

SHEARWATER CONDOMINIUM ASSOCIATION, INC.  
BOARD OF DIRECTORS MEETING  
December 17, 2012

PRESENT: Frances Higgins, President (via conference call)  
Jonathan Lewis, Vice-President  
Linda Lawrence, Treasurer  
Barbara Britt, Secretary  
Ron Faulkner, Director/Grounds & Landscape Committee Chairperson  
Phil Meredith, Director  
Carleen Petterson, Director

ALSO PRESENT: Eric Petterson, Unit 1B3  
Skip & Gerri Smith, Unit 5B1 & 6B1  
Heather Gummel, Brodie Management  
Sherri Kennedy, Recording Secretary

Frances Higgins, President, called the Board Meeting of the Shearwater Condominium Association to order at 7:00 P.M. The meeting was held at the Shearwater Clubhouse.

**MINUTES:**

- Linda Lawrence moved to approve the meeting minutes of the November 5, 2012 as submitted, Jonathan Lewis seconded the motion and the vote was carried unanimously.

**PRESIDENT'S REPORT – Frances Higgins:**

- No Report

**TREASURER'S REPORT – Linda Lawrence (See Attached Report):**

- See attached report
- No unexpected expenses this month.
- The Marina Committee is slightly over budget. An increase in the cost of winterization. The committee chairperson will research the cost increase.
- The invoice from Davey Tree was \$3,200.00 for tree removal near the tennis court.
- The audit is complete with some minor conversions from operations to reserves.
- Taxes filed and mailed.
- Proposal to powerwash and seal the decks has been received for review if it is determined that this service is the responsibility of the Association's.

**MANAGEMENT REPORT – Heather Gummel (See Attached Report):**

- See Attached Report
- #1 – Engineer evaluation of decks – The proposed RFP's have been provided to the Board for review. Once all Board members have reviewed the RFP's, a meeting will be scheduled with ETC to discuss.
- #4 – Banking – Linda Lawrence moved to close PNC Money Market account and open a Money Market account with First Citizens Bank with Frances Higgins, Linda Lawrence and Jonas Brodie as signers on the account. Phil Meredith seconded the motion and it carried unanimously.
- #4 – Banking – Phil Meredith moved to change the signers on the First Citizens Bank money market to Frances Higgins, Linda Lawrence, and Jonas Brodie. Linda Lawrence seconded the motion and it carried unanimously.
- #5 – Heather Gummell will summarize the reasoning for the proposed By-law amendment in a cover letter which will be forwarded to the Board for review prior to mailing. The Board approved moving forward with the approval process of the proposed By-law amendment.

**COMMITTEE REPORTS:**

**Marina Committee – Skip Smith/Eric Petterson (See Attached Report)**

- See Attached Report.
- Linda Lawrence requested that the Marina Committee provide marina fees for budget preparation by mid February.

- Jonathan Lewis moved to accept the way that the Marina Committee is moving forward with the proposed dinghy size limits and the transition plan with a revision to #2 of the proposed transition plan as follows: If the two grandfathered in owners purchase new vessels, they must pay the per foot GCE fee. Ron Faulkner seconded the motion and it carried unanimously. Heather Gummell will draft an agreement for the Committee to present to the two owners.
- The committee chairperson will forward a notice to the guest boat owner that is utilizing a slip to advise them that the Association will not be liable for any damages should they occur while the boat is kept on property.

**Grounds and Landscape Committee Report – Ron Faulkner**

- Four leaf removals and trimming have been completed.
- Winter trimming will occur in January and February.
- Invoices for landscaping have not been submitted yet.
- Discussion ensued concerning establishing a method to identify light fixtures with expired bulbs. John Guthrie submitted a cost to engrave all the landscape and dock lighting for under \$500.00. The lighting costs are increasing and management is unable to track the costs. Linda Lawrence moved to engrave all landscape, dock, and pole lights. Carleen Petterson seconded the motion and it carried 6 to 1 with Ron Faulkner opposing. John Guthrie will be asked to submit a mock up and it will be presented to the Board and the Architectural Committee. In the future, contractors working on these lights must identify the night number on their invoice in order to be paid. In an effort to reduce the electric and replacement costs, when a light fixture completely breaks, it is replaced with LED lights.

**Architectural Committee – Frances Higgins for Rainette Bannon**

- Two storm doors were approved.

**Pool and Activities Committee – Julie Capps**

- Out of Season

**OLD BUSINESS:**

- No old business to discuss.

**NEW BUSINESS:**

- No new business to discuss.

**GENERAL SESSION:**

- No Discussion

**NEXT BOARD MEETING:**

The next Board of Directors meeting is scheduled for Monday, February 18, 2013 at 7:00 P.M.

