

Little Neck Swim and Racquet Club
Monthly Meeting
October 20, 2008

Board Members: Margaret Derrick, Daryl Mitchell, Jeanene Wolfe, Kevin Stewart, Carole Sharpe, Barbara Hudson
Committee Chairs: Mary Vance, Grace Carlson, Diane Yates
Guests: Roberta Golden, Al Craft, Richard Alexander, David Sloane

Meeting opened by Margaret. The necessary quorum was present. Requested any changes to the September minutes. Motion to approve September minutes by Daryl. Seconded by Ken. September minutes approved.

Email votes were as follows:

1. Daryl stated that our bank, Wachovia, is a bank that is experiencing difficulties during this time of financial turmoil. As has been presented previously to the board, he and Kevin Stewart are in the process of establishing a new banking relationship for the potential financing of the clubhouse renovation. The banks that Daryl and Kevin have presented that we will have the best potential relationship with are BB&T and Towne Bank. Daryl moved to approve moving \$87,000 in funds to a new account with one of these banks. The motion was adopted.
2. Parliamentarian Michael Wagner-Diggs has been sent the 2007 Annual meeting minutes, both sets of bylaws and both ballots. Margaret Derrick also gave him permission to review our minutes on the website. Motion to hire Mr. Wagner-Diggs to write a parliamentary opinion in regards to our current vote and last year's vote for \$300. Motion was adopted.
3. Motion to approve a separate charge for Mr. Wagner-Diggs services to help conduct the vote at the annual meeting on October 27th for the rate of \$125/hour of service and 1 hour travel time. Motion was adopted.

President's Report – Margaret

Petition Questions - Floor will be opened for questions after answers are read. Margaret will read through the answers and then take discussion at the end. Will only time participants if time starts to become an issue. Barbara Hudson passed out copies of the petition questions.

Petition Questions and Board Answers are attached.

Discussion raised concerns that some members thought they were voting on a specific plan at last year's annual meeting instead of the financing for a renovation. Tennis folks don't want to lose the tennis toilets and walk into a wet bathroom during the summer season. Other issues about the change in the plan were raised. The board reviewed the changes to the plans presented at the

annual meeting and 6 out of 7 board members felt the overall impact of the renovation was similar enough. The Capital Improvements committee invited all members to join the committee and have a say in the process. There were a variety of members on the committee. Per the bylaws, the funding was voted on. The board had to interpret the motion and 6 out of 7 felt it was the funding. An attorney as well as a parliamentarian is looking at the minutes and will give an opinion. Margaret reminded everyone that they have the ability to make a motion from the floor next week if they choose. The parliamentarian will be there to make sure the meeting is conducted appropriately and the absentee ballots will be counted. The parliamentarian is writing the opinion, if the opinion is that the board is erroneous, we will move the meeting date out, if it is found to be legal we will stick with the meeting as planned.

Motion by Margaret to dispense with October business and adjourn the meeting, Kevin seconded, motion approved.

Jeanene Wolfe, Secretary

Petition Questions and Board Responses

□ **Question 1:** What happened to the \$50K surplus between October 2007 and February 2008?

Response: The surplus referred to in Question 1 was a capital improvements allocation made up of \$25,000 in funds allocated from the 2007 budget proceeds and an additional \$25,000 from the 2008 budget.

□ **Question 2:** During budget meetings, were there discussions that there wasn't enough money to do current projects and dedicate \$50K to the project?

Response: The Board reviewed the capital improvements list to determine the following project priorities: on-line tennis court system implementation; member ID card system implementation including proper computer equipment and supplies; and the purchase of an AED machine; replacement or repair of tent covering on pool deck. These projects were completed within our budget while maintaining the \$50,000 for **CIC renovation**; \$25,000 for Tennis court rehabilitation; \$12,000 for Capital reserve fund.

