

Eagle Bend Yacht Harbor & Boat Slip Owners Association

Annual Meeting

Saturday June 16, 2018 10:00AM

Eagle Bend Yacht Harbor Clubhouse

The Annual Meeting was called to order at 10:00 A.M. by President Roy Hollandsworth. A quorum is defined as 25% of the total Boat Slips Owners which equates to 48 owners. A total of 58 Boat Slips were represented either by proxy or EBYH owners who were present for the meeting.

Pledge of Allegiance- Roy led the assembly in the pledge of Allegiance.

Board Members Introduction – Roy Hollandsworth; Secretary- Treasurer Dennis McDowell; Social Committee Chairperson Michele Tenerowicz; Board member Ross Lane. Board Members Vice President Gary Purdy and Ryan Larson were not able to attend. Dave Roberts from Western Mountains Property Management and Harbor Master Sean Lujan were also in attendance.

Election of new Board members – The two nominees, Jon Cantwell and Bill Hendrix, introduced themselves to the owners. Jon Cantwell has been a boat member for a number of years. He lives in the neighborhood and is able to see the Harbor from his home and is very familiar with the activities of the Harbor. He graduated from the University of Montana in 1980 and has worked in the energy field for 33 years and spent 7 years working with Montana power.

Bill Hendrix lived in Oklahoma and moved to Montana in 1986. He has been very active for the past 10 years in the Rotary. He enjoys the EBYH and thinks it is operating effectively.

Dave asked three times for nominations from the floor and no further nominations came forth. A motion was made to accept the Board nominees by acclamation, this was seconded by Bill Whitsitt and the motion passed with unanimous approval.

President's Overview- Roy is pleased with the appearance of the Harbor. The new latches and gates, which were designed by Damien Design in Kalispell, are very rich in appearance. Roy enjoys this boating community and wants to see it prosper and grow.

Management Overview – Dave addressed Harbor Master Ed's resignation last fall and began advertising to fill the position. He then received a call from a boat owner who introduced Dave to Sean Lujan. Sean met with the Board and they were impressed with him and hired him. Sean is very organized; he started in April and will work thru the end of October. Sean gave a brief background of himself. He was a firefighter and a paramedic for 25 years and was able to retire early and does some mission work overseas using his photography skills. He has enjoyed getting to know everyone and is very happy to be here. His goal is to improve the Harbor and make it better. He is open for suggestions and please contact him with any problems. Sean introduced 3 of his 4 staff members; one was not able to attend. Sam Lujan is Sean's son and is 15 years old and enjoys music playing the guitar and percussions. Katlin is an 18 year old who recently graduated from Flathead High School and will attend MSU and major in film production, and loves the outdoors. Katie is 19 years old and will be a sophomore at St. Cloud University in Minnesota. She is from Billings but is staying with friends in Bigfork, and is an equestrian.

An Owner asked if boaters still need a permit from the Reservation. Sean said that he has talked with Parks and Wildlife and they said this permit requirement expired on March 1, 2018 and the Reservation did not reapply.

EBYH purchased a used truck for \$7000. It is used by the Harbor to move boat trailers back and forth from the storage area, garage hauling and various other jobs.

Treasurer Report – Dave furnished owners with financials for 2017 and the 2018 Operating Budget. December 2017 closed with Total Assets of \$710,800. Bill Whitsitt asked if is the bladder repairs for the Dam is in the Capital Reserve and how long since we have had a profession service call to examine the bladder and the cost for a replacement. Bill wondered if EBYH has enough money in the Bank to cover the replacement cost. Bob Smith said about 10 years ago the Company that made the bladder and installed it came for an inspection and at that time said it was in good condition. This company has stopped making bladders for dams such as the one in the Harbor. Bill would like to see the Board be proactive in researching a company that would be able to replace or repair the existing bladder. Dave Roberts received a call from a company in St. Paul Minnesota that had taken over this type of dams. Roy said when it was first built they were told no one knows the exact life of the dam structure. In the past divers came in and inspected the dam and had given EBYH a good report.

Dave reviewed the P & L for 2017 showing that EBYH ended with a Net Income of \$11,400. Cash at the end of December 2017 was \$359,680. The internet service yearly total is \$4080 this also covers the TV in the clubhouse. This Wi-Fi service is used by people in their boats and it offers good coverage with their cell phones. Dave said the pass code is yacht371. Lane has used this numerous times while on the water to check the weather. Roy announced the dues will stay the same for 2018. The new gates and the hinges have been paid for. Bob Smith made a motion to approve the financial and this was seconded by Bill Hendrix. This motion passed with unanimous approval.

