

EAGLE BEND YACHT HARBOR & BOAT SLIP OWNERS ASSOC

ANNUAL MEETING

Saturday June 15, 2019 10:00 A.M.

Eagle Bend Yacht Harbor Clubhouse

The Annual Meeting was called to order at 10:00 a.m. by President Lane Ross. A quorum is defined as 25% of the total Boat Slip Owners which equates to 48 owners. A total of 69 Boat Slips were represented, 49 by EBYH owners and 20 were represented by proxies.

Lane asked if there were any new members and five new owners stood and introduced themselves and were welcomed by all.

Pledge of Allegiance: Lane Ross led the assembly in the pledge inside the clubhouse.

Board Members Introductions – Lane Ross introduced the Board to the members. Michele Tenerowicz, Pam Lynch, Bill Hendrix and Jon Cantwell. Gary Purdy and Ryan Larsen were not able to attend. Property Manager Dave Roberts and Harbor Master Sean Lujan were also in attendance.

Election of new Board Members: Lane Ross announced that Ryan Larsen, Gary Purdy, and Bill Hendrix have agree to serve for another term. Lane asked for nomination from the floor and Nat Sande's name was announced. Nat gave a quick bio of himself stating that he had been raised in the Flathead and is an engineer who is self-employed and lives in Bigfork. Gerlinda Waters a boat slip owner, questioned the rules of EBYH CC&R's and felt all Boat Slip owners should have been notified as to who was running for office. She did not feel that an election could be held if members were not notified in advance. She

had requested a Bio on new and existing Board members and had not received any information.

Lane responded that the voting ballot had been sent to all EBYH members. Lane also said that all Boat Slip owners have the right to attend any of EBYH Board meetings where this issue could have been addressed. Gerlinda also said that according to EBYH CC&R's when a Board Member resigned, such as Dennis McDowell, then the Board has the right to seek a replacement for him, but at the Annual Meeting this position needed to be voted on by the members. Dave Roberts informed her that after Dennis resigned the Board filled the position and followed the procedures as stated in the CC&R's. Pam Lynch was voted on by the Board to fulfill the open term position until 2020 when it expires. There was much discussion regarding the definition of the CC&R's, and it was determined that the Board handled the resignation and appointment within the guidelines. There was a motion by Gerlinda Waters that in the future EBYH would mail ballots so Boat Slip owners could vote by mail. Slip owner Jim Lynch said we do not registration and validation to mail ballots to owners and EBYH is conducting the election as it is laid out in the by-laws. He suggested the Board disregard the motion as it would need to be changed in the bylaws before mailing of ballots could be done. Ms. Waters also said that owners were not informed regarding the cost of the new dock boxes. Bob Smith, who is one of EBYH's longest member stated that at the 2018 Annual Meeting the members voted to replace the dock boxes and owners were aware that a special assessment would be necessary. Jim Lynch made a motion to add Pam Lynch's name to the 2019 ballot to complete Dennis McDowell's term. This was seconded by Dennis McDowell. The vote was unanimous in favor. The membership was asked to vote for four (4) Board members and to add Pam Lynch's name to the ballot.

Lane asked each Board member who is running to give a quick bio. Because Ryan Larson was not able to attend Lane gave his bio. Ryan is a farmer east of the mountains and he farms multiple acres of ground. He attends most Board meetings, but due to the late spring was not able to be in town this weekend. He has served on the Board for two (2) years.

Michele Tenerowicz is rerunning for the Board and has served for eight (8) years as the social chairperson. She has worked for the County and is now retired.

Gary Purdy has lived in Montana all his life and has been a businessman and he has served on the Board for two (2) terms and enjoys being on the Board.

Pam Lynch is a nurse by profession. She and her husband live in Bigfork. They had a business here and helped build the Eagle Bend Yacht Harbor. She is a retired U.S. Army Captain.

Ballots were collected by Sean Lujan and he and Dave counted the ballots.

