



**Regular Meeting of the Board of Directors of the Erie Yacht Club
September 17, 2012**

Officers Present: Commodore Dave Heitzenrater, V/C Matt Niemic, R/C Ed Schuler, Fleet Captain Brad Enterline and Secretary/Treasurer Karen Imig

Directors Present: Bob Cunningham, Dan Dundon, David Haller, Mickey McMahon, Bob Nelson, P/C Gerry Urbaniak and Eugene Ware

Guests: General Manager Mike Lynch; Shawn Waskiewicz at 7:00 pm; Jim McBrier at 7:30 p.m.

The Commodore called the Regular meeting to order at 6:31 PM.

Agenda: The Commodore called for any additions or corrections to the Agenda. There were none so on a motion by P/C Urbaniak with a second by Bob Nelson, the Agenda was approved.

Acceptance of Minutes of August 20, 2012 Regular Board Meeting: The Commodore asked for additions or corrections to the Minutes. Since there were none, the Commodore then asked for a motion to approve the Minutes. Bob Cunningham moved to accept; second by Dan Dundon. The Minutes were unanimously approved.

Secretary's Report: There were no members completing their one year probation this month. On a motion by Bob Cunningham, seconded by Dan Dundon, the Board unanimously transferred Ben Shaevitz from Associate to Regular, effective July 1, 2012, and approved his request of a payment plan of ½ of his Initiation balance down and the remainder payable in 12 monthly installments. On a motion by P/C Urbaniak with a second by Bob Cunningham, the Board unanimously tabled the request by Mario Napolitano to transfer from Regular to Associate until he can be contacted to explain that there is no longer a great deal of financial benefit to do so, and additionally, that there is a waiting list for Associates. On a motion by Bob Cunningham with a second by Dan Dundon, the Board unanimously transferred Patrick Doyle from Regular to Senior and Carolie Otto from Auxiliary to Special; on the same motion, they also accepted the resignation of Donald Berdine (A) and Harry Mueller, Jr. (A), effective December 31, 2012 and the resignation of Keenan Klett (JF), effective June, 30, 2012. The "Secretary's Report" noted that we had received the following correspondence: 1) Note of thanks from Craig and Monica Schwegman for another great summer season at the Club.

Treasurer's Report: The Secretary-Treasurer reported that on September 1, 2012 three members were suspended and fined \$50 for non-payment of their June charges and their second half years dues/assessment: C. James Fischer, Michael Kondrlik and Evelyn Tenney.

On September 8, 2012, 73 members who had not yet paid their July charges were contacted, 62 by e-mail and 11 by phone. On September 16, 2012, the following members who had not yet paid their July charges were billed a \$25 service fee and sent a letter stating that if they do not pay their charges by October 1, 2012, they may be suspended and fined \$50: Martin Deneziak, P/C Frank Zurn, P/C Kerry Schwab, Mark Campbell, Robert Openlander, Patricia Rich, Mario Napolitano, Shawna McCommons,

John Cassara, Christian Kramer, John Quinn, Thomas Mascharka, Krista Krugger, Cynthia Bamberger, Josh Solt, Ulf Knothe, E. Willy Sickert, Fred Veith, Timothy Dunagan, Daniel Doyle, John Hromyak, Eric Azzato, Jeff Mroz and Greg Rogers. The following members were sent a sent a courtesy warning letter stating that they had either been late in paying two times in a row or three times over the last twelve months and if late three consecutive months or four times in a twelve month period that he could lose their charging privileges: Mark Campbell, Jeff Mroz, Patricia Rich, Josh Solt.

Cash on Hand as of September 13, 2012

	<i>Current Month</i>	<i>Last Month</i>
Funds in PNC Operating Sweep		
a) Operating Reserve	0	\$50,000.00
b) Funds available	\$31,345.97*	30,383.40
Funds in M-L Capital		
a) Capital reserve	\$100,000.00	\$100,000.00
b) Funds available	62,482.24	74,982.24
Basin Reserve Fund (PNC)	\$ 51,576.36	\$ 88,883.42
Petty Cash	2,000.00	2,000.00
Pull Tab Bank	3,000.00	3,000.00
Total Cash on Hand	\$250,404.57	\$349,249.06

* Note: We have temporarily dipped below our Board imposed \$50,000 Operating Reserve (on paper.) We will closely monitor our balances as we near the end of the fiscal year on October 31. At some point we may have to borrow from our PNC Line of Credit as we have done in past years, then pay back as cash comes in. The next major influx of Operating cash will be early payers of Winter Storage in October, then all Winter Storage which is due in November. By December we will see dues payments flow to the Operations account. As a point of comparison-our cash on hand at this time in September 2011 was \$283,892.93 and there was the same note about possibly having to borrow, which we did in October.

