

**Regular Meeting of the Board of Directors of the Erie Yacht Club  
August 15, 2011**

**Officers Present:** Commodore Gerry Urbaniak, V/C Dave Heitzenrater, R/C Matt Niemic, F/C Ed Schuler and Secretary/Treasurer Karen Imig

**Directors Present:** Doug Boldt, Bob Cunningham, David Haller, Bob Nelson, John Orlando, P/C Tom Trost and Eugene Ware

**Guests:** General Manager Michael Lynch

The Commodore called the Regular meeting to order at 6:33 PM.

**Pledge of Allegiance:** All stood and recited the Pledge of Allegiance.

**Agenda:** The Commodore called for any changes to and approval of the Agenda. R/C Niemic tabled “New Business, Item A. Summer/Winter Storage Rates” and under “New Business” David Haller added “B. Preliminary Education Building Pricing” and F/C Schuler added “Item C. Nuisance Geese.” On a motion by Bob Cunningham with a second by David Haller, the Agenda was approved as modified.

**Acceptance of Minutes of July 18, 2011 Regular Board Meeting and Executive Session of the Same Date:** The Commodore asked for a motion to approve these; V/C Heitzenrater pointed out the fact that Mike Lynch had not been present and the July meeting and that it was Roger Richards himself, rather than his attorney, who had advised us about the possible sale of his property as well as the fact that we did not know the exact asking price. Bob Cunningham then made a motion to accept; second by David Haller. The Minutes were unanimously approved, as modified.

**Secretary's Report:** On a motion by John Orlando, with a second by V/C Heitzenrater, the following members were removed from their one-year probation: Thomas Barilla (A), Dr. James Barker (A), Jonathan Bly (JF), Kelvin Burch (A), Benjamin Davis (JF), John Geiger (A), Patrick Gordon (JF), James Greenleaf (R), Matthew Mascharka (JF), Shawna McCommons (A), David Pierce (A), Gary Prescott (A), Marissa Rickloff (JF), Matthew Rickloff (JF), Emily Sanner (JF-NR), Laura Sanner and Cosette Steehler (A). On a motion by F/C Schuler with a second by Bob Cunningham, the Board unanimously transferred Mrs. Rebecca Wachter, widow of the late ember, George Wachter, from Auxiliary to Special-Boat owning. By unanimous consent, the Board accepted the resignation in good standing of James H. Robbins. On a motion by Eugene Ware, seconded by Bob Cunningham, the Board unanimously removed Scott Brown and David Jones from suspension, both having paid outstanding charges and fees. The “Secretary’s Report” also noted that we had received the following correspondence:

1. Note from newly elected member Frank Gorchinsky declining membership at this time.

2. Response from Blake Ragghianti regarding ownership of his boat.

**Treasurer's Report:** The Secretary-Treasurer reported that On August 1, 2011 Scott Brown, Robert Hessinger and David Jones were suspended and billed \$50 for non-payment of their May charges.

On August 3, 2011, the following 19 members were billed a \$25 service fee for non-payment of their 2011 second half year's dues and assessment: Scott Brown, Robert Hessinger, C. James Fischer, Edward Weisgerber, Leonard Schwemmer, Joseph Busse, Chris Scott, Laurie Thompson, Mark Campbell, David Jones, Samuel Varo, Jr., Jeffrey Lay, Michael Kondrlik, Jaimen Gallo, Patricia Rich, William Trice, Daniel Marx and John Minns. Total fees billed were \$475. If any members' dues and assessment are not paid by September 1, 2011, they will be suspended and fined \$50.

On August 10, 2011, 74 members were contacted regarding non-payment of their June charges. (66 by email and 8 by phone). If June charges are not paid by August 15, a \$25 service fee will be billed. The following members had not paid by August 15 and were charged a \$25 service fee: P/C John Ashby, Michael Fay, Mark McCain, James Maren, Robert Hessinger, J. Clark Kuebler, Donald Richwine, Matthew Schultz, Kelly Donlon, Christopher Gillette, John Minns, Adam Cole, Richard Wachter II, William Dunbar, Michele Butterfield and Daniel Francoeur.

