

Captain Kidd Association Annual Meeting of the Members

Saturday July 13th, 2019

Below are the notes from the annual meeting of the members.

Agenda

- 1) Call meeting to order, proof of quorum, and introductions.
- 2) Approve previous year's meeting minutes.
- 3) Treasurer's report.
- 4) Update on memberships/new members.
- 5) Proposed amendment to bylaws, proposed amendment to the Articles of Incorporation (changes our attorney recommends for formally including Peninsula Drive as part of the common area).
- 6) Proposed changes in fees/fee structure (increase in multi-tenant commercial leases from \$900 membership/\$950 slip to \$3000/\$2000 respectively for 2020. Also proposing to increase the initiation fee for non-members from \$1000 to \$2500 in 2021). Lastly there is a proposal to remove the two spruce trees at the main beach.
- 7) Update on projects planned/completed/proposed.
- 8) Election of board members – Bill Flerchinger and John Chandler's 3-year term are up. Dan Wilson has sold his property and we will need a new board member.
- 9) Other business.

The meeting was held in the common area under the gazebo and started at approximately 12:10PM

1. The meeting was called to order and Bill asked all of the members present to introduce themselves.
 - o There were 25 memberships present.
 - o We had three proxies (Winslow, and two in our mailbox – Shaw and Brader). With a total of 26 members/proxies we had a majority of members present and could conduct business. The two in our mailbox voted yes on the items listed in the proxy but are not included in the vote totals below.
2. Bill read the previous year's meeting minutes and answered questions. The previous year's minutes were unanimously approved.
3. John provided a treasurer's report and provided an update on memberships. The treasurer's mid-year annual report will be put on the website. We handed out copies to those in attendance. Highlights from the report. We currently have \$45,208.93 combining the membership (\$22,808.19) and dock accounts (\$22,400.74). The Association is in a solid financial position and has done a great job of efficiently managing expenses.
4. John provided an update on memberships. We have 37 memberships this year. We have two new members – Rob Fletcher purchased Anderson/Gersack cabin and Sandoval purchased Favicchio/Hansen home. We have 4 rental leases (3 multi-tenant, 1 long-term tenant). We have rented all covered slips (including the two new ones) and 2 uncovered slips. This leaves the end of the dock (29A) for guests (There is also a spot on the back side of the south dock that can be used). We also have rented 4 jetski/kayak tie-ups. As a reminder your guests are welcome to use the guest slip for 2-3 days for free. We offer one-week rentals of guest slips for \$100 for visiting family or friends. The treasurers report and member updates were unanimously approved.
5. Proposed amendment changes to the Articles of Incorporation and bylaws to include a legal description of W. Peninsula Drive. Short background: We hired a land use attorney, Megan O'Dowd to help determine who and how we should maintain Peninsula Drive. This was driven by the need to widen Peninsula Drive where it gets very narrow out to the spit and concern by some homeowners on who should pay for the project. There was concern about how this change was worded in the Articles of Incorporation written by Megan. Instead of approving the proposed change as written, and after considerable discussion, the following was voted and approved.

- The members approved that the Association should pay for the maintenance of W. Peninsula Drive. In saying that, it should be recorded to replace two existing road maintenance agreements that exist for two of the cabins on the spit. This maintenance does not include snow removal. Voting For: 17, Against: 9. This is not an approval to do any work, but that the Association would pay for the maintaining of the road at the discretion and decision of the board. Any major project to widen the road should be approved by the members when more details are available for the project.
 - We also asked the members to vote on if the Association should pay for snow removal on W. Peninsula Drive as a separate item. This had lots of discussion as only a few members use the road in the winter. There was concern about liability if emergency services are required for someone living on the road and the Association not paying to plow it. The board will check to see who is liable if the Association is not plowing the snow on the road. After lots of discussion we voted on whether or not the Association should pay for snow removal or not. The members voted not to have the Association pay for snow removal. For: 9 Against: 14. A suggestion was made that the Association could pay for plowing and those using the road in the winter would reimburse the Association. Another suggestion, was one of the members would just plow it as needed. No decision was made on how snow removal will be done.
 - Proposed changes to the bylaws. We decided to not include the road description as part of the bylaw changes until we have a revised description that we are happy with. The board will work with Sue Fall, Sue Loper and Ron Hornig in revising the legal description used for both the Articles of Incorporation and the bylaws and bring it back next year for member voting.
 - To correct the inconsistency between the Articles of Incorporation and the 2012 bylaws regarding certain membership voting rights. Article X of the Articles of Incorporation requires that any amendments to the bylaws be approved by two-thirds of the members present at a meeting (provided that a quorum (a majority of the total membership) is present at such meeting. The 2012 Bylaws (Article XI) require only a simple majority of the members present at a meeting to amend the bylaws. The 2012 bylaws also provide that in case of any conflicting terms between the Articles and bylaws, the Articles shall control. The proposed amendment simply resolves the conflict in favor of the Articles, to require a two-thirds majority of the voting members who are present at the meeting. Members voted unanimously to accept this change.
 - To update notice requirements to allow for electronic notice for future meetings. As the majority of membership communications are now taking place via e-mail rather than regular mail, the proposed amendment to the bylaws allows for official notice of annual and special meetings to be given via mail or e-mail, as may be specified by each member. Members voted 24 in favor, 1 against to accept this change.
6. Proposed changes in fees/fee structure (increase in multi-tenant commercial leases from \$900 membership/\$950 slip to \$3000/\$2000 respectively for 2020. Also proposing to increase the initiation fee for non-members from \$1000 to \$2500 in 2021).
- Again, much discussion was had regarding the multi-tenant membership and dock fees. There were concerns about the increase being too much, not quantified in terms of additional cost to the Association and if it was even legal to charge different rates to different members.
 - The proposed change increase was split into two parts. Part 1: We asked the members if we should increase the multi-tenant membership and dock slip fees. The membership voted to increase the fees. For: 15, Against: 7
 - Bill then asked for proposals on what the increase to the member fees and the dock fees should be. One proposal was for a \$250 increase in each fee (For: 8, Against 9) and a second proposal was for a \$500 increase in each fee (For: 15, Against 7). The members voted to increase the multi-tenant membership fees from \$900/year to \$1400/year and the boat slip fees from \$950/year to \$1450/year.
 - Members asked the board to see if it is legal to charge different fees to members based on property usage. The board will seek legal counsel on the issue.