Annual Meeting with Auditors: We have contracted with Malin Bergquist again this year to audit our finances and provide an opinion. The meeting to review their report will be held on Thursday, November 1 at 1:00 p.m. at the Club. Officers should plan to attend and the entire Board is invited and encouraged to attend.

Monthly Pull Tab Machine Revenue:

August 2012 Profit: \$840
Y-T-D Revenue for Fiscal 12: \$4,075
Grand Total Profit: \$107,379

GM Mike Lynch presented the balance sheet and income statements for August and monthly financial critique including Mark Eller's worksheets. Both are filed with the original packet. In his "Financial Critique," he stated that overall, the Club showed a profit on the month of \$15,753.00, which was \$8,649.00 short of our goal of \$24,402.00. The primary reason for the shortfall was the added expenses on the month in the Docks while the department revenues came in \$5,800.00 lower than planned. Overall Club income was up \$4,000.00 from our budget but the expenses on the month came in \$12,000.00 more than planned. As a result we had a shortfall on our monthly profit. Year to date the Club is showing a loss of <\$20,866.00>, which is \$3,935.00 better than the budget and \$51,000.00 better than last year at this time.

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) The 2013 Budget meeting will be Tuesday October 9 at 6:30 PM. 2) Over the next two months we will be conducting a complete membership demographic update which will include asking for updated contact information, winter addresses and children's births, etc. 3) He has asked Beals-McMahon to paint the front wall again while the water is low so it will look better in the spring when the water goes up. They will also be repairing the wallpaper that was torn off in the

ladies room. 4) He provided and estimated projection on the cost of doing the I-dock wall. The area of construction would be from the west front wall to the end of I-dock stopping at I-20. The scope of the work is expected to be the same as was done on L-Dock which was: new electrical and plumbing with pedestals, trenching and inspecting all tie backs and repairing all broken connections, installing a new concrete sidewalk to match existing one, reattaching existing metal docks, paving trenched areas. The estimated cost is \$357,712.70 for 570 feet of wall, based upon the actual costs of doing L-dock plus a 10% inflation factor. However, once we start trenching, we have no idea what we will find that might need repair. Dockmaster Vogel is in the process of securing solid quotes from the various contractors which we will then review so a decision can be made as to whether to wait or move forward with this phase now. It will require Capital funds to complete this last phase. 5) Once the I-dock is complete the only outstanding area of the Club not done will be the wall alongside and in front of the fuel dock as well as the lift well. 6) The Club has enough funds in the Basin Fund for the October loan payment and 25% of the November payment. It is our intention to borrow from our line of credit to make the balance of the November and the December payment. In December, we will pay that off with the proceeds of the assessment funds that will come in that month. 7) He provided the final costs of the A-dock project compared to the estimated costs originally prepared at the start of the Basin Project:

	Estimated Budget	Actual Cost	Difference
A Dock- Docks	\$107,850	\$403,310	\$295,460
A Dock- Wall	\$314,137	\$608,837	\$294,700
Jr. Sailing Walls	0.00	\$293,940	\$293,940
Totals	\$421,987	\$1,306,087	\$884,100

8) He also provided the final costs of the entire Basin project, minus I-dock:

Project	Budget	Actual	Difference	Year
O Dock Wall	499,600	460,165	(39,435)	2006
L Dock Wall	0	382,082	382,082	2008
J/K Wall	0	118,082	118,205	2009
G/H Wall	361,108	253,810	(107,298)	2010
B/C Wall	221,174	229,352	8,178	2011
A Dock Wall	314,137	608,837	294,700	2012
Jr Sailing Wall	0	293,940	293,940	2012
Total Walls	\$1,680,026	\$2,534,517	\$854,491	
M/N/O Docks	598,246	681,252	83,006	2007
J/K/L Courtesy	634,618	830,380	195,762	2008
D/E Dock	630,181	670,323	40,142	2009
G/H Dock	305,850	397,407	91,557	2010
B/C Dock	145,317	398,110	252,793	2011
A Dock	107,850	403,310	295,460	2012
Total Docks	\$2,422,062	\$3,380,782	\$958,720	
Travel Lift	200,000	263,828	63,828	2007
Auger Barge	70,000	114,798	44,798	2006
Fork Lift	0	11,627	11,627	2006
Aeration System	0	5,000	5,000	2011
Grand Total	\$4,372,008	\$6,122,427	\$1,750,419	

Officers' Reports:

Fleet Captain's Report: F/C Enterline submitted his report, which is filed with the monthly Board packet. In it, he reported the following: 1) *Junior Sailing:* The new Junior Sailing area has been completed with the wave attenuator, and it was utilized by both youth and adult students. The design and functionality

of it appears to be well received. Those who have been out to view the attenuator in action on a blustery, west-wind day can attest to the fact that it is working very well and doing the job it was intended to do.