Cash on Hand as of August 10, 2011:

	<i>Current Month</i>	<i>Last Month</i>
Funds in PNC Operating Sweep		
a) Operating Reserve	\$ 50,000.00	\$ 50,000.00
b) Funds available	102,035.55	171,603.50
Funds in M-L Capital		
a) Capital reserve	100,000.00	100,000.00
b) Funds available	100,036.87	104,907.39
Basin Reserve Fund (PNC)	129,412.26*	156,378.37
Petty Cash	2,000.00	2,000.00
Pull Tab Bank	3,000.00	3,000.00
<b>Total Cash on Hand</b>	<b>\$486,484.00</b>	<b>\$587,889.26</b>

\* This total includes the final \$300,000 draw on the PNC construction loan which we took on July 28, 2011. No further construction funds are available from PNC at this time. Other transfers to this account will be made by the end of the fiscal year, including the slip fee transfer and the \$50 slip rebate (amounts TBD).

Monthly Pull Tab Machine Revenue:

July 2011 Profit: \$129

Y-T-D Revenue for Fiscal 11: \$1,834

Grand Total Profit: \$101,874

Mike Lynch's presented the balance sheet and income statements for July and monthly financial critique including Mark Eller's worksheets. Both are filed with the original packet. In his "Financial Critique," GM Mike Lynch stated that it was another terrific month for the overall operation with all areas either meeting or exceeding their income levels with lower than expected expenses for all. The overall operation showed a profit of \$74,389.00, which was \$12,414.00, more than the budget and \$37,389.00 better than in 2010. Year to date we are showing a loss of (\$39,339.00), which is

\$24,536.00 better than our budget. Since July concludes our third quarter of our 2011 fiscal year, he also provided a QUARTERLY SUMMARY:

**Administrative**-This department's overall income after three quarters is \$8,739.00 better than planned. This is due to the amount of Other Income and Dues we've brought in year to date. Expenses have increased 1.8% or \$7,407.00. The net result was an increase in profit in this department of \$2,236.00. Note: Junior sailing income is \$3,886.00 better than in 2010.

**Docks & Grounds**-This department has seen income in the third quarter rise 6.7% or \$40,075.00 which was the result of \$34,000.00 in summer storage fees and fuel sales. At the same time, expenses have only gone up \$11,000.00 due to fuel purchases. The net result shows us with a third quarter loss of (\$3,072.00), which is \$29,158.00 better than the budget. Note: Guest Moorings are half of what they were last year, down \$3,160.00. Slip fees are off from last year by \$9,600.00. Electricity is down \$4,230.00. Summer Storage is up \$28,000.00.

**Clubhouse**-This department does not show any significant income as it relies on dues income to operate. Expenses for the third quarter were down 2.2%, which brought the department closer to being in budget. Currently the house expense are 1.9% or \$6,275.00 higher than budget.

**Lounge**-The Lounge has sales through three quarters that are \$2,800.00 under budget but are \$11,000.00 ahead of last year. Expenses for the Lounge are \$6,000.00 under budget which has helped us to maintain our profit of \$166,375.00 which is on budget.

**Galley**-The Galley has seen sales increase 3% or \$20,000.00 over last year and the budget through three quarters. Expense at up 1.4% or \$7,407.00 during that same period, the result of higher supply costs. The net loss results show the Galley on budget after three quarters.

**General Manager's Report:** GM Mike Lynch presented his report which is filed with the monthly Board packet. In it, he reported the following: 1) Last month he sent a letter to the Erie County 911 center concerning the Club's physical location for emergency response and on on-line maps and GPS. They responded and contacted the "powers that be" in the county and the situation has been fixed as far as on-line maps are concerned. If you go to Google or Yahoo maps and enter: 1 Ravine Drive 16505, it will now take you to the top of the hill and not out near Calvary cemetery. He does not have a GPS so was not able to test that. 2) This was the second year for the Boy Scouts of America to use the Club boats for a scouting activity. This has become so popular with the Scouts that they designed a patch to give the kids which is displayed here:



3) He is happy to report that the food sales for the months of June and July were the highest on record for the Club. Member dining in July hit the \$100K mark for the first time ever and beat 2010 which was the previous high mark by \$7,521.00. Combined member and catering sales also hit a high mark of \$148,165.00. June was also a record breaker, beating all previous June records. We certainly felt the amount of business we did as we experienced 15-40 minute waitlists almost 3 nights per week and delayed cooking times due to the amount of volume hitting the kitchen at the same time. To give you some perspective, our food sales for June and July alone represent 27.3% of our sales for the whole year. 4) Due to the boating incident on Memorial Day and the actions that took place immediate following, he determined that it would be best if the Club had a Crisis Management Plan. Through the research he's done and reading up on the subject of Crisis Management Planning, he has prepared a first draft of a plan for the Club. He asked the Board members to please review it and provide him with

feedback. He would like to note that there are no Club officers on the team. This is done on purpose. Everything he has read strongly suggests that they be left off in case the spokesperson misspeaks. A person in authority, such as the Commodore or other officers, can then step in as the new spokesperson with a clean slate. Board members can serve on the team as fact gatherers or in another capacity.

At the meeting he added that there have been numerous specialists here to inspect the boat involved in the Memorial Day accident. We have spoken to our attorney about having the boat removed from our property. If the boat no longer is the property of member Aaron Hertel, we will push to have it moved.

### **Officers' Reports:**

Fleet Captain's Report: F/C Schuler submitted his report, which is filed with the monthly Board packet. In it, he reported the following: *Ravine Drive*- McCormick has returned. The road has a leveler course of asphalt applied to it and all underground drainage is completed. They have cleaned up a few areas of the hill, which we will hydro seed soon. Ditch work should begin shortly. This will keep the water off of the road and into the catch basins. The ditches will be paved when the final road course of asphalt is put down. *Grounds*- Dockmaster Vogel and his crew are busy with projects around the Club, as always. They are still manning the launch ramp occasionally, checking for stickers. The inspection of our 50-ton lift by Marine Travelift is done; we await the report. The crew is repairing damaged O-dock hinges and floats. This is very time consuming, but going well. The golf carts continue to be a maintenance issue. One of them seems to down often. We will need to replace one soon. The fuel pumps should be here soon. F/C Schuler has JABE quoting a new diesel fuel tank. They say this will be expensive, but we need to know. F/S Schuler is getting quotes for stone in the yard before haul outs start. We have too many wet areas that can be fixed with some more stone. He received numerous complaints about the skateboarders around the Club, mostly concerns about their own safety. Some members are still not happy with parking on the north and east walls during races and Lighthouse events. He hears nothing but praises for the new restrooms at the Lighthouse; great job Matt. *Basin*- The west road is paved and the west wall is hydro seeded. The rest of the improvements will be completed next year after A-dock is finished. Some normalcy has returned at last. *Grounds Committee*- The Grounds Committee did not meet this month.

Rear Commodore's Report: R/C Niemic submitted his report, which is filed with the monthly Board packet. In it, he reported the following: 1) *Basin Reconstruction:* Pilings and sheet piling has been installed for the new Junior Sailing area off of the West wall. 2) *Dock Maintenance and Repair:* Damaged hinges on O-Dock have been replaced. In preparation for the removal of the Junior Sailing Dock, boats in that area will have their slips temporarily re-assigned. Work is scheduled to start soon after the end of the Junior Sailing School classes in mid August. 3) *Dock Committee:* All of the copper tubing purchased from Commodore Perry Yacht Club as part of an aeration system is now at the EYC. Myself and Dock Committee members Dock Master Bill Vogel, PC Tom Trost, Neil Donovan, Mike Hilbrich, Scott Heitzenrater, and John Orlando Traveled to CPYC as a work party. The copper tubing had to be cut loose from under their docks then cut into 40' lengths. The tubing was then loaded onto our barge and towed to the EYC basin. A very special thank you goes out these volunteers for a job well done in the 90-degree heat. Also thanks to the EYC Racing Fleet for the use of the Flagship as our towboat.

Currently we have 10 open slips.

Vice Commodore's Report: V/C Dave Heitzenrater presented his report which is filed with the original Board packet. In it he reported that the House Committee did not meet in August to allow the committee members more time to enjoy the quickly passing summer: 1) *House Activity:* The hot dry

summer weather has made the attempt to redeem the cold very wet spring. The Club events have been generally well attended with regular dinner service being very hectic during the traditional busy summer nights, Wednesday thru Saturday.

