

**TALL SHIP ASSOCIATION ANNUAL MEETING**

**DECEMBER 12, 2011  
KEOWEE ROOM**

CALL TO ORDER: 2:05 PM

PROOF OF NOTICE: Diane Lee of Foothills Property Management presented the notarized proof of notice to the Secretary, Carol Rolf, showing that proper notice had been mailed to the owners.

ESTABLISHMENT OF QUORUM: A quorum was established with 22 owners present And 30 proxies verified for a total of 52.

PRESIDENT'S REPORT: Barry Stuart gave an overview of the year, noting that eight units have sold this year. He stated that this was much better than in the last few years. Stuart introduced the new management company, Foothills Property Management and the two representatives present, Diane Lee and Geig Lee.

INTRODUCTION OF BOARD MEMBERS: B. Stuart introduced the members of the Board of Directors present: Lea Allison, Lester Essex, Carol Rolf, Rob Routman, and Barbara Stanton. Frank Patterson was unable to make the meeting.

BUDGET REPORT: Rob Routman reported on the budget for the year. He noted that the reserve account is down since only eight units have sold this year. Routman discussed the problems with the stucco. Tall Ship hired a forensic architect, Marshall Clark, who did a study of the problem and possible solutions. He picked the Frigate building, since this seemed to be the place of the worst rot problems. He found rotted wood under the window stack. Clark reported to the Board of Directors that overall the buildings were in good shape, but there was a problem with the windows. The windows are old and were not installed to send the water down the stack to the ground. In previous years, some were caulked. This created a problem where water was trapped and could not get out and there was no flashing under the sills. He noted that at the windows where there are rotten stacks, the struts have rotted and the window is in danger of falling out. The wood is rotten and will crumble. Clark presented a quote to replace the stack at Frigate for \$160,000.

After this presentation, the Board of Directors decided to check each individual stack, prior to approving the contract, to see where repairs were most needed. Due to weather exposure when the windows would be removed and replaced, the Board decided to wait until Spring to make the repairs. This will give them additional time to check other units needing repair.

Routman stated the Tall Ship needed more in reserves to take on this repair contract. Currently, Tall Ship has \$47,000 in the operating account and \$96,600 in the reserve account. Also, some of this reserve would be needed to complete the painting at Square Rigger, Cutter, and Ketch. He felt the Board of Directors would have to review finances to see if an assessment might be due in 2012. He wanted owners to be aware that it might be necessary.

**NOMINATING COMMITTEE REPORT:** B. Stuart introduced Carol Rolf and thanked her for getting the nominees. C. Rolf put the following names into nomination: Frank Aaron, Charles Douglas, Barbara Nykaza, Frank Patterson, Bob Stojetz, and Barry Stuart. After ballots were counted, the following were elected: Frank Aaron, Barbara Nykaze, Frank Patterson, and Barry Stuart. They will serve along with the current directors of Lea Allison and Lexter Essex.

**INTRODUCTION OF OUTGOING DIRECTORS:** B. Stuart thanked Rob Routman and Kathy Stanton for their service on the Board. He encouraged owners to attend Board of Directors meetings, for the Board encourages owner input. He also thanked members of the various committees who served in the past.

**RESPONSE TO OWNERS QUESTIONS:** V. Sholar asked if the ballot could be mailed with the annual meeting information next time. She also asked if a microphone could be provided next time – so all could hear.

Window cleaning was discussed. They are supposed to be cleaned twice yearly and need cleaning now.

Delinquencies were discussed. Most have been brought current due to some past year sales.

Painting hand rails was discussed. B. Stuart noted that it is in the works and that painting quotes may have to be modified. R. Routman stated that the Board of Directors are working on trying to get lower bids and this will probably be done in the Spring. G. Lee of Foothills Property Management noted that there was a large variation in the paint quotes. Currently four different paint crews are bidding the work. He noted that we want a job that is well done and done efficiently. Some owners expressed concern that the work done in the past was poorly done and cleanup was not good. Lee stated that we would follow up at least twice weekly on their work..

L. Essex noted that the buildings are twenty years old and in need of work, but all can't be done at the same time. He said that suggestions are welcome. B. Stuart stated the forensic architect stated that for their age, the buildings are in good shape and should last another 50 to 100 years.

L. Essex and B. Stuart thanked Foothills Property Management for the work they have done in taking over the association management.

Many of the owners thanked the Board of Directors for all their work for the Association, especially thanking Barry Stuart for responding so quickly to their needs.

B. Stuart asked the new Board of Directors to stay so that they could elect officers for the new year.

ADJOURN: V. Sholar made a motion to adjourn. This was seconded by Shuler Knapp and the meeting adjourned.