

**PORTSMOUTH YACHT CLUB**

**MINUTES OF BOAD OF DIRECTORS MEETING  
THURSDAY, May 13, 2010  
AT PORTSMOUTH YACHT CLUB  
Version 1**

**PRESENT:** Comm. Dionne, V/C Leto, R/C Weller, DV/C Kemen, P/C Adams, Capts. Clement, Gingras, Kennedy, MacHardy, Michael, Treasurer Rushforth, Secretary Cartnick

**NOT PRESENT:** P/C Courteau, Capt. Hefferan

There being a quorum present, Commodore Dionne called the meeting to order at 7:00 pm.

**SECRETARY'S REPORT**

Secretary Cartnick handed out minutes of the April 8, 2010 Board of Directors meeting. It was MSP to accept the minutes of the meeting and to post them on the website and on the secure bulletin board.

A list of applicants waiting for membership was provided. We have 6 applicants on the Wait List and 3 applicants awaiting interviews by the Membership Committee.

BOD members were reminded of the New Member Orientation May 19.

**TREASURER'S REPORT**

**Balance Sheet**

Total cash	\$243,041	Last year	\$272,415
Mortgage principal balance	\$41,232		
Accounts payable:			
Eastern balance	\$4,883		
Route One Carpet	\$2,748		
Ladies Committee	\$2,105 (tables)		
(all disbursed beginning of May)			
Accounts receivable:			
Collection of new member dues, locker, and slip fees ongoing.			
Fixed Assets:			
The 2010 segment of dock replacements (\$24,768) completed.			
50% deposit to Eastern for outboard replacement.			

**Revenue & Expense Statement**

Year-to-date revenues and expenses are on target.  
Member dues received as of 4/30 = 249  
All available lockers and slips have been billed with the exception of Slip T.  
There are 2 dinghy spaces available.  
The fully depreciated Honda outboard was sold and recorded a gain on sale of asset of \$2000.  
Thanks to Steve Jefferson.

The 2009 Federal and State tax filings were completed and mailed. Thanks to Tim Driscoll.

After discussion, it was MSP to approve the Treasurer's report.

**REAR COMMODORE'S REPORT, R/C Weller**

The "SOS group" is putting the finishing touches on preparations for the Opening Dinner Dance, which will be this Saturday night. As of this morning, I am told that there are 99 members and guests signed up. Many members have said that they are looking forward to trying out the new caterer's food.

Judi O'Brien and Kim & Dick French are the June hosts. They have met with the caterer and have the menus for June planned out. I will be posting complete menus on the bulletin board at the clubhouse and on the web site.

The June newsletter is complete and at the printer. I hope to have it in the mail early next week. I have included a new graphic on the address page to encourage members to sign up for electronic delivery.

I have purchased a new "letter board" to replace the present, rather shabby one. I am hoping to have it ready for Saturday night; however, I am still waiting for additional letters in order to complete it. Lisa Stern and I filled the flower boxes this afternoon. Combined with all of the other improvements to the club, it should look great for the opening of the Club.

After discussion, it was MSP to approve the Rear Commodore's report.

R/C Weller received congratulations and thanks for production of the newsletter.

### **REPORT OF VICE COMMODORE, V/C Leto**

In two more days, PYC will be officially open for the season, and we're in good shape for it. The work parties of April 17 and April 24 were both well attended and successful. Our Docks In event went as planned on May 1 and included the installation of five new docks, numbered 21 through 25.

The inside of the clubhouse has been significantly upgraded over the winter months. As you know, the dance floor has been refinished, the first floor carpet replaced, hallways and large portions of the walls repainted, a new marine grade digital lock installed on the upriver passageway gate, gutters sealed, doorknobs replaced, tables refinished, porch floor and picnic tables repainted, and so on. We will have new fencing around the dumpster shortly, including a solid section of fence between the dumpster and the deck area. This will make sitting on the deck a more pleasant experience. Staff uniforms (shirts) have been ordered, the gas grills repaired, and our new Assembly Permit hangs on the wall. We are working with Greenwood Construction to replace the worn out ratchets on the fuel hose reels. A modestly priced phone system with integral intercom will be purchased shortly, a defective window sash will also be replaced soon, and research on point-of-sale systems continues. We are also pricing both propane and wood burning fireplace inserts as an alternative to baseboard heat.

Thanks to Steve Jefferson, we now have a brand new Yamaha 115 four stroke outboard motor, as well as 100% brand new controls and instrumentation on the fast launch. The net cost, after selling the old Honda 130 was \$7,293. We should plan on replacing the motor on a regular basis in the future and reflect same in the Capital Investment Plan.

Pepperell Cove Mooring Services (PCMS) has launched all of our moorings except the ones at Pepperell Cove. The Commodore will address that issue in more detail later in this meeting.