A day of note is Wednesday August 3<sup>rd</sup> that was comparatively very slow due to the fact there was no Fleet race that night. Normally the Wednesday night post-race Grill Room is packed with skippers and crew with patrons two deep at the bar and our tables filled for dinner and beverages. This fact illustrates the importance of the providing events at our Club which permits a more consistent level of personal service and sustained food freshness and quality. The racing also helps the Club meet our Constitutional requirements regarding marine activities. As a side note: The Racing Fleet had no race scheduled that night to allow the top boats the chance to compete out of town without missing local races. Congratulations to Bill Hertel's *Magic* who took 1<sup>st</sup> place in the Level 72 class at the Lake Erie Championship at Put in Bay, Ohio. 2) *EYC Gift Certificates*: The gift certificate program has been successful with over \$755 worth of certificates issued to date. The use of the certificates will only increase as more members realize we have this service and as the holidays approach. Mike is doing an excellent job promoting this member service. 3) *Draft Beer System*: The new 8-tap draft beer system continues to be successful. The current additions are Bud Light, Sam Adams Summer, Shock Top Raspberry and Leinenkugel Summer Shady. There will always be discussion over the brands and possible future selections; however, the non-movers will be eliminated. There are plans for a beer tasting event in the fall which will help select a brand to be carried. 4) *Midnight Menu*: members are reminded that we have a limited menu at the bar from 10 to Midnight, Wednesday thru Saturday throughout the summer. 5) *Front Gate Operations*: Members are reminded to use their gate card rather than buzzing the bar to open the gate. Bar employees are instructed to give priority to serving patrons at the bar over quizzing drivers waiting at the gate. Avoid delays, use you gate card! The "No Parking" warnings have been successful in that members or guests are no longer parking in the marked "No Parking" areas. These areas must be left open to allow access of emergency vehicles. Mike's weekly e-news posts have eliminated the problem. 6) *Events*- It was reported that the Sunday Night Light House Happy Hour attendance was down. This event is being referred to the House Committee for review as to whether or not continue, especially in light of the fact that we now hold the combined Dock Parties at the Lighthouse. Members are reminded of the big upcoming events; Flagship Niagara Homecoming on Friday August 26<sup>th</sup> and the Erie Yacht Club Charity Regatta on Sunday August 28<sup>th</sup>. Also we will welcome the Presque Isle Region Antique Auto Club for the first time to our Thursday August 25<sup>th</sup> Happy Hour. 7) *IT Committee*: Chair Douglas Boldt reported that the IT committee has installed two additional wireless antennas on the grounds giving the entire basin full coverage. We now have an array of nine antennas on the grounds.

Commodore's Report: Commodore Urbaniak presented his report which is filed with the original Board packet. In it he said that during the month of July, maybe you visited the Club on a Monday evening and had one of the many new draft beers that we have on tap, or maybe it was a Tuesday for one of Chef Angelo's Tuesday specials, like the fresh calamari, or the Chicken Champagne, or even the all-you-can-eat Snow Crab. Maybe you preferred Wednesdays when hundreds from the racing fleet had a great time sailing on the Bay, then all got together for a great time in the Clubhouse for drinks, tall stories and a bite to eat. Perhaps it was Thursdays that you never liked to miss as we enjoyed one of Erie's absolute best Happy Hours, and competed for 'Best Hawaiian Shirt' or 'Best Mask'; or maybe just enjoyed being around the Classic Cars, or took a light-hearted crack at Karaoke. Of course it was hard to beat the Fridays too, Barbecued Baby Back Ribs, Fried Shrimp Platters, Pretzel encrusted Halibut...that is of course, unless you could have made it on Saturdays, and had fresh live Lobsters, or Lobster Ravioli, Chateaubriand, or just wanted to spend time with our Canadian friends while drinking Happy Hour

specials, and listening to the live music. And speaking of live music, maybe you preferred the relaxing Sunday Brunch while sipping on Erie's best Bloody Mary, returning in the evening for those great tunes at the Lighthouse. Before you knew it, it was Monday again, and well, you know, it started all over. Your Club Manager and Staff have been bending over backwards, to make our summer a great one, and they're doing a superb job. All they ask? Just support your Club. And have a heck of a good time while you're doing it!

