

**SOUTHPORT YACHT CLUB  
ANNUAL MEMBERSHIP MEETING  
AUGUST 25, 2007**

**Officers Present: Leoni; Berne; Jacobs; Brinegar, W; Pollard; Grimes**

**Board Members Present: Sherrill; Fallon; Smith, David; Van Gundy**

**Committee Chairs Present: Brinegar, L; Helming; Smith, Diane**

Commodore Leoni called the meeting to order at 9:00 am.

Following the call to order, Commodore Leoni asked those present to observe a moment of silence in remembrance of the life and substantial contributions to SYC and Southport sailing of Norma Smith. At the completion of the moment of silence, Commodore Leoni announced the establishment of a new award in Ms. Smith's honor. The award will be given to the junior sailor who takes the most joy in sailing and being at sea. The recipient of the award will be announced annually at the Junior Sailing Program banquet.

Mr. Leoni asked for and was given a **motion to accept the minutes of the June 30, 2007 SYC General Membership Meeting as posted on the Club's web site. The motion was seconded and passed unanimously.**

**TREASURER:** Mr. Brinegar distributed a written report (Attachment A) and highlighted key elements of the balance sheet as well as the profit and loss statement. He drew members attention to the fact the Club has \$207,000 available to support its operations, an increase of \$43,000 over 2006. Roughly 60 percent of the Club's income is from membership fees, dues, and voluntary donations. The remaining 40 percent comes from Club sponsored events. Mr. Brinegar noted he is at present unable to determine the exact amount of net revenue SYC activities generated during the 2007 season (all of which have been well attended) due to the fact he has yet to receive a full accounting of expenses for each event.

Mr. Brinegar pointed out the Club's administrative costs for 2007 were roughly double those for 2006. He explained this is due in large part to the development and launch of the new website, a non-recurring expense. The yearly costs of maintaining the site are estimated to be substantially lower. Mr. Brinegar also noted that on a going forward basis the web site should produce savings in other areas, such as amounts historically spent on printing and mailing of membership materials and other member communications.

Mr. Brinegar announced the Club has retained a new accountant, Henry Hurford. He is also the accountant for the Foundation. The Club's taxes are paid in full, as are its insurance premiums. Mr. Brinegar noted that maintenance expenses have been running below 2006 levels, but will not be fully known until the floats are pulled, the boats are stored and the property is readied for winter.

**RACES:** Rear Commodore Chris Jacobs announced the 2007 SYC racing season has drawn to a successful close. Between 10 and 15 boats took part in each of the three Turnabout races and 8 to 12 boats participated in each of the Tuesday evening 420 races. Other races, such as the Rhodes 19, have drawn fewer participants but spirited competition ensued and a good time was had by all. Mr. Chris Jacobs thanked all those who turned out for the races, either to compete or to help stage the various events. Particular thanks go to Jim and Fred Helming for running two of the large boat races as well as the Hawleys, who ran one of the Turnabout races. Mr. MacCormac announced the Sequin Island Trophy Race Committee will be meeting to review the conduct of the 2007 race and related social events. The committee plans to develop a set of recommendations and guidelines for the conduct of this event in future years. .

**ARTS AND CRAFTS:** Ms. Brinegar reported the Arts and Crafts Fair had its best year ever, both in terms of participants (artists and shoppers) and total revenue, a record \$18,000. She thanked all those who took part in the event and helped to make it a success. For those who missed the show and thus their opportunity to order the very popular mouse pads adorned with scenes of Cozy Harbor, information about the pads will be posted on the SYC web site. Commodore Leoni commended Ms. Brinegar for the countless hours she devotes to organizing and hosting the Craft show each year. Her efforts have paid off in numerous ways for the SYC, most notably in the fact the show is one of the highlights of the summer season and draws people from across the Boothbay area, not just SYC membership or Southport residents.

**MEMBERSHIP:** Ms. Smith reported the Club generated around \$43,000 in membership dues in 2007 and \$450 in initiation fees. In addition, members contributed an additional \$1,800 to the Club in unsolicited donations. The Club ended the summer season with 275 active member families (268 regular member families and 7 associate member families). Of the 275 active members, 26 families are new to the Club. Ms. Smith noted that 9 members have yet to pay their 2007 dues. She plans to contact these families over the fall and inquire as to their interest in retaining their SYC membership. Ms. Smith concluded by thanking SYC members for their continuing and generous support of the Southport sailing program. In 2007, SYC members contributed roughly \$4,800 plus untold hours and in-kind contributions to support the SYC Sailing Foundation and its junior sailing programs.