Approval of June 16, 2018 Annual Meeting Minutes: Bob Smith made a motion to approve the minutes as presented and it was second by Cherie Hansen. The vote was taken by hands and it passed with unanimous approval.

President Overview – Lane Ross: Lane reported that the new dock boxes have improved the appearance of the docks. There is a new launch ramp at the south end of the Harbor. EBYH floated a dock over to the South end of the Harbor for the Sherriff's boat. EBYH does not charge the County to have a boat here but it adds a sense of protection for the Harbor. EBYH has a good staff of dock hands and Sean is doing a great job. All the electrical outlets have been replaced and now they

are all uniform. All boat slip owners have a 110 outlet which will allow owners to use a vacuum or battery charger. Bill Whitsitt said he appreciated the discussion as he feels this points to the evolution to improve our governing practices. He is hoping that in the future all Board positions with their bio's will be on the web site along with dates and times of Board meetings.

Management Overview Dave Roberts: EBYH is still looking to hire more dock personnel. Last year EBYH installed new gates, improved their lawn care with the planting of more flowers. The Board of Directors and dock staff have helped to make the property more appealing. The dock box was a huge project which began in March when the boxes arrived. They came when there was still three (3) feet of snow on the ground. By the 3rd week of April the project was done and EBYH came in under budget. A member asked Dave what happened to the old dock boxes, Dave said some were given away to the sailboat owners in Somers and some were disposed of as they were fiberglass. The dock hands are also trying to chase the geese off the docks and remove their droppings. EBYH budgeted \$223,000 for the new dock boxes the final price was \$212,000. The price for each box was \$1110 which included installation. The EBYH Boat Slip Owners were billed \$620.00 as a first assessment and that would leave each slip owner \$500 left to pay. The membership will need to decide if the Board should bill owners for the remaining or take it out of the General Fund. One item that was not in the 2019 budget was the \$3000 for snow removal to get the delivery trucks into the parking lot with the boxes.

Dave is currently securing bids to replace the two doors into the Clubhouse. These will need to be replaced as the door locks are not working properly and cannot be realigned to fit.

Treasurers Report: Dave provided Financials for years 2017 and 2018 so members could see a comparison between the years. 2018 ended with \$318,000 in checking/savings. Total income for 2018 was \$459,200. The Budget for 2019 was provided in the packet. In 2019 EBYH has \$135,000 in the Reserve Fund \$135,000 which is after paying for the dock boxes. With help from the Board, Bill Whitsitt and Bill Hendrix have come up with three different Capital Plans which have been included in the Financial Packet. In 2019 the only improvement would be for the new doors. EBYH largest concern would be the dam as it cannot wait for a fix only when it fails. EBYH will need to be proactive and make plans for its replacement. A business in England bought out the former company who made the original bladder. They have a job in California, and sometime this summer a representative will be come to Bigfork and review our dam. EBYH will be asking for an approximate time period as to how much longer our exiting bladder will last.

Lane pointed out that the 20-year Capital Plan is speculative but a good overview of repairs that would need to be made in the future. Bill Whitsitt thanked the Board for completing this 20-year Plan as this is only good governance and the spending that is necessary is done with the member's dues and is a Board decision. He felt that the 3rd option in the Capital Plan was the best proposal as it does not charge owners a second assessment to pay for the remaining amount of the dock boxes and has two dues increases in 2020 and 2021. Dennis McDowell agreed that the 3rd option was the best as it did not have the special assessment. The Board is currently budgeting \$119,000 for the bladder and the installation would need to be done in the summer when the bladder is down. We have budgeted \$81,000 for the installation bringing the complete project to \$200,000.