□ **Question 3:** The clubhouse kitchenette as well as the original one proposed for the small closet is no longer on the plans. How was this concern addressed?

There is a framework for a kitchen management/catering management plan. This plan will facilitate the use of the kitchen by the staff and members alike during snack bar operating hours tentatively set for noon to 7 PM. This renovation will allow for the use of the kitchen facility for an additional 9 months out of the year.

□ **Question 4:** Board members were told by Health Inspectors that no one should be allowed in the snack bar area except snack bar employees. Members were told that they would be allowed access. The Board was asked to get a clarification in writing from the Health Dept on this issue. Why have you declined to do so?

Response: The Health Department code allows for others to enter the kitchen. Staff cannot sit in the kitchen to eat, but may enter to clean a dish or retrieve a food item. Members would have access to counter and sink space for event set up when the snack bar is operational and undeterred access during the 9 months the snack bar is not operational. A trained Snack Bar Assistant could be available to assist with the set up, as well.

□ **Question 5:** It is true that the cost of repairs to the outside wood trim and the floor covering are no longer included in the cost of the renovation but the expenses has been moved to another budget year thus using \$70,000 in cash for the renovation instead of the approved \$50,000?

Response: Per the September 2007 Board meeting minutes, the fascia trim was a needed building repair to be separated as a bid alternate item because the repair was required regardless of the outcome of the vote on the renovation financing. The item appears in the current bid as a bid alternate with plans to be completed during the renovation.

Question 6: What floor covering has been chosen?

Response: The proposal for the flooring in the club house is a commercial grade carpet tile. Also under consideration is a partial vinyl floor around the fireplace where there is heavy traffic with the remaining floor being carpet tile. The final selection will be based on the most cost effective option for the final project.

Question 7: How does decreasing the amount of toilets improve our restroom facilities?

Response: There is an architectural calculation completed during a design process. The number of toilets suggested by the architect is based on the size of the space, usage of the space and numbers of potential users on a regular basis.

The current restrooms have plumbing and drainage issues to include: standing water and sewage back up into the facility. The renovation plan includes the correction of these issues.

Question 8: Why build additional showers to use for storage when current storage could be left untouched by the renovation thus saving construction cost?

Response: We have resolved our current storage issues. Showers will not be used for storage.

Question 9: Since neither tennis nor swim committees gave input prior to the vote on the plans, who determined that the swim team had inadequate shower facilities and needed lockers?

Response: The Capital Improvements Committee is comprised of a diverse group of club members with a wide range of interests and uses of our club. The amenities were selected based on their consideration of what could best improve the membership experience.

Question 10: Does the Board believe it has the authority to spend approved funds on ANY renovation plan and not THE renovation plan that was presented and voted on at the annual meeting?

Response: The Board is tasked with implementing the renovation project with the funding as approved by the membership at the 2007 Annual Meeting. The

completion of this project is accomplished through the design and bid process that will include changes to an initial design in an effort to meet the club's needs within the approved funding.

Question 11: Please disclose all conflicts of interest. Include names of members who have been paid for services relating to the renovation plan and how much they were paid if a competitive bid was not obtained. Include professional relationships between Board members and vendors receiving and/or bidding on services relating to the renovation plan.

Response: To our knowledge, there are no conflicts of interest.

Question 12: List ALL the changes that have been made from the plan that was presented and voted on at the annual meeting.

Response: The plan was not voted on at the Annual Meeting. The funding was voted on and approved by the membership.

Question 13: The list of 17 items that the committee has online as established needs for the renovation does not list lockers as a need. Is it true that if the additional \$26K is not approved that used kitchen equipment may be purchased, existing sinks will be used instead of purchasing new, and plastic fiberboard will be used on the wall? Why not get new equipment, but reduce the amount of lockers?

Response: If the funding is not approved, the lockers will be the first option to be removed from the plans. The next possible considerations will be to reuse of existing toilets and partitions and to remove tile from the walls and floors.