We know that some boats are continuing to hit bottom in certain locations with the low water level. We will attempt to address these situations once the boats have been removed for the winter season.

Dockmaster Vogel and his crew have already begun the process of pulling boats out for the winter season, and we would encourage all members to contact the office to schedule a date for a haul-out. As always, we request members to be prepared with sufficient help so that the Dockmaster and his crew can remain on schedule and all haul-outs are performed safely. 2) *Lighthouse Lighting*: As many have now been able to see, the Lighthouse lighting project has been essentially completed, although there may be a few minor details to be resolved. Thanks to Scott Heitzenrater and John Orlando for their volunteer work in preparing and completing this project.

Rear Commodore's Report: R/C Schuler submitted his report, which is filed with the monthly Board packet. In it, he reported that the Dock Committee did not meet this month as there was nothing that the Committee needed to discuss or act upon. We have two open slips. Boats are coming out already. This will give us the opportunity to move members who are experiencing low water issues with their slips. Lakeshore will return in a few weeks to remove the rest of the old Junior Sailing pier. We are working on a budget for I-dock renovation. It should be done for next month's meeting.

After The Fleet Captain's Report, the idea was raised to have slip holders provide a copy of their insurance certificate with their slip application. This is a common practice at most other clubs and marinas. All agreed that this would be a wise safety measure and asked the Fleet Captain to ask the Dock Committee to require this for the 2013 slip applications.

Vice Commodore's Report: V/C Matt Niemic presented his report which is filed with the original Board packet. In it he reported the following: 1) *West Side Deck Roof*: We have received quotes from several contractors to replace the worn out shingles. The roof was quoted two ways: shingle replacement and standing seam metal to match the Lighthouse and Restrooms. The House Committee along with input from the Board and Bridge will review the quotes and decide the best course of action. 2) *Web Cam*: It is back up and running. 3) *Phone System*: During the summer our phone system experienced a lot of interference and complete loss of service on several occasions. The cause of this was determined to be a break down in the wiring from as far away as Raspberry Street. The phone company has replaced and repaired its wiring. While dealing with this problem General Manager Mike Lynch was able to negotiate a deal. By switching to Verizon as our phone service provider the Club will save approximately \$3,000.00 per year. 4) *Sunday Football Menu*: We will have a Sunday football menu available during the season. This will allow everyone to get food service during the games when our restaurant would normally be closed. 5) *New Menu*: Chef Angelo has started working on some items for our new menu to start in November. 6) *Thursday Menu Specials*: Due to its popularity we will continue our Happy Hour Prime Rib Buffet for a while longer. We will also be having Sushi night on Thursdays in October. 7) *Increased Sales*: Due to a strong Labor Day Weekend crowd, sales were up over 55% from last year. 8) *Ball Room Dancing*: Ball Room Dancing is returning this year so find a star and sign up. 9) *Canon*: Although we usually only fire our canon at sunset between Memorial Day and Labor Day. We will continue this practice and our new moment of silence to honor our country's flag during the last two Thursday Happy Hours.

Commodore's Report: Commodore Heitzenrater presented his report which is filed with the original Board packet. In it he said that Bridge Officers Matt Niemic and Ed Schuler and he were privileged to attend the Transfer of Command Ceremony and Reception held on August 30, 2012 in Cleveland's Inner Harbor. The ceremony was centered on direct descendent Oliver Hazard Perry Cabot who made the

transfer of the “Don’t Give Up the Ship” burgee from the *Niagara* to the modern Oliver Hazard Perry class frigate, the *USS De Wert*. We were among a number of other Inter Lake Yachting Association clubs in attendance. The *Niagara* was present as well as ships representing the US Navy, US Coast Guard and the Royal Canadian Navy who were there for the Navy Week celebration including the Navy’s Blue Angel flight team.

The appearance of the *Niagara* was underwritten by the Perry Group, organizer of the 2013 bicentennial celebration of Perry’s victory. The Perry 200 Commemoration locally unites us as citizens of Erie, Pennsylvania, United States of America. Future bicentennial plans include a four day Tall Ships Festival September 5–8, 2013 on our waterfront.