Slip F was awarded to Capt. Zadoc White, as Capt. Chris Clement moved from slip F to slip O, previously held by Capt. Mark Roy, who declined to renew his contract this year. Nine lockers were allocated to new holders as eight members with lockers left the club and another passed away. There will be a notice in the June newsletter asking members who pay for lockers but don't use them to consider turning them back to the club for reassignment. It would be nice to see our locker capacity better utilized than it has been in the past.

All mooring agreements, along with proof of insurance, have been properly executed and returned. We are still waiting for four of twenty-three slip agreements sent out, nine of the thirty-one dinghy agreements sent out, and nine of the twenty-six paid launch agreements mailed. I will enforce the Board's earlier decision that compliance with Club rules regarding the slips, moorings, dinghy dock, and launch service is not optional. Any member not returning these documents in a timely fashion will be denied the use of the service for which they have applied until they do sign. Forms will be available in the dockhouse.

Greenwood Construction serviced the fuel system. That service included emptying the spill buckets and sumps, several of which had water in them. This water, with a few drops of fuel, is now considered oily waste in New Hampshire, and it requires special handling for disposal. Greenwood can no longer haul it away, so they left it in a 55-gallon drum by the shed. A call to Enpro produced an estimate of \$300 to haul away and dispose of one 55-gallon drum.

The round tables arrived today. They will not be used at the Opening Dinner Dance, as table decorations were designed based on rectangular tables. After that, however, we plan to use them regularly. Unfortunately, it is unlikely that we can store both the old tables and the new tables, so I will be asking the

Board tonight for approval to dispose of as many of the old tables as we must as determined by our existing storage space. We have ten 8' X 30" tables and six 6' X 30" tables. We will keep at least two eight footers and one six footer for food setup. When we have determined how many tables have to go, I would like to first offer them by email to members for whatever amount pleases the Board, maybe \$25 or \$50, then list the balance, if any, on Craigslist, and, if they don't sell, simply give them away.

Discussion followed about sale of the tables. It was MSP to authorize V/C Leto to offer the tables to members for \$10 each.

After discussion, it was MSP to approve the Vice Commodore's report.

### **REPORT OF COMMODORE, COMM. DIONNE**

The docks are in and the 112<sup>th</sup> year of PYC is underway. I want to thank all of the members and potential members on the Wait List who took part in our two work parties and Docks In for all of their hard work. We have many jobs that have to be completed in order to prepare the Club for opening. Some worked outside, some inside, and some kept all of us with food and drink. My compliments to V/C Leto, DV/C Kemen, and R/C Weller for great planning and execution.

Our new 8 round tables have arrived, thanks to Capt. Joe Nadeau. We now must determine how they will be stored and how we dispose of our old rectangular tables. Suggestions from the BOD would be appreciated.

As many of you may know, P/C Ed Wright and Capt. Judy Wright are moving from the Seacoast to Florida. As a results of their move, Ed and Judy have donated an assortment of adult beverages and "anchor" shaped andirons to PYC. Their generosity is appreciated.

P/C Andy Courteau and I recently met with John Carson (Chairman of the Kittery Port Authority (KPA) and Bion Pike (Kittery Harbormaster) at the Kittery Town Hall. As a result of our meeting, it appears that we have arrived at a tentative solution to our problems regarding the 6 Pepperell Cove moorings. Details of the meeting will be discussed under Old Business.

On a sad note, since our last meeting, we have been advised of the passing of Art MacDonald. We extend our sincere condolences to his family and friends.

Commodore Dionne passed around a card from the family of Capt. Jack O'Brien, thanking the Club for condolences on his passing.

After discussion, it was MSP to approve the Commodore's report.

### **OLD BUSINESS**

#### **1. Proposed change to By-Laws for Vote at Annual Meeting**

Commodore Dionne provided copies of a change to Article XII of the By-Laws with a proposal that the Board approve the change and present it at the Annual Meeting in October for a vote. The text reads as follows (new, proposed text is underlined):

#### **ARTICLE XII – Damage to Property or Persons**

##### Section 1.

No member shall take from the Clubhouse or grounds of the Club any property whatsoever belonging to the Club except for use at authorized Club functions. In case of destruction, defacing or injury to any Club property, the person causing it shall pay the cost of replacing or repairing the same.

##### Section 2.

The Clubhouse expressly absolves itself and its servants, agents, and employees and each member agrees that the Club may absolve itself from liability for damages to any boat, property, appurtenances, and contents thereof, or for damages to any property of each member or anyone upon Club premises under right or privilege of each member. Club premises shall include, but not be limited to, boats, docks, floats, storage, clubhouse, porch, decks, gas dock, launches, and outbuildings. This absolution from liability shall cover negligent acts or omissions.