Lane asked the members to look at the three (3) different Capital Plans as the Board would like their opinions. Plans 1 and 2 ask for the second assessment to pay for the last half of the dock boxes, where Plan 3 does ask for an addition assessment. In the 3rd Plan dues would be raised by \$50.00 for two years and be put into Capital Reserves. Dues have not been increased for several years and the Board feels they are assessing the membership at the correct dollar amount. The Board has reviewed and studied all three different plans and are most comfortable with number 3 which would allow the Reserve Fund to rise at a slower pace.

Weed Committee- Lane Ross: EBYH has stayed with the chemical program and EBYH administer the amount of chemical that is determined by the supplier. The canal was murky, and owners wondered if EBYH applied too much chemical, but it has cleared up now and fish and turtles are plentiful. Bill Whitsitt thanked EBYH and the homeowners with property along the canal for their help in keeping weed abatement down. Many have chosen to help improve the nutrient load into the canal by stopping fertilizers along the banks. The canal water will be tested soon, and Bill will review the results.

Social Committee-Michele: There are four (4) social events scheduled and Michele asked for volunteers to help cook breakfast. All members enjoy these events and look forward to attending.

Maintenance Committee -Sean: For the owners who are experiencing problems with their dock boxes please ask the attendants to come and help you and do not call your own people. If the dock boxes get broken the owner is responsible to pay for their repairs. Renters of boat slips can no longer store their boats in the boat storage area, and this is stated on the lease agreements. In the past the Rules Committee allowed this and now the owners did not have room to store their own trailers. The members asked if EBYH should refigure a way to store 220

trailers on the existing property. Sean explained that some of the spaces have double the trailers. The owners of the slip park their trailers and then if they rent out the space these people also want to store their trailer.

Members inputs for improvement: One owner asked if markers in the channel could be a different color, Dave said these colors are dictated by the U.S. Marine counsel. Steve Olson would like a copy of EBYH insurance coverage and Dave will send him the four separate policies.

Old Business: Cherie Hansen requested that EBYH post the social activities. Dave will have this posted on the gates and on the clubhouse doors.

New Business: Bill Whitsitt recognized that the fiscal year is the calendar year for EBYH. The bylaws require the Board of Director to figure the budget for the next year in advance and provided this information to the members before it is set and that the dues be established by this budget, this eliminated any surprises to the members. The Association would be able to see the budget and have an opportunity for input. Bill made a motion to conform budgeting and assessment practices of the EBYH and Boat Slip Owners Association to the letter and intent of the Association's CC&Rs and bylaws and to good association management practices, and recognizing that the fiscal year of the Association is the calendar year, it is hereby moved that:

- The Board of Directors of the Association propose and distribute to members by November 1 of each year a proposed budget for the coming calendar/fiscal year, such budget to include items set forth in the CC&R's and bylaws, and receive comments on the proposal. The proposed budget shall have an accompanying explanation of the proposal and its elements.

- Based on the budget proposal and comment received, with a summary explanation of comments received, the Board set and notify members by December 1 of each year the dues and other assessment to be invoiced for the coming calendar/fiscal year.

Len Stigliano seconded the motion. After discussion a vote was called. The vote was conducted by a show of hands and it was unanimous in favor.

Dave announced that a wedding will be held at EBYH next Saturday. McKayla Scott an employee is holding her wedding here with chairs and an arbor. No alcohol will be served, and the reception will take place at a different location.

On the 5th of July the USS Montana delegation will be around the neighborhood and Dave was asked to put up a notice to announce their presence to the homeowners and boat slip owners.

Gerlinda Waters made a motion that the Board would be required to notify all Boat Slip Owners 90 days in advance of the Annual Board Meeting, who will be vacating their seat and the bio of the people who would be running for the Board. This information would be sent by mail. This motion was seconded by Tom Waters. The vote was taken by hand. Two were in favor and the remaining owners opposed.

Announce results of Board of Directors Election: Dave announced the results; Ryan Larson, Michele Tenerowicz, Gary Purdy, and Pam Lynch were all elected to serve on the Board.

Dave will update the website posting the new Board of Directors.

Adjourned the meeting at 12:00 p.m.