- The members voted unanimously to increase the new member initiation fee from \$1000 to \$2500 starting in 2021. The board will send letters to all non-members informing them of the change and offering them a chance to join at the lower rate next year.
 - The members voted to not remove the two spruce trees near the main beach, but to have the lawn service rake beneath the trees during the summer to gather up the needles. The vote for removal of the trees was For removal: 9, Against removal 14. The board will ask our lawn service to rake up under the trees during the summer.
7. The board did not review any projects planned during the meeting because the meeting had already run well over 2 hours. The projects planned are covered here in the notes.
- HDB will install two more covered slips (slips 28 and 29). They should be installed any day. (\$7932)
 - HDB installed some additional floatation under the ski dock (\$804.60)
 - We had to replace two of the slip covers after they were installed due to hole/wear (\$435/each + \$175 to install each).
 - Seal coating Peninsula Drive to extend the life of the asphalt. This will be done in Sept. (est: \$1440)
 - We are getting estimates on replacing the north seawall (from the 1st set of steps to the ramp area) to see if we can get this done in the fall.
 - Upgrading our sprinkler system to do a better job of water coverage on the grass and not the adjacent areas.
 - Installing HDPE pipe under several fingers of the main dock to resume its float height.
 - Replacing/repairing the underground electric wire that feeds the docks near the north ramp. One of the phases has a damaged wire.
 - Ramps to main dock. We painted these a few years ago, but the paint is coming off. We will get an estimate on re-planking them and decide if and when we will have this done.
 - We would also like to get some estimates and approaches for widening Peninsula Drive (work to be done next year or beyond depending on complexity and cost).
 - We need to replace the irrigation shed in the next year or so. We will get some estimates to do this. It has our irrigation pump and the main electric meter for the electricity on the docks so it will be a bit more complicated than just replacing the shed. We would like to replace it with a larger shed and use it to store Association stuff during the winter.
8. Election of board members – Bill Flerchinger (17 votes) and John Chandler (22 votes) were both re-elected for another 3-year term. Tom Gilbertson (19 votes) was elected for a 3-year term to replace Dan Wilson who will be moving away in August.
9. Other business. There was a request to add more sand to the beach. The board will see if we can do this. There was a request to add a keypad and gate at the top of Peninsula drive to keep non-members off of Association property. The gate would be left open in the winter and we could change the code regularly. The board will look into this. There was also a request to lower the cost of the covered slips on the south dock from \$450 to \$350 since the slips are less desirable than those in the marina. The members voted unanimously to adopt this new rate for next year. There was a request to have the weeds cut back on each side of Peninsula Drive. The board will ask our lawn service to do this.
10. Other updates:
- The website has been updated to include annual meeting information and Association documents. Be sure to check it out at www.captainkiddhomeowners.com.
 - Your board updated the long-range financial project plan for the Association in Feb this year. The updated plan is on the website. The plan is split into two pieces – one for the common areas, and one for the docks. It lays out what projects we foresee in the future and helps the board plan for big expenses.

Finally, thanks to all of you that help with the annual beach clean-up, chip in to help with a project, or just take time to pick up garbage or pull weeds from the beach. We all play a role in keeping the Association grounds looking great. Thank you!

Best Regards,

Bill Flerchinger

President Capt Kidd Association

Dan Wilson – Vice President

John Chandler – Treasurer/Secretary

Steve Whitacre – Director

Cory Phillips – Director

Teresa Eliason - Director