**SAILING PROGRAM:** Mr. Will Jacobs, Director of the SYC Sailing Program, commended all those who worked so tirelessly over the summer to ensure yet another successful year for the Sailing program, as well as the generosity of the 25 people who made their turnabouts available for use as teaching vessels. A total of 184 students enrolled in the program over the course of the summer, of which roughly 120 children took part in the morning program. In addition to their classes, advanced students enjoyed an active and productive summer of state racing, doing well in the Opti and 420 classes. Mr. Will Jacobs noted 2008 looks to be equally busy for instructors and program staff: 12 students new to the program have already taken their swim tests in anticipation of entering the sailing program next summer and a number of 2007 students have indicated their interest in continuing their learning in 2008.

Mr. Will Jacobs reminded members that starting in 2008 application materials for the sailing program will no longer be mailed. Instead, families interested in enrolling their children in the program will be able to download the forms from the SYC web site. Program staff anticipate this change will greatly reduce the overhead costs associated with administering the program.

Vice Commodore Berne expressed his, as well as the SYC and Foundation Boards', appreciation for the job Will Jacobs did taking over the sailing program from Blake MacDiarmid. 2007 was an active summer and all agree Mr. Jacobs did an outstanding job of making the transition as

seamless as possible. As a result, each child taking part in the program not only had a good time he or she learned a heck of a lot about sailing. Turning his attention to yet another change in leadership, Mr. Berne announced that Andrew Grimes has agreed to take on the duties as treasurer of the Sailing Foundation.

In response to a question from the floor regarding the feasibility of expanding the sailing program in future years to accommodate the large and growing demand for beginners sailing classes, Vice Commodore Berne explained the program does not have access to sufficient qualified instructors nor vessels to consider taking on more students. The program is currently limited to 50 students per morning session and is likely to remain so for the foreseeable future. Even if more instructors could be hired, there would still be too few boats. Putting more children in each boat would get them on the water but not provide sufficient tiller time for the children to develop their sailing skills.

**FLOATS:** Mr. Sherrill reported the new dock rules are being honored and appear to be having the desired effect. Only one boat remains in violation of the new identification policy, but he anticipates this will be taken care of over the winter. The courtesy dinghies were well used over the summer and their availability has greatly reduced the number of member skiffs and other boats kept on the floats.

**FLEET:** Mr. Grimes noted the SYC fleet (five motorized patrol boats, twelve 420 sail boats, and five Optis) came through the summer without major mishap. The high level of usage did produce a number of minor repair needs which will be addressed when the boats are pulled and readied for winter storage.

**BUILDINGS AND GROUNDS:** Mr. Van Gundy announced the Buildings and Grounds (B&G) Committee has determined that the roof of the SYC Senior Building will be replaced not repaired. The Committee is still considering the feasibility of undertaking additional changes and modifications to the building. Mr. Van Gundy reminded members the structural engineer found the kitchen area to be “under built” and recommended it be substantially modified or torn off and replaced. The Committee is also considering expanding the overall size of the Senior Building by squaring-off the NW corner of the building (i.e., filling in the space between the kitchen ell and the building’s west wall).

The B&G Committee had hoped to find an architect who would be willing to volunteer all or part of his or her services for the design and specification of the various revisions to the Senior building under consideration, but has been unable to do so. Once the Committee realized it would have to contract for the services, there was too little time left in the summer to proceed. As a result, any practical forward movement on renovations to the building has been delayed by one year.

Mr. Van Gundy stated the B&G Committee hopes to be in a position to put a detailed plan before the membership by summer 2008. Once the Committee has developed a basic framework for the work, they will send the plan to the Finance Committee, which will be responsible for determining how best to fund the effort. Mr. Van Gundy also observed that information regarding the Town’s plans for the Pratt property, as they become known, will be built into the B&G Committee’s deliberations and in all likelihood may influence the Committee’s recommendations regarding the future uses to which the Senior building should be put.

**OLD BUSINESS:** Vice Commodore Berne thanked all those who worked so hard over the summer (when they could have been sailing or otherwise enjoying the Maine air) to make the

acquisition of the Pratt property by the SYC Junior Foundation a reality. As most in the room already knew, that was not to be. He especially thanked those members who stepped forward to pledge financial support for the effort in the event the owner had accepted the Foundation's offer. With very little effort the Junior Foundation committee working on the project was able to secure almost \$300,000 in pledges.

Mr. Berne highlighted the events of the past several months, from the time the Club first learned of Wayne Pratt's interest in selling the property (either to the Town or to the Club) to the present day. Because the property would be of most use to the Foundation and the sailing program, the Club's leadership decided the Foundation would be the appropriate entity to negotiate with Mr. Pratt. While the Foundation initially thought it was on equal footing with the Town, it soon became apparent that Mr. Pratt was essentially giving the Town first right of refusal on the purchase. Each of the Foundations offers was rejected by Mr. Pratt, including the last one which was a full price contract with a 120 day due diligence window so the Foundation could fully investigate the condition of the property<sup>1</sup>.

