

**Colington Harbour Association and Colington Harbour Yacht and Racquet Club
Informal Meeting
November 17, 2009**

Colington Harbour Association Board Members Present: Melissa McAllister, John Collins, Frank Hendricks, Don Brady, Stephanie Coleman, Keith Smaltz, Rikki Schuster, and Johanna Beasley-Community Manager.

Colington Harbour Yacht and Racquet Club Board Members/Members Present: Lynn Books, Denise Collins, Christie Lilliston, Dolores Norton.

Meeting was called to order by Keith Smaltz, Chairperson at 6:05 p.m.

Individual introduction of all members on both boards.

Melissa McAllister led the meeting stating **the purpose of the meeting**. That purpose being, an informal meeting to get a more equitable and amicable relationship between the two boards and go over the existing contract between Colington Harbour Association and Colington Harbour Yacht and Racquet Club. This relationship is a landlord tenant relationship.

Not all parties of the Colington Harbour Yacht and Racquet club were aware of what the informal meeting had been called for. There was confusion as to whether the CHY&R Club would actually attend the meeting. After much discussion as to why this meeting was arranged; the main reason came to light and that is to discuss the contract between the two clubs. The CHY&R members were not told this by the liaison.

Colington Harbour Association would like to discuss the length of the contract and go over it in detail so that a more equitable distribution on both parties would be put in place. Colington Harbour Association did not see how the Yacht and Racquet Club could plan appropriately for the future and maintain the facilities/club with only a one year contract. Planning would be better if a 5 to 10 year contract was in place.

Denise Collins asked for the Colington Harbour Association to take their concerns, list them, and then present them to the Yacht and Racquet Club so that they may go over the items at their next board meeting which would be the following Thursday, November 19, 2009.

CHY&R Club members wanted to have a chance to go over and read the contract before meeting with CHA. They were not prepared, nor informed of what this informal meeting was to be about. Some of the members had not seen or read the contract before this informal meeting and wanted time to go over the existing contract before discussing it in detail.

Melissa McAllister stated that the board from Colington Harbour Association would like to cultivate a relationship with the Colington Harbour Yacht and Racquet Club.

At this time Colington Harbour Association would like to state that there is a 90 day kick out clause in the contract. With this being said, Melissa McAllister wanted the Colington Yacht and Racquet club to understand that the Colington Harbour Association club **did want to continue the contract between the two clubs. Basically, the contract needs to be reviewed by both Clubs and updated and signed with current dates.**

Key issues of the contract to be discussed:

1. The length of the contract. A 5 to 10 year contract would allow the Yacht and Racquet Club to more effectively plan for the future.

2. Irregularities of dates and signings need to be revised and corrected.

At this point much discussion was made over how difficult it had been in the past to get the two boards to meet together. There was much discussion over e-mails and conflict of meeting times between the two boards. It was stated by Melissa, that the Colington Harbour Association board had decided not to meet on Saturdays.

Both clubs agreed at this point they were willing to listen to each other's ideas and take those ideas and discuss those ideas at the Colington Harbour Yacht and Racquet Club's next meeting on the following Thursday evening. The Yacht and Racquet Club had not been informed as to what the meeting was for. After much discussion, the meeting went forward.

Lynn Brooks stated that in the past at the time of the renewal for the contract, typically things had been going along just fine and both parties decided to continue the contract without a meeting. This continuation of the contract had been going on for as many years as she has been on the board. Lynn has been on the board the longest of any of the other board members. Lynn indicated that if CHA was able to come up with a list of concerns, then the CHY&R Board would address these concerns at their next meeting and be prepared for a joint meeting for the completion of the contract revisions.

Keith Smaltz spoke up and stated that Colington Harbour Association board is trying to make this contract more equitable for both clubs.

3. In the current contract, repairs and maintenance of common areas in the building are addressed. The common areas are the hallways, stairs, and bathrooms. What are not addressed in the contract are damages that may be incurred by a renter, and should be solely paid for by the Colington Yacht and Racquet Club. What the current contract calls for is that any damages in the common area would be paid for 50/50 by each club. This would not be fair to the Colington Harbour Association. This needs to be addressed in the new contract to state that at all damages incurred by renters would be paid for solely by the Colington Harbour Yacht and Racquet Club.