**ADJOURNMENT:**

With no further business to discuss, Barbara Britt moved to adjourn the meeting. Ron Faulkner seconded the motion and it carried unanimously. The meeting was adjourned at 8:23 P.M.

Respectfully Submitted,  
 Sherri Kennedy, Recording Secretary

Approved: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Shearwater Condominium Association**  
**Budget Status**  
as of  
**November 30,**  
**2012**

Operating Account	% of Year		
	41.7%		
	Year-End Budget	Year-to-Date Actuals	Actual vs Budget (%)
Operating Income	585,012	223,581	38.2%
Unit Assessment	530,698	221,124	41.7%
Marina	53,902	1,998	3.7%
Late Fees	350	325	92.9%
Other	50	132	264.0%
Operating Account Interest Income	12	2	16.7%
Operating Expenses	333,190	127,999	38.4%
Administration	88,676	33,888	38.2%
Telephone (Gate,Fax,Pool)	900	358	39.8%
Postage	900	469	52.1%
Office Supplies	2,000	1,081	54.1%
Management Fee	30,137	12,557	41.7%
Audit Fee	1,350	1,350	100.0%
Attorney Fees	2,000	631	31.6%
Licenses & Permits	350		
Other	1,200	870	72.5%
Newsletter			
Real Estate Taxes	750		
Fed & State Taxes	1,000	1,237	123.7%
Liability Insurance	26,613	14,149	53.2%
Flood Insurance	21,476	1,186	5.5%
Maintenance & Supplies	78,715	35,923	45.6%
Landscape	20,000	580	2.9%
Irrigation	2,000	165	8.3%
Buildings, General Maintenance	49,715	31,089	62.5%
Repairs-contract & Misc.		84	
Pool	3,000	936	31.2%
Marina	4,000	3,069	76.7%
Service Contracts	85,281	29,710	34.8%
Pest Control	3,000	2,929	97.6%
Trash Removal	12,766	4,702	36.8%
Snow Removal	8,000	445	5.6%
Grounds Care	27,814	11,589	41.7%
Janitorial Services	12,051	5,195	43.1%
Pool	21,650	4,850	22.4%
Utilities	80,518	28,478	35.4%
Electricity	19,524	6,629	34.0%
Cable TV	23,132	8,058	34.8%
Water & Sewer	37,862	13,791	36.4%
Transfer to Reserve Account	251,822	104,926	41.7%
Net Income		-9,344	

Reserve Account	
Starting Balance (7-01-12)	\$233,338
Year-to-Date Income	\$79,040
Fees	\$105,124
Interest	\$198
Transfer from operating fund	\$104,926
Expenses	\$26,084
Capital Replacement	\$26,084
Paint	
Paint Fund Balance	\$4,936
Reserve Balance	\$312,378
Total	\$317,314

# Memo

**To:** Shearwater Condominiums  
**From:** Heather N. Gummel  
Property Manager  
**Date:** December 17, 2012  
**Re:** DECEMBER 2012 OPERATIONS REPORT

---

**BELOW ARE ITEMS THAT HAVE BEEN ADDRESSED SINCE OUR LAST BOARD MEETING OR ARE UNDER CONSIDERATION/REVIEW AND TO BE PRESENTED TO THE BOARD OF DIRECTORS FOR THEIR APPROVAL.**

1. **ENGINEER EVALUATION OF THE DECKS:** ETC submitted the proposed RFP. The Committee is reviewing it.
2. **TENNIS COURTS:** The new bench at the tennis courts is installed. The bench was provided by the generous donations of Mr. & Mrs. Jim Jeffers, Francis Higgins & Greg Balestrero & Mr. & Mrs. Jonathan Lewis.
3. **FLOOD INSURANCE:** A refund of \$5,548 was received from Nationwide for the changes in the flood insurance policies.
4. **BANKING:** Shearwater currently holds a Money Market account with PNC bank. Due to policy changes they have become difficult to work with. I would like to cancel that account & open a new one at First Citizens Bank. If the Board has no objections, I will need a Board Member to make the following motion. "Motion to close PNC Money Market account & open a Money Market account with First Citizens Bank. The signers on the account will be Francis Higgins, Linda Lawrence & Jonas Brodie."

The signers are being changed on the Essex Bank Savings Account. In order to finalize that change I will need a Board Member to make the following motion. "Motion to have the signers on the Essex Bank Account be changed to the following, Francis Higgins, Linda Lawrence & Jonas Brodie."