**Committee Reports:**

Membership Committee: The membership makeup before this meeting was as follows:

	<i>As of 7/18/2011</i>	<i>2009-2010 Budget</i>	<i>Caps</i>
Regular	652	657	768
Associate	296	300	300
Special	51	46	
Senior	88	94	
Junior. Family	156	141	
Junior	35	0	
JR/JR Fam. Non-Res.	19	<u>32</u>	
Total	1297	1270	
<i>Not in CAP</i>			
Non-Resident	23	23	
Honorary Associate	30		
Honorary Regular	3		
Grand Total	1353	1293	

There were no new members elected this month. The Board discusses ways to encourage Associate members who may have paid the original \$4,500 initiation fees to transfer to Regular membership, thereby opening up slots for new Associates. The Commodore asked that the Membership Committee work on putting together a firm proposal for next month on ways to do this.

Basin Reconstruction Committee: The A-Dock header docks were ordered two weeks ago. F/C Schuler reported that the Dock Reconstruction Committee had recently met with Lakeshore Towing to discuss the process. They will be starting work next Monday. First, we will clear all slips; then they will move the Junior Sailing building across the road with the door opening to the west so it will open out to the new docks. We will then pull out the boat docks and store them on the west wall until needed. After docks are removed, they will then jackhammer the concrete pad, then burn off the pilings. Next they will start digging out the underwater angle of repose so the floor of the basin in that area is level with rest of basin. They will do soundings to ensure we are all the way down to the shale. They will remove debris from the bottom and dump it across the road. This may work may take 1-2 weeks there may be more fill than is needed. Overflow fill will be distributed along the wall.

Junior Sailing Committee: Chris Grychowski, Reyburn Sailing Director, submitted the following report which is filed with the Board packet. The Reyburn School has been extremely busy this July and early August with events ranging from our Ice Cream social to the Eriegatta. Specifically: 1) On Wednesday July 13<sup>th</sup> we participated in a 3 club competition with our regular 420 junior sailors against MHYC (Mentor Harbor) and CYC (Rocky River) in the first three-way competition between the clubs in over 30 years. Six of our kids, Emily Grychowski, Kailey Orlando, Michael Orlando, Jack Niemic, Emma Francoeur, and Thomas Francoeur had a great time and sailed well. We are looking forward to building upon this year and continuing the cooperation between the clubs next summer. 2) Tuesday, July 19 was our annual Ice Cream social. Michele Orlando was instrumental in getting volunteers and setting up the

big night for all students. The event took place on the deck and was a huge success. 3) On Wednesday July 20th and Thursday July 21 we held "Big Boat" days for our 420 students. We had 6 boats participate; Dreamer, Infinity, Lake Shark, Outlaw, Penguino, and Raven. We also had 2 back-up boats; Rakish and Halcyon who volunteered to host our kids but were not needed this year. We would like to give a special thank you to all of the owners for giving our students a chance to experience keel boat sailing. 4) The 2011 Eriegatta hosted 85 participants this year which were 17 more competitors than last year or a 20% increase from 2010. Michele Orlando, John Stull, and Mike Bloomstine along with many other EYC volunteers worked very hard in preparing and running every aspect of the day. Mike Bloomstine reported that the visiting ILYA members had a positive experience and are looking forward to next year's race. There is a very good buzz about our club and how professionally we ran our Eriegatta. 5) We just hosted 2 Boy Scouts weekends in August where we taught 36 scouts how to sail. Each of the scouts was presented with a special EYC badge for participating in our program, one of which was given to GM Mike Lynch in appreciation for hosting their boys. We had very positive feedback from all of the kids and their parents on both of the weekends and each went home with information about the sailing school's summer program for next season. 6) The Reyburn Race team had a great season this year especially considering how young and inexperienced we were. In what was expected to be a rebuilding year we were quite competitive. We sent three 420 teams and one radial laser competitor to Junior Bay Week and had a strong showing. In the 420 class; Nick Pardini and rookie Noah Nicolia finished 3<sup>rd</sup> overall, Anna Bloomstine and Mike Szelwach finished 7<sup>th</sup>, and rookies J.T. Timon and Geoff Wells finished 12<sup>th</sup> out of 33 teams. In the radial laser class Claire Christensen took 33<sup>rd</sup> out of 36 competitors. While at Bay our kids won the "Team Sportsmanship Award" which was voted on unanimously by the other participating teams. Congratulations to all of them including their coaches Mike Bloomstine and Margaret Szelwach on a great week and an even better year. One final note: just this past Saturday at the Loraine Regatta, Noah Nicolia skippered in his first regatta and took first overall for the EYC team. This is just one example of many which has the other teams around the lake worried about how strong our Reyburn Race Team is looking to be in the future. 7) Tuesday August 16<sup>th</sup> is our annual Junior Sailing Banquet; we are looking forward to a fun filled night in celebrating all of our kid's accomplishments this past season. 8) I have spoken with our Dock Master Bill Vogel and informed him that the Junior Sailing dock will be cleared for construction (or destruction) by Thursday August 18<sup>th</sup>. We look forward to our new home next summer.

