

**TALL SHIP ASSOCIATION
ANNUAL MEETING MINUTES
DECEMBER 8, 2013
LAKEVIEW ROOM – NEW MARINA POOL BUILDING**

CALL TO ORDER: B. Stuart called the meeting to order at 2:00 PM

PROOF OF NOTICE: D. Lee of Foothills presented the notarized proof of notice to President, Barry Stuart, showing that proper notice had been mailed to the owners.

ESTABLISHMENT OF QUORUM: Secretary Carol Rolf declared a quorum with thirty one owners present and twenty four proxies verified for a total of 55 units represented.

PRESIDENT'S REPORT: B. Stuart discussed Tall Ship projects for the past year. He noted the work at Schooner was the major improvement. Other things included gutter and downspout repairs that helped in drainage and rock flooring repairs in front of the elevators. He thanked P. Chassin for the four editions of the Beacon, which had not been published for a while. He noted the Board has been working on updating the web site and the handbook for Tall Ship.

Stuart noted that there were four sales in Tall Ship in 2013, two in Frigate and two in Schooner. He was asked the average sales price and was told they ranged from \$153,000 to \$239,000. Stuart thanked the hard working Board and the owners for being cooperative during the window and wall repairs. C. Rolf thanked Stuart for his last four years of service to Tall Ship.

INTRODUCTION OF BOARD MEMBERS: Stuart introduced the 2013 Board members. They are Frank Aaron, Paulette Keffas Chassin, Frank Patterson, Barbara Nykaza, Bob Stojetz, Carol Rolf, and himself. Stuart reminded the owners that at the Annual meeting last year the number of Directors on the Board was changed from seven to five members. Three current members are going off the Board. They are Frank Patterson, Barbara Nykaza, and Barry Stuart. Therefore one new Director will be elected at today's meeting.

BUDGET REPORT: Frank Aaron, Treasurer, reviewed the budget for the upcoming year. Regimes for 2014 will start with \$1000 due Jan 1st. The next three quarterly payments will be \$750 each and will be due Apr 1st, Jul 1st, and Oct 1st. Assessments for 2014 will also be paid in four quarterly installments of \$800 each and will be due Feb 1st, May 1st, Aug 1st, Nov 1st. The Board has separated the regime and special assessment payments to help owners with payments. The total amount due in regimes and assessments due for 2014 will be \$6,450 and may be paid anytime, as long as it is paid by the due date. Aaron noted the special assessment is necessary to fund the needed structural repairs for the bow windows and end walls of the buildings.

Aaron noted the only other increases in the budget was an increase in management fees and in the janitorial contract. He noted that four more rock floor repairs need to be made since some expansion joints have cracked and could be a trip hazard. Slippery floors were mentioned and there was a suggestion to put sand in the floor paint to help with this problem. It was noted the handicap ramp in Yawl has been removed. G. Lee stated that temporary ramps are available for use.

Aaron noted that Tall Ship needs to try to maintain at least \$100,000 in reserves. R. Routman agreed that currently Tall Ship is significantly under budget. Aaron noted that when banks look at Tall Ship for possible loans, the reserve account is one thing they focus on. He stated that a capital reserve continuation account needs to be set up. This account could help concerns for future needs of elevator repair and possible replacements and water damage issues.

STRUCTURAL REPAIR REPORT: Marshall Clarke of MCA Architecture reported that their firm was hired by Tall Ship in the spring of 2012 to help with a sagging and leaking bow window problem. He stated that walls were cut to see what was happening that caused the water intrusion. Upon further investigation, it was determined that the end walls had issues contributing water and were in need of repair also. Clark reminded owners that at last year's annual meeting, he presented a report with photos showing the extent of the problem. For any owner who missed that presentation, the photos are available along with his written report.

Currently, MCA Architecture is doing drawings of Clipper. These drawings will be put out for bids in early 2014. Construction is scheduled to start in March and go until September. Unless additional financing becomes available, this will be the plan for the next five to six years until all buildings are complete. He is planning to finish the Frigate end walls while doing Clipper. Deciding which buildings to do next is based on the ones needing repairs most. V. Sholar asked if the problems were due to a design flaw. Clarke answered this was not the case, since the design has worked well for the last twenty years.

Clarke noted concerns of owners of the windows being out for long periods and the opening being closed off and making the room dark. He and the contractor will work to lessen this time. He did thank those owners who have been affected, for their patience. Reports of the workmanship have been very positive and the finished product looks great.

There was discussion of hastening the project. Clarke said a contractor could do two buildings per year if funds were available. F. Patterson explained to the owners that he and other Board members had been to a total of thirty eight banks, attempting to get financing for the whole project. Due to Tall Ship's reserves being so low, this is not possible in today's banking market. Possible solutions discussed included a survey letter to owners asking if they could/would be interested in paying for all the buildings upfront or in maybe doubling the assessments and do the work in half the time. The Board will be looking at these suggestions.

UPCOMING PROJECTS: G. Lee of Foothills Property Management discussed the problems with the gutters and downspout drainage. He reported good luck with the sealants used, noting that lifts and 40' ladders have to be used for many of these repairs. He encouraged any owner having these problems to report them. He hopes they will be finished by yearend.

Next year he plans to pressure wash after the pollen to clean algae off. He noted some areas are worse than others with the algae. Lee said the railings and ropes are in bad shape also. He noted that squirrels have become a problem in some locations. He plans to cut a limb near Cutter to help with this problem. He discussed an increase of Palmetto bugs, due, in part, to all the rain this year. For specific pest problems, he encouraged owners to call Foothills and the pest control person can be scheduled for interior treatments.

Lee addressed leaks at chimneys. He has had success with sealing the chimney penetrations. M. Clark stated the chimneys and flues will be addressed with future work.

NOMINATING COMMITTEE REPORT: C. Rolf stated that one director needed to be elected for 2014. The nominating committee put the name of Rob Routman in nomination. Routman told the owners a little of his background, which included serving on the Board previously. There were no other nominations from the floor. V. Sholar moved to elect Routman by acclamation. This was seconded and Routman was elected unanimously.

INTRODUCTION OF OUTGOING DIRECTORS: The outgoing directors were thanked for their service to Tall Ship. The directors are Barry Stuart, Barbara Nykaza, and Frank Patterson.

RESPONSE TO OWNERS' QUESTIONS: V. Sholar asked how entrance fees and assessments were determined. She was told the Board determines this based on the needs of the budget. She suggested the Board consider reducing the entrance fees.

ADJOURNMENT: G. Moser made a motion to adjourn. This was seconded and the meeting adjourned.