Committee Reports

Social Events - Michele announced the upcoming events. There are two Breakfasts and these start at 9:30. Michele needs some help in setting up for these events. Owners are asked to bring an appetizer or pastries. Two dinner meals are catered and these are scheduled for July 21 and August 4.

Weeds - Lane Ross: For the last two year EBYH has used chemical for weed abatement. The results have been excellent in both the canal and in the marina. The Homeowners along the canal have shared in the cost of the chemical. The

chemical takes care of weeds but not the algae. Bill Whitsitt thanked those who contributed to this chemical process. Bill said in the past Eagle Bend West property owners paid to have the water in the canal tested as the algae were growing at an alarming rate. This report showed that there was an overload of nitrogen in the water. This nitrogen came from the fertilizers that homeowners were using. EBW instituted a wetland setback policy and asked homeowners not to use fertilizer within those set back. This has been a great success.

Maintenance Committee – Lane talked about the condition of the dock boxes. These boxes are made out of fiberglass and have been in need of repairs. They are 25 years old and obtaining the proper replacement parts is impossible. All the dock boxes need to be replaced and they need to be uniform in appearance. There are two different types of boxes that can be installed. One is a pedestal which is half the price of the boxes. The pedestal only has room to house the electrical and water and does not have any storage. Lane did not have an exact figure but estimated a dock box with storage could cost up to \$1000 per box. Sean will start to research different dock boxes and seeing what discounts EBYH could receive if they are ordered in a large quantity. Lane said a total of 192 boxes are needed in order to replace all the boxes. One boat slip owner asked if EBYH could replace them over a five year period which would defer the cost. Lane asked the owners to show by hands who would like a pedestal versus a box. The majority of the Owners favored having a dock box with storage versus the pedestal. The discussion regarding payment for the new boxes showed many options. Lane asked if owners would like to have a special assessment or have their dues raised. The special assessment could be two payments of \$500 at a time. Steve Armstrong felt a special assessment is the best way and gave an example from a prior experience of a special assessment that worked wonderfully. Dennis said we could use money from the Reserve Fund and if EBYH needed to build up the Reserve then a special assessment could be implemented. Bill Whitsitt feels we need to have a Reserve Fund to pay for any emergency items that could come up. Bill said EBYH should impose a special assessment for the boxes and leave the money in Reserve. He would like to see EBYH build up a Reserve that would be able to pay for 100% of future expenses. Dave said most

businesses look at having 50% in their reserve for future expenses. Bill said if a schedule is drawn up and EBYH builds to that schedule for necessary repairs and improvements over a period of time, no owner whether old or new would have to come up with a large payment. One boat slip owner asked if the vote gave the Board permission to buy the dock boxes. Lane said the vote was not a commitment to order new dock boxes but it gave the Board the correct direction in order to start securing some bids. The Board will obtain bids that include new boxes and installation of the boxes. Lane asked the owners to raise their hands if they are in support of the Board obtaining some bids and then come back with a proposal. The members raised their hands in support. Lane then asked the owners if they wanted a special assessment, or a dues increase. By show of hands the majority were in favor of a special assessment.

Old Business: It was asked what privileges the Board has to buy or make repairs without a vote from the Boat Owners? Roy said that these payments would be expenses that are on the emergency basis. An owner agreed that the Board should have the authority for emergency spending but for capital improvement it should require a vote of the boat slip owners. Dave pointed out that this is covered in the bylaws under emergency spending.

New Business: Bill Whitsitt moved that, before the 2019 dues are established a task group of the Board should investigate potential vendors that could replace the Harbor closure mechanism, equipment and the cost of replacement options. This task group should then set up an escrow or reserve schedule for future dues contributions. During discussion of this motion, Bill pointed out that the Harbor is aging and EBYH is not sure what the cost will be to replace or repair some of the items. Bob Smith made a motion that we approve this suggestion and it was seconded by Steve Armstrong. The vote was unanimous in favor.

Bill made a second motion that included four schedules. 1. Investigate overall reserve needs including list of items that should be included. 2. Time schedule of failure or replace. 3. Cost Estimates with inflation factors. 4. Estimates of Dues impacts. Bill said this motion would include items such as bladder, buildings, fuel

tanks, paving and sidewalks. This was seconded by Bill Hendrix. Motion passed with unanimous approval.

Channel Marker Lights - Lane reported that there are new LED channel lights. EBYH received money from a 911 Grant. The new lights are solar powered and are Coast Guard approved.

Adjourned the meeting 12:00 P.M.

Recording Secretary Buggy Yarbrough