5. **PROPOSED BY-LAW AMENDMENT:** Attached is the Proposed By-Law Amendment. The Amendment would change the By-Laws to reflect the policy that Shearwater has already been following for many years. Maintenance/Cleaning & repair of the Limited Common elements would be a unit owner responsibility. For example, patios & decks would be the responsibility of the unit owners to clean, remove leaves & remove snow.

If the Board would like to move forward with the approval process I will get the proposed change along with proxies to vote for the change out to all unit owners by January 20<sup>th</sup>. The open meeting to discuss the change would be held at the February 20<sup>th</sup> Board of Directors Meeting.

**Dock Master's Report  
Board Meeting  
December 17, 2012**

**Current status**

- Available slips/spaces
  - Seven GCE slips
  - No kayak spaces
  - No dinghy spaces
- Wait lists
  - Two kayak space requests, oldest to 5/17/12
  - Six dinghy space request, oldest to sometime prior to 2010

**Guest Activity:**

- 27 guest dockage events for the year
  - \$2790 billed to date (one guest boat still present)

**Recent Events:**

- Winterized docks on schedule
- Replaced several burned out marina lights

**Future Activities**

- Recommending new dinghy size/weight limits on existing floats at this board meeting
- Awaiting kayak committee report on ramp improvements
- Will have new rate recommendations at February board meeting
- Considering annual or bi-annual power-washing and sealing of boardwalks

**Issues**

- None

# LARGE VESSELS ON THE DINGHY FLOATS

## PROPOSED SIZE LIMITS AND TRANSITION PLAN

### The Issue-

1. In the past there has been no size restriction for vessels on the dinghy float. As a result there are currently three large/heavy vessels currently on the floats.

### The result of this issue-

1. Due to excess weight there has been float damage to in the form of major wear as well as corrosion of galvanized hardware. A recent repair cost several hundred dollars to replace brackets and a hinge pivot connecting two halves of "A" float.
  - a. According to info from residents who were involved at the time of the first float installation, the original float design was based on typical 10 foot inflatable dinghies of the time (not RIB designs) and small outboard motors.
2. Users of the float have complained about the difficulty of moving around the dinghies to land and launch their vessels since the space is crowded by the larger vessels.
3. The space issue is further impacted due to the fact that equipment (roller ramps, brackets and winch gear) that has been attached to the floats to facilitate these large vessels precludes them from being moved.

### Proposed solution-

1. Limit the size of dinghies on the floats to 12 feet in length and limit outboard motors attached to these vessels to 10 HP. Any exceptions to these limits must be approved in writing by the dockmaster(s). In addition, add a restriction that prohibits the attachment of winches, rollers and cradles to the dinghy floats.
2. In the future, any vessel larger than the proposed size limits will be required to be berthed in a GCE slip and pay the existing GCE rental rate. If an owner wishes to do so, that owner may purchase a commercially available "float" to store their boat out of the water, as is already allowed for in the rules. (One example would be the float recently approved and installed in slip B57.)
3. Develop a fair and equitable transition plan to move the large vessels to alternate berthing arrangements.
4. Either change the "Marina Rules and Regulations" to reflect these new limits, or create a new section entitled policies which would not require a rules change.

# LARGE VESSELS ON THE DINGHY FLOATS

## PROPOSED SIZE LIMITS AND TRANSITION PLAN

### PROPOSED TRANSITION PLAN

1. There are three vessels involved, and the dockmasters have met with all three owners. These:
  - a. Ted and Susan Finlayson
  - b. Bill and Karen Van Evans
  - c. Roberto and Bonnie Lopez-Aparicio
2. The owners of two of these current vessels (Finlayson and Van Evans) have agreed to purchase floats for their use, and these floats will be placed in GCE slips assigned by the dockmasters.
  - a. The floats remain the property of the vessel owners, such that, if in the future the owners decide to make alternate berthing arrangements, these owners will be responsible for removing the floats. (This is exactly the same as the long-standing policy on dock boxes.)
  - b. These (2) owners will continue to pay annual rent at the same rate as vessels on the association dinghy floats.
3. The third owner (Lopez) has offered to replace his vessel with a different vessel that meets the new length requirements.

### NET RESULTS OF THIS PROPOSAL

1. The association will utilize slips for two of these vessels that are otherwise marginal slips for larger boats due to location and/or depth.
  - a. No lost GCE rental fees since slips being used are marginal slips.
  - b. No cost to the association for the purchase or installation of the floats.
2. The spaces on the floats will be immediately filled from the wait list, currently showing six requests for float space.
  - a. No lost rental fees from the dinghy floats
  - b. The owners of vessels caught up in this transition are being treated fairly and equitably.
  - c. It is the opinion of the dockmasters that all parties are satisfied with the agreements.