Question 14: Please provide a line item accounting of the estimated project costs similar to the one presented to the Board dated 01/07/08.

Response: the contractors will provide the itemized bid sheet for the project to be presented at the Annual Meeting and posted on the website.

Question 15: Does the Board feel it has the authority to borrow up to the maximum of \$75K on the line of credit even though the membership has never voted and given this approval?

Response: No – the existing line of credit was put into place many years ago – by a previous board.

Question 16: Closed sessions are appropriate in order to discuss sensitive employment issues. Why are decisions made in closed meetings where there are no minutes available to the membership?

Response: No decisions are made in closed session. All motions and votes are taken in open session and recorded in the minutes after the closed session occurs. The closed session is used to orient the executive Board members before the open meeting as a means to reduce the length of the Board meetings and the time required of volunteers.

□ **Question 17:** What are the procedures for the absentee or voting by mail?

Response: Ballots may be mailed to the club or dropped off prior to the annual meeting.

□ **Question 18:** Due to no write in instructions being on the ballot will a new ballot be distributed?

Response: The Board is seeking the advice of a professional parliamentarian to address this issue.

□ **Question 19:** Candidates were asked to submit answers to questions to the nominating committee for distribution to the members. Why were these answers not provided in the mailing with the ballot or available online so that the members can review prior to voting? Depending on the answers members will choose to “write-in” a name.

Response: At the time of the mailing all questionnaires had not been received. The answers to these questions are available on the website and through the newsletter.

□ **Question 20:** Why was the motion regarding the vote to approve an increase in the debt funding of the clubhouse renovation changed from what was agreed to with members at the open Board meeting in September to a different motion written during a closed Board meeting?

Response: At the completion of the open meeting no decision was made on ballot wording but rather that a draft ballot would be proposed. Upon reviewing the draft ballot it was clear that there was a difference of opinion on how the ballot should be worded therefore the Board was reconvened and all 6 members present voted for the current ballot wording

□ **Question 21:** The motion on the ballot implies that the Board is seeking approval to spend \$276K on A project not THE project that was approved by the membership. Is the Board asking for \$276K for a renovation of their choice?

Response: The membership approved the funding of the renovation. The specifics of the renovation have been presented to the membership at various times and adjustments have been made based on costs and member inputs. The Board is not asking for \$276K for a renovation of their choice but rather

asking for an additional \$26K above the \$250K already approved by membership at last year's annual meeting.

□ **Question 22:** Since the renovations require an additional vote and the Board has time to pursue other choices, why is the membership not being given the choice to NOT continue with the current plan and request that more options be presented once researched?

Response: The process of developing a renovation plan has been ongoing for well over a year. The Capital Improvements Committee reviewed a number of concepts and analyzed more than 12 different plans before presenting its recommendation. The majority of the Board is comfortable with the recommendations of the Capital Improvements Committee

□ **Question 23:** Have proper procedures been written and followed or is the current ballot invalid due to procedural inaccuracies?

Response: In the Majority of the Boards opinion they have been followed but a professional parliamentarian 's opinion is being sought.

□ **Question 24:** The tennis committee voted in November 2007 to recommend to the Board that the surfaces of courts 6-8 be rebuilt as cushioned surface courts. Was it decided to rebuild or resurface the courts and if rebuilt what surface has been chosen?

Response: Our understanding it that the Tennis Committee has recommended a cushioned surface hard court for rebuild of courts of 6, 7 and 8. The Board has appropriated \$25,000 for this project from the 2008 budget, another \$25,000 will be allocated in the 2009 budget and the remaining balance of \$25,000 will be allocated in the 2010 budget. The board will make its recommendation of the surface in February 2009.

□ **Question 25:** What is the estimated cost of the project and realistic goal date for completion of the project?

Response: The cost estimate for completion of this project is \$75,000. The Board feels that a realistic completion date is the fall of 2009/winter of 2010.