of A and E dock to move the boats to.

c. Clubhouse Rental Committee - Bernie Slogotski presented an update in the absence of a formal committee report. As per a discussion at the 2009 Eagle Bend Yacht Harbor Annual Meeting the Board of Directors decided to request our member's participation in a membership survey as to what would be the best utilization of the clubhouse space and what member preferences would be for its usage. The questionnaire feedback varied and Bernie thanked those who responded. At this time the Committee finds that the current policy seems to be serving our membership very well. Those wishing to access the clubhouse in the winter months when the marina is locked may access it by first contacting management and checking out a key for a specified period of time and additionally specifying its usage for the time period requested. Management is responsible to follow up and make sure that the usage is appropriate. It is also the Committee's recommendation to form a permanent three member Committee, President, Vice President and Treasurer to assist management on those possible exceptions and uses that could be requested, differing from our usual policy that may better serve our members. Bob Livesay relayed the current clubhouse policy as follows:

- i. During the boating season, defined by the time the dam is open, the Clubhouse will not be available for rent. In the off season, defined by the time the dam is closed, the clubhouse shall be available for rent. Slip Owner contracting for private use of facility must be in attendance during the time of such use, and is responsible for the monitoring of guests as it pertains to the noise level, privacy and

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safety of existing slip owners, slip renters and surrounding residents.

Dennis McDowell asked if there could be a beneficial cost savings if the clubhouse were winterized during the off season. Bob Smith commented that the clubhouse was not designed to be winterized. The largest off season expense is the television service. Bernie commented that several members enjoy utilizing the clubhouse and television service in the off season. Tom Steffes requested that the clubhouse be opened as soon as boats are launched to accommodate owners who need to use the restrooms. Bernie stated that since Cole will be on site and a show of hands favored this request it will be added to the board meeting agenda.

- IX. **Pass Out Ballots** - Ballots were included in the packages passed out at the door. JES Management passed out any additional ballots needed.
- X. **Nominations from the Floor** - Bernie Slogotski opened the floor for nominations. There were no nominations from the floor and nominations were closed. Ballots were collected by JES Management. Anita Bruer from Chrysler & Gordon was contracted to assist count ballots and certify the final count.
- XI. **New Business**
1. **Window coverings** - Bernie presented a bid for window coverings for the clubhouse obtained as per a request submitted by Geoff Bayliss. The bid was for around \$3,000.00 for materials and installation of 13 Insolroll window coverings. A sample was presented. Bernie commented that this is a non-budgeted item and may affect dues. Via a show of hands the majority were in favor and none opposed. A slip owner asked why the need for blinds was raised this year and never brought up in the past. Sandy Klinger explained that the clubhouse has always needed blinds because it gets very hot. Susan Collins recommended that we research Home Depot for a price comparison.
 2. **Mosquito Control** - Bayliss commented that mosquito control was discussed at the 2009 annual meeting and asked what research had been done. Bernie stated that minimum research had been done as this was not a priority for 2009 and will be added to the next Board Meeting agenda. JES Management will contact the Flathead County Mosquito District for more information.
 3. **Fuel Pricing** - A slip owner commented that fuel prices seem much lower this season. Cole Browning explained that as per the policy set by the

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Board, fuel prices are set at 30% over purchase price and are readjusted with each purchase.

4. **Election Process** - Bill Bailey made the following statement and motion: "I have some concern about the election process that is currently in use by our Association. It is unusual to identify oneself on a ballot in any election. And by doing so is an invasion of the voters' privacy. Most elections are done by secret ballot, and I feel strongly that this would be a great improvement for our Association. Therefore, I would like to make the following motion: I move that Eagle Bend Yacht Harbor & Boat Slip Owners Association change the method of voting to secret ballot for all future elections of the Board of Directors. A lengthy discussion followed favoring both changing the method to secret ballot and maintaining the method currently in use. The motion was seconded. With 81 in favor and 2 opposed the motion carried.
5. **Socials** - Bernie commented that there were only 24 RSVPs for the BBQ social and around 60 slip owners attended. He asked that slip owners please RSVP more diligently.
- XII. A game of Eagle Bend Yacht Harbor trivia was played while waiting for ballots to be counted.
- XIII. **Election of Board of Directors** - The newly elected Board Members were Bernie Slogotski with 69 votes, Tom Steffes with 58 votes, Ken Taylor with 56 votes and Bob Livesay with 49 votes for two year terms each. Other candidates included Mark Sherman with 47 votes, Geoff Bayliss with 43 votes, Barry Fisher with 42 votes and Al Hardan with 40 votes.
- XIV. **Adjourn** - There being no further business the meeting was adjourned at 12:26 PM.

Submitted by:

Accepted by:

Sharla Browning
Property Manager
JES Management

Ken Taylor
Secretary/Treasurer
Eagle Bend Yacht Harbor BSOA