

NEWPORT YACHT BASIN ASSOCIATION
MEETING OF THE BOARD OF DIRECTORS
9/27/05

In attendance were Kyle Anderson, Dave Pellegrini, Brian Macwhirter, Chuck Lyden, Jeannette Schultz, alternate Jim Hoole and manager Don Hayes

Kyle called the meeting to order and discussed the agenda.

First on the agenda was the reading of the minutes of the 6/8/05 meeting. Kyle moved to approve the minutes as written, which was seconded. All were in favor and the minutes were approved.

Next, the budget year-to-date was discussed.

Kyle ask about the Fire Alarm on C-dock and Don said that we pay \$180.00 every 6 months and we were on budget

Don was asked about Attorney/Accountant being over budget and Don noted that we had our attorney consult on the termination of Frank Hanson. Don then advised the Board that we had gotten a call from Labor & Industries and that they had received a discrimination complaint from Frank regarding his termination. Don said he would keep the Board advised. We also had our attorney research and write a letter to the Department of Ecology regarding liability for any suits we might have over our inability to treat the milfoil in the marina. Don told the Board that he had received many complaints, as did Radovich. Also, Mercer Marine had spent approximately 20 hours, for which they could not charge, doing repairs to boats that were damaged by milfoil as they left the Marina from their repair facility.

Next the Board discussed the breakwater. Don said that we would be removing it when the lease expires at the end of August, but that we actually had until the end of February to remove it. Kyle said that some of the owners of the slips at the end of B & C docks might be affected, but the cost of the lease increasing to \$7,400.00 from \$700.00, and the need for constant repairs, made it hard to justify continuing it when it provided very little protection for the marina.

Next the Board discussed the maintenance budget. Don noted that he included a breakdown of the maintenance budget. Don said that we had spent a large portion of the budget at this point to purchase tools and lumber, and that Tom had been doing an excellent job of getting caught up on the things that were neglected over the past several years. Kyle said that we were getting a good return on our investment in maintenance and we should consider increasing the maintenance budget next year.

Next the Board discussed the milfoil in the Marina. Kyle asked Don how he thought the mowing of the milfoil had worked and Don said that he wasn't pleased with the results, explaining that the mower was paddle wheel powered and, when they would back it down, it would just push the milfoil down. Then going forward, the cutters would go over the weeds without cutting them and they would need to be mowed a second time to cut the areas that had floated back to the surface. Also, it could not get close enough to

the docks. Don also said that he thought we would be able to treat with chemicals next year.

Next the Social Dock was discussed. Kyle asked Don why we were so far over budget this year. Don explained that we had budgeted \$50,000.00 for 2004 and had spent \$31,000.00 of that amount with permits and the 50% start up fee to Sea & Shore and therefore still had a \$27,000.00 final payment. For audit purposes we were only 30% complete at the end of last year, so we should have had a \$19,000.00 carry forward shown in the 2005 budget. Don said the final total cost was approximately \$60,000.00 with permits and taxes. Kyle said that we should have shown the carry over and added that to the 2005 project budget.

Payroll was discussed next. Kyle asked Don why payroll taxes were so high. After looking at them, Don said that when he breaks out payroll liability taxes the amount should be back in line for the year. It was also noted that payroll itself was down due in part to not having a maintenance person for the first four months of the year.

Water/Sewer were discussed. Kyle asked Don why water/sewer were over budget this early in the year. Don explained that we had another underwater leak in our G-dock fire line that went undetected until our water bill came. Don went on to explain that Coal Creek Utility District was taken over by Bellevue and part of the bill is for sewer that was being billed to Mercer Marine and we were therefore being back billed to the first of the year. Kyle mentioned that Bellevue has a three tier billing system and with our usage we would be charged at the highest rate. Don said that we now have a pressure gauge installed at the F-dock gate and we will be monitoring it on a regular base. Don also said that Tom was able to rebuild the fire line to the hose cabinet and would be replacing all our lines that run underwater on F & G docks.

Next the Board discussed fire prevention in the Marina. Don gave the Board copies of an article from BoatUS that dealt with boat fires and stated that the majority of boat fires start at the 110-volt connection on the boat due to a poor connection or corrosion. The article also said that you should check the connection to see if it feels hot which will indicate a potential problem, such as overload or poor connection. Kyle said he had a digital thermometer that used a laser pointer and that the marina could use it to check the connections and get an accurate readout of the temperature.

Dave asked Don if we were covered for loss of value if we had a fire and would not be able to rebuild the roofs due to changes in building codes or Fish and Game regulations. Don said he would check with our insurance company and see what they could tell us.

Don asked the Board to consider a raise for Tom, explaining that Tom was doing an excellent job. After some discussion it was decided to give Tom a 3% raise.

There being no further business the meeting was adjourned.