At a special Town meeting held July 29<sup>th</sup>, Southport residents voted to purchase the Pratt property and gave the Selectmen the authority they needed to negotiate the terms and conditions of the sale. The Club and the Foundation (largely through the efforts of Mr. Berne and Chris Jacobs) are currently in discussions with both the Selectmen and the Town committee established to guide development of the property<sup>2</sup>. The residents have not voted the warrants necessary for the Town to raise the money to complete the purchase and develop the property.

Mr. Berne noted that while the Town has general goals for owning the property it has yet to draw up specific plans for its use. The Town's main goal in purchasing the property is to provide local lobstermen with public access to the water. Beyond that, the Town committee is exploring how best to meet interests of various other parties, such as Southport residents, the general public, and the SYC. The exact placement of the commercial pier has yet to be determined, nor is it known how these facilities will be accessed. Mr. Berne speculated the Town may want to put a new road in, running along the south side of the property, to make it easier for trucks carrying large numbers of traps to get in and out of the area.

Mr. Berne and Mr. Chris Jacobs are working with the Town to ensure the Town's plans adequately address SYC's proximity to the property, the Club's historic use of access lanes to the water as well as the parking area adjacent to the former Pratt store, and, most importantly, the safety of sailing students and Club members while engaging in Club activities or using Club facilities. Mr. Berne was confident that if the Club and the Town negotiate in good faith, these issues can be worked out to the satisfaction of all stakeholders without creating a chasm of ill will between the various parties at interest.

The Foundation is also exploring the feasibility of entering into a partnership agreement with the Town for the rehabilitation of the former Pratt store and its future use by the Foundation for the sailing program. The major problem is that no one knows what the condition of the building

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<sup>1</sup> The Foundation estimated 120 days would be the minimum time in which it could fully assess any environmental issues that would have to be addressed before the area could be used for public purposes (given the historic uses to which the property has been put), modifications that would have to be made to bring the structures up to current coded standards, and the feasibility of obtaining permits necessary to own, maintain, and use the property for the sailing program. Mr. Pratt wanted the due diligence period to be 60 days or less.

<sup>2</sup> The committee is chaired by Jean Hawley, a member of the SYC.

really is, let alone how much money would be required to bring it up to useable standards. In addition, the structure is entirely non-conforming and any change in use would have to be approved by the Town's planning board. In the end, the effort required to salvage the structure may be greater than anyone wants to take on. Ultimately, the Town may elect to tear the structure down and replace it with a pavilion, or leave the area open.

Mr. Berne reminded members that the sale of the Pratt property to the Town is far from closure and the property continues to be advertised on the Tindal and Callahan web site. If the deal were to fall through, a third party could step in with an offer. Given the number and importance of the hurdles the Town must get over before the deal can be completed (such as residents voting to approve the warrants necessary to raise the money required for the purchase of and capitol improvements to the property), the Foundation has decided to resubmit its offer to Mr. Pratt. The offer will be a full price contract with a 60 day due diligence period (because more information about the condition of the property will be available through the Town).

Commodore Leone praised the efforts of Henry Berne, Chris Jacobs, and the members of the Junior Foundation who have worked so tirelessly over the past months to develop the Foundation's proposal for use of the Pratt property, the technical specifications of the Foundations offer for purchase of the property, and the framework for a capital campaign to help fund the costs associated with the acquisition. Mr. Leone also commended the efforts of Jean Hawley and the other Southport residents on her committee who are currently working to develop a plan for use of the property by the Town. The assembled members gave a long and hearty round of applause in response.

**NEW BUSINESS:** Commodore Leone reminded members of the Commodore's Closing Reception to be held at 1700 hours tonight. Mr. Leoni encouraged members with an "aloha shirt" hanging in the closet – or similar attire – to wear it tonight in honor of the evening's "Islands" theme. Awards earned during the summer's racing program will be distributed during the course of the evening.

Mr. Berne announced that four of the Club's and Foundation's floats will have to be replaced before next summer – possibly three at the main dock and one where the 420s are kept. Four new six by twenty foot floats will cost around \$7,700. The Club and the Foundation will discuss how best to approach needed upgrades to the waterfront once the floats are pulled for the winter.

Mr. Leoni noted that boat trailers are taking up more and more space in the field adjacent to the Club's parking lot, making it particularly hard to park and maneuver cars during heavily attended Club events. The Board plans to review this policy over the winter and will notify members of any change in the spring.

There being no further business before the membership, the meeting was adjourned at 10:20 a.m.

Respectfully submitted,  
Penny Pollard  
Secretary