We continue to accept applications for Regular members. Associate Member applications are now placed on a short wait list that has been posted on the Club’s main bulletin board.

We welcome the boat owners and crew members who are here for the J-35 North American Championship Regatta. As the host club, we have about 40 volunteers who are doing their best to make this an enjoyable and successful regatta. Member Aaron Hertel is the Regatta Chair and will be racing on *Magic*, owned by William Hertel. We wish the best to all competitors to have a safe, well run and fun regatta.

The great summer continues, as we have had one of the best weather seasons that can be remembered here. The hotter and dryer weather only heightened the enjoyment we had boating and attending the countless events. The Commodore gave congratulations to our great professional staff, but he also thanked the many volunteers who continue to give their time and expertise to our Club.

He expressed thanks to all who helped and supported the EYC Charity Regatta. This year the Regatta had 54 boats entered and raised \$30,766 for the Flagship Niagara League, a 501c3 charitable organization. The League operates the Maritime Museum and funds the ship’s crews and maintenance needs. The US FLAGSHIP NIAGARA is a unique United States historic treasure that is not based in Put-in-Bay, Cleveland or Philadelphia as she could be. The proceeds help keep her sailing here representing all of us in Erie, Pa.

He thanked our membership for their support and continued patronage of our restaurant facilities and events. The Erie Yacht Club, what a wonderful place!

Committee Reports:

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

	<i>As of 8/20/2012</i>	<i>2011-2012 Budget</i>	<i>Caps</i>
Regular	648	657	768
Associate	323	300	300
Special	55	50	
Senior	89	97	
Junior Family	150	175	
Junior	43	40	
JR/JR Fam. Non-Res.	22	19	
Total	1330	1338	
<i>Not in CAP</i>			
Honorary Regular	8		
Honorary Associate	29	3	
Non-Resident	24	24	
Grand Total	1391	1362	

On a motion P/C Urbaniak with a second by Bob Cunningham, the Board unanimously elected the following, en bloc, to the membership categories as noted: *Junior Family*: Alexandra Merski, Geoffrey

Wells and Halle Walker; *Regular*: Randall Heemer, Jerome Farrar and Leonard Zawistowski. The membership report also noted the death of Associate member Robert Lechner.

EYC Charity Regatta: Shawn Waskiewicz, Executive Director of the Flagship Niagara League joined the meeting at 7:01 p.m. He thanked the Board for having him that evening and also for designating the Flagship Niagara League as the 2012 EYC Charity Regatta. He said he was happy to report that the League raised \$30,766 and after expenses of \$6,633, netted \$24,044. He said that from the information he had been given, the 52 boats that participated represented a 10% increase over last year's Regatta and there were lots of people at the event who were enjoying themselves. He felt that since they were new at the event, there were a few things they could have done better and more economically. He then presented a thank you gift of a beautiful water color framed print of the Niagara under sail and also tickets to the upcoming Niagara Homecoming at the Maritime Museum. He left the meeting at 7:12 p.m. After he left, the Board discussed the idea of having a standing Charity Regatta Committee made of EYC members who would know exactly how the event should run, from ducky prizes down to the placement of the tents. This way, even if there were a different charity every year, there would be continuity and assistance provided to the charity. Other suggestions included having an "Operations Manual" and also a website link where charities could obtain information about how to bid on the event. There was some discussion as well about the 2013 Regatta being designated for our own Reyburn Sailing program, including the proposed Education Building.

EYC Foundation: Jim McBrier, Chair of the EYC Foundation, joined the meeting at 7:30 p.m. Jim presented a draft agreement, a timeline and a plan for the EYC Foundation to raise funds and build a proposed Maritime Education Building on the new Junior Sailing pier. For donations for the building to be tax deductible and comply with the tax laws for a non-profit, the Foundation must raise the funds and build and own the building. They would lease the land on which the building would be built from the Erie Yacht Club. In exchange for the Club's Reyburn Sailing School program being able to use the building for their programs, a "trade" would be established and the EYC would assume management and maintenance of the building but not ownership. The building would also be available for the use of the planned intercollegiate sailing programs as well as for other maritime and water-related organizations such as the Bay Swim, the S.O.N.S. of Lake Erie, the Power Squadron, etc. The general consensus of the Board and Club Management is that having this building available would be an asset to the sailing program. Since the Club is not in a cash position at this time to build the building due to the Basin project, having the Foundation own and build the building makes it possible. After discussion, P/C Urbaniak made a motion to send these agreements to our Club attorney, Bill Brown for review. R/C Schuler seconded the motion, which passed unanimously. It is hoped that this plan can be presented to the membership at the Annual Meeting. Jim left the meeting at 8:00 p.m.