EYC Foundation: There were no meetings this summer. The Fund drive is ongoing and response had been good.

#### **Unfinished Business:**

Roger Richards Property/First Right of Refusal: The Commodore reported that he had formed an ad hoc committee to prepare for a response to a potential purchase offer. This work is preliminary so that we would be ready should there be an offer, at which time we would have 60 days to make an offer. There will be no meeting until an offer is actually forthcoming. The committee consists of P/C Loesel, Chuck Weber, Randy Rydsewski, Paul Kubeja, Doug Boldt, V/C Heitzenrater and the Commodore. Dave and Paul visited the city to ascertain information on the property. It is zoned the same as the EYC; that is, R1 residential and permitted for nonconforming use. If we wanted to put anything other than residential there, we would have to merge the two properties into one parcel and then we could build whatever we wanted, such as a pool, a Junior Sailing building, a storage facility or whatever we may want. Subsequently, we received a survey of the property from Roger Richards which included much of the information they had found. Doug Bold mentioned that Roger has been very helpful and stated that he would be open to our using the property for a pool.

Ragghianti Boat Usage: The Secretary-Treasurer reported that she had received a written response from Blake Ragghianti explaining that his father had initially been on the title because he had assisted in financing the boat. However, the boat is now paid for and belongs to Blake. Previously being unaware of the rules at the Club regarding shared boat ownership, he has now made the change to remove his father's name from the title to more accurately reflect the ownership of the boat. Ail agreed that this was acceptable.

**New Business:**

Club Financial Comparison: GM Mike Lynch made a PowerPoint presentation of the results of a bi-annual survey of 455 clubs across the country conducted by the Club Managers' Association in which we participated. Overall, our Club seems very healthy, being above average in revenue and below average in expenses. For example, we were in the 68<sup>th</sup> percentile as far as profits, having made a \$66,575 profit last year, with the median being a loss of (\$55,000). The survey shows that our members are receiving a good value.

Preliminary Education Building Pricing: David Haller and Matt Niemic reported that they had done a preliminary price estimate of the proposed building based on the conceptual design provided by Rectenwald architects. This estimate is \$750,000; however, no building materials have been specified and the choice of materials and finishes could alter that estimate. The Board discussed the fact that the Junior Sailing Committee does not seem to think this building fits their needs and would rather have more storage space and less "meeting" space. Additional concerns are that the maintenance of such a building would fall on the Club and the costs of heat, electric, maintenance, cleaning and depreciation could prove to be prohibitive. Additional study is required.

Nuisance Goose Season: F/C Schuler raised that point that we have started to see in influx of geese at the Club as winter migration begins. He suggested that we take measures to discourage these geese from roosting here. The Board suggested he write a letter with his proposal which the Board could then approve.

Adjournment: Doug Boldt made a motion that we adjourn the meeting. After Bob Cunningham provided a second, it carried unanimously. The time was 8:45 PM.

Respectfully submitted,

Karen L. Imig  
Secretary/Treasurer