### Section 3.

The Club shall not be liable to a member or those claiming by and through a member for any loss or damage to property or person, or to the property or person of a member's employees, agents, and servants resulting from any breach of any contract, agreement, or work order or from negligence on the part of the Club or its employees, contractors, or agents.

Commodore Dionne made a motion to present the above change to the By-Laws for a vote at the next Annual Meeting. The motion was seconded by V/C Leto and approved by all.

## **2. Launch Agreement**

V/C Leto read a proposed Launch Agreement, written by Capt. Dale Coggins. This new agreement, like others passed at prior Board meetings, is intended to protect the Club against liability. A motion to accept the agreement was made by V/C Leto. It was seconded by Capt. Michaels, and passed by all.

Commodore Dionne added that this and other agreements approved previously, along with changes to By-Laws and the Constitution to be presented at the annual meeting, complete work done to protect liability of the Club.

## **EXECUTIVE SESSION**

At this point in the meeting, Commodore Dionne proposed that the meeting be brought to Executive Session to discuss potential litigation relative to the Pepperell Cove Moorings. The motion was seconded by Capt. Gingras, and passed by all.

## **SECOND EXECUTIVE SESSION**

V/C Leto made a motion that the meeting be brought to a second Executive Session to discuss personnel matters.

## **3. Access to Bank Account by Flag Officers**

V/C Leto offered a resolution that three Flag Officers, Commodore Dionne, V/C Leto, and R/C Weller, should be added as signatories with full power over any and all accounts of the Portsmouth Yacht Club at Federal Savings Bank.

Dan Gingras advised that the wording should mention "for the term of office", since the intent is for the office to have access.

Treasurer Rushforth expressed opposition to this proposal because the Constitution directs only the Treasurer to be responsible for the account. If he has responsibility, he does not agree with access by others.

V/C Leto said that Board members have a fiduciary responsibility, and need to be aware of transactions as soon as possible. P/C Adams mentioned that "access" means you can do anything, including funds transfer. R/C Weller asked whether the access could be restricted to view only, and V/C Leto responded that it could not. Capt. Michael expressed disagreement with the proposal, saying that the Club has a Treasurer, that there is trust in that position, and that there is more hazard in allowing multiple people access to the account than we have now. Capt. Clement suggested that we discuss payments with the Assistant Treasurer and not alter the Constitution or access to the account. Capt. Kennedy added that if only one person has access to an account, it is clear what is happening with funds. We have sufficient procedures in place and all we need is reinforcement of the procedures and education of personnel. Capt. Gingras added that we should not alter current procedures around current personnel and that we need segregation of duties, which ensures accountability. Read-only access should be all that is allowed. Capt. Clement added that his experience is that access should be allowed only to the person who has responsibility for the account.

The consensus was that only read-only access would be acceptable.

## **NEW BUSINESS**

### **1. Offer of Financial Management Seminars**

Commodore Dionne read an email that he had received from Capt. Demairis offering a series of free monthly seminars on personal financial management. During discussion of this request, it was noted that the Board has turned down similar requests in the past due to the possible interpretation of commercial use of the club. It was agreed that, though this offer is free and educational, it is not consistent with the purpose of the Club; therefore, the offer was declined.

### **2. Remaining Dock Upgrades**

DV/C Kemen presented documentation describing the remaining work to be done to upgrade docks, documented as three phases to be accomplished in 2011, 2012, and 2013. Commodore Dionne asked the Board to review work outlined for 2011 and said he would request Custom Floats to do onsite measuring. Discussion followed about monies available for the upgrades. P/C Adams mentioned that we have a process for the CI Fund, and, if there is money allocated there, we could proceed. All agreed that the Club should proceed with dock improvements, and that options for funding the phases will be explored.

Further discussion involved the timeline for upgrading the remaining docks and whether we should proceed with partial replacement if the total funding is not immediately available. Treasurer Rushforth mentioned that the mortgage is a good source of funds. The Club needs to keep the mortgage because it provides the Club with a line of credit. Increase of the length of the mortgage, though, requires a vote at the Annual Meeting. Capt. Clement asked Treasurer Rushforth to work on three options for paying for the dock upgrades and present them at the next meeting.

### **3. Offer for Gundalow visit to PYC**

Commodore Dionne said that he has received an offer from Molly Bolster, Executive Director of the Gundalow Company, to dock the gundalow at PYC for a date to be determined in August. PYC members and guests could tour the gundalow. Comm. Dionne made a motion that the Club allow docking of the gundalow at the club. The motion was seconded by Capt. Kennedy, and passed by all.

There being no further business to discuss, the meeting was adjourned at 8:50.

Respectfully submitted,

Carole Cartnick  
Secretary