Unfinished Business:

West Deck Roof: V/C Niemic presented several quotes for a new roof for the West deck for both shingles and standing seam metal. Three bids for shingles ranged from \$5,250-\$9,750. Two bids for a blue standing seam metal roof to match what has been installed at the Lighthouse and Restrooms were also presented, one from McCreary for \$17,250 and one from Watkins for \$10,980. The metal roof has a longer life and would provide a consistent look to the buildings on the Club grounds. A summary of the Capital Budget to date provided by the General Manager showed that the Capital balance after all projects already committed were complete was \$58,655, plus the \$100,000 Board imposed Capital Reserve. The GM also noted that we had elected four Regular members at that evening's meeting which would add approximately \$17,000 to the Capital Account. Bob Nelson made a motion to accept the Watkins bid. This was seconded by Gene Ware. However, it was subsequently decided to include the west entrance roof to match but there were no quotes for this work. It was estimated that the west entrance would take the project costs to approximately \$13,500. Therefore, Bob Nelson amended his

motion to include the deck and the west entrance roofs for a not to exceed price of \$13,500 including tax and Gene Ware concurred. The motion carried unanimously.

New Business:

Constitution and By-Laws Changes for Annual Meeting: F/C Enterline presented two proposed resolutions which had been reviewed by the *Constitution and By-Laws* Committee. The first was a revision to how the Nominating Committee is elected. He explained that he had been approached by P/C Gib Loesel about this revision. It was felt that it is difficult for a member who is not a Past Commodore (P/C) to win against a P/C. Therefore, the current Nominating Committee suggested that the *Constitution*, ARTICLE X, “Nominating Committee,” be modified to read as follows:

“At the next Annual Meeting following the adoption of the within Constitution and By-Laws, the Membership, by majority vote, shall elect the Nominating Committee of five (5) Members. *Two (2) shall be elected each year at the Annual Meeting. That candidate receiving the most votes shall be elected to a three-year term. (If there is a tie, the Membership shall designate the three-year term by vote.) The other candidate shall serve a one-year term. The remaining one-year term shall be filled by that Past Commodore who has been out of office for five (5) years. In the event that that Past Commodore is not able or willing to fill the position, that position shall be filled by the Past Commodore who has been out of office six (6) years.* In the event of a Committee vacancy by reason of death or unavailability of one of its Members, the Board of Directors, at its next monthly meeting shall, by majority vote, appoint a successor to serve until the next Annual Meeting, at which time the general Membership shall elect the successor for the balance of the term of the deceased or unavailable Member previously elected, if there be an unexpired term.”

The Nominating Committee has requested this change to ensure at least two Past Commodores serve on the committee. Past Commodores by virtue of their position and knowledge of the membership would aid in the process of selecting quality candidates for the various positions. In addition, they propose that 4 individuals be placed on the slate so that there is not just one person who is not elected (misery loves company). The change was also suggested to avoid the situation where PC’s are nominated and running against other individuals who may be less known and may have difficulty prevailing in an election. The Nominating Committee would be free to nominate non-PC’s knowing that two P/Cs will be on the committee, since the last Past Commodore to leave the Board is assigned to the Nominating Committee as well.

On a motion by Mickey McMahon, seconded by Bob Cunningham the Board unanimously voted to send this Resolution to the Regular membership at the Annual Meeting for vote.

The second proposed resolution was a \$50 dues increase for Associates. If this Resolution were to pass, Associate dues would increase by \$4.17 per month, or \$50 per year. This increase would narrow the gap between Associate dues and Regular dues to \$30 per year. This is a continuation of the plan begun last year to provide parity between Regular and Associate dues. Associate dues would be raised again because as explained at last year’s meeting, Associates now pay only \$1,000 in Initiation Fees but have the same use of the Club food and beverage and grounds facilities as Regular members who pay \$4,500 in Initiation Fees. On a motion by Mickey McMahon seconded by Bob Cunningham, the Board unanimously approved the following to be presented for vote to the Regular membership at the Annual Meeting, “Resolved, that Associate dues be increased by \$50 per year, effective January 1, 2013.”

Adjournment: Bob Cunningham made a motion that we adjourn the meeting; P/C Urbaniak provided a second. The motion carried unanimously. The time was 8:44 PM.

Respectfully submitted,
Karen L. Imig
Secretary/Treasurer