4. An item in the contract that needs to be added to an Association area is the downstairs storage room. This has been added since the old contract was signed.
5. Updating the reserve account information needs to be addressed. 2001 was the last basis year used for the reserve update. This needs to be brought up to date.
6. In the updated contract, CHA would like for the insurance reimbursement which is an attachment, to be stated that the CHY&R Club will reimburse CHA for the annual insurance costs allocated to them. The current contract does not state that an annual reimbursement is required.
7. Compensation for administrative office assistance needs to be addressed. In the past, the Yacht and Racquet Club used to pay for administrative fees. A separation of the two clubs for administrative purposes is how it is currently approached. However, the CHA administrative office consistently helps anyone who requests needs, questions, money for dinners, social events, keys, etc. with the Yacht and Racquet Club needs. Compensation for the administrative staff needs to be addressed in the updated contract. CHA would like to continue to provide services for the Yacht and Racquet Club. CHA would like to be compensated for those services and have that compensation addressed in the new contract.
8. Under facility uses, the contract addresses the CHA meetings being in the downstairs area. CHA would like the contract to show that CHA has use of the club on the third Tuesday evening of every month at no charge for the monthly board meetings.
9. In the area of policy and procedures, CHA does not have any parking rights. There should be some type of easement of parking in this contract for the office parking lot and by the pool.
10. Under default, there is something missing. The number of days is missing. The contract needs to show how many number of days under default.
11. CHA is exempted from having to obtain ACC permits. However, the club is not exempt from obtaining ACC permits. The updated contract should address that the Yacht and Racquet Club should also be exempt from having to obtain ACC permits.

Melissa McAllister pointed out that she had not intended to go down the contract item by item at this informal meeting. Her intention was for the two Clubs to get together and discuss the existing contract and come up with ideas on both sides for a new improved updated contract. In addition to that, CHA would like to address what they would like to see included in the contract.

Rikki Schuster asked the Club members if they would be interested in joining the two Clubs together in an effort to provide to the community holiday events/functions for children as had been done in past years. Dolores Norton pointed out that the downstairs club area currently is undergoing renovations in the kitchen. Throughout the month of

December, many repairs will be going on in the downstairs area, which would not be conducive to any Club functions downstairs.

Lynn Brooks stated she was the keeper of the datebook for the club. Any date CHA would like to use the Club for a function, please let her know and she and the board will discuss the availability for that day. The use would be at a discounted rate or at no charge at all. The decision for how much would be made at a later date.

Rikki Shuster asked if the Club was in fact interested in planning events for children. She had spoken with people who lived here for years and years that stated that in past years there had been many fun times at the clubhouse with their children. Currently there has been little or no activity in that area. Rikki asked if the CHY&R Club would be interested in a joint effort to put on functions for the children of the Harbour.

Dolores Norton pointed out that there had been a family night planned back in the day that had just a couple of participants. A number of past planned events have had very limited participants and Dolores also stated that she had had very little luck in getting volunteers in the past. If CHA is interested in an Easter function, now would be the time to let the CHY&R Club know. The weekend before Easter is available. Easter weekend was booked already.

At this point in the conversation, Melissa McAllister stated that the purpose of this meeting was to get together to revise the contract. It was stated that a 90 day kick out clause was in the existing contract. If there was a vote by CHA to vote yes to the 90 day kick out clause, Melissa wanted the Yacht and Racquet Club to know that it was not due to the management; however it was due to the contract being in need of an update. Debate within the CHA board members continued as to the knowledge of the clause but not as to the actual use of voting on the clause.

Melissa would like for both boards to discuss the current contract, come together with their own ideas from both sides, and prepare a contract that would be more equitable to both sides in a timely manner.

John Collins and Melissa had conversation as to the 90 day kick out clause. John did not remember discussing the use of the kick out clause, just that the kick out clause existed. Melissa explained that if the board did use the 90 day kick out clause, it would not be to terminate the relationship completely, but to assure that the current contract would be addressed with much needed revisions. Negotiations on both boards would be put in place for a new contract.

Denise Collins stated that CHA certainly had the option to use the kick out clause and not renew the contract. Keith Smaltz stated, "Yes that is an option". However, it is not the intention of CHA to do that, only to renegotiate the current contract.

Keith Smaltz made the statement that both boards getting to know one another were very important. Some of the board members intermingle with other board members. There

are other members who do not know or associate with the opposite board members. This informal meeting was a chance for both boards to get to know one another, discuss the current contract, make revisions to the current contract, and have a more equitable agreeable amicable relationship. This is the first meeting face to face that both boards have had in a long time.

Both boards agreed that a face-to-face meeting was a good idea. However, the liaison between the two boards could have kept all of the members from meeting more than once on this particular subject. The liaison had not communicated to the Yacht and Racquet Club reason for this particular meeting.

Rikki Schuster stated that now that both boards understood that revisions needed to be made to the current contract, the 90 day kick out clause would not be voted on or taken. At this point, the Yacht and Racquet Club can take the revisions, discuss them, and come back to another meeting between the two boards to put into place a new, updated more equitable contract. All board members agreed that it was not necessary to use the 90 day kick out clause and that negotiations were underway between the two boards for a new, updated, more equitable contract.

The meeting adjourned at 6:55 pm.