

Approved Jan. 9, 2018 with amendments which are bolded.  
Admiral Heights Improvement Association Special Board Meeting  
Sept. 26, 2017

Called to order: 8:03 p.m. by President Jim Burdick at his home

**AHIA board members in attendance:**

Burdick, Mario Schiappacasse, Martha Thorn, Rachael Breen, Scott Gibson, Ed Cherneski,  
Maria Lebow-Little & John Leupold

**Not in attendance:**

Norm Crews, Brandon Wright, Grant Garcia & Steve Fisher.

**Purpose of the meeting**

To discuss repairs to dock at Ackerman Park, Boat Club lease & other issues to be brought before the general membership on Oct. 3.

**Financial discussion**

We have about \$2,500 in checking and \$12,000 in a CD. The treasurer moved a thousand dollars from PayPal into checking, leaving about \$300 in PayPal.

Upcoming bills include \$2,500 for insurance, \$533 for the newsletter, and \$500 for block party. The treasurer recommends canceling the tailgater. She doesn't believe it would be fiscally prudent to have the tailgater since it would wipe out our checking account and involve breaking into our CD.

Gibson met with the Boat Club to discuss the dock repairs & lease. Members asked, "What is the association's money going to?" They didn't like the idea of it being spent on social events. They also thought the \$500 donation that they were making to AHIA was put in a separate pot for improvements.

Cutting events &/or the amount of money spent on events next year was discussed. Since some events have poor attendance, this was considered the fiscally responsible thing to do. While some board members wanted to cut events this year, others argued that the general membership had approved the budget & the events were budgeted for this year, so we should honor the membership's wishes.

Unexpected budget expenses 2017: fallen trees & new QuickBooks software.

More scrutiny of the next budget was discussed. Estimated revenue from dues should be lowered as should the amount spent on events. **Maybe discontinue some events?** Money should be set aside for unexpected expenditures & for rebuilding the dock in Ackerman Park. Dues may be raised.

**Tailgater**

The Naval Academy Class of 2003 invited Admiral Heights residents to its tailgater. About 30 adults from the community are expected to attend. **An AHIA member** plans to donate some money to the AHIA which can be donated to the class. A motion was made to accept the invitation of the Class of 2003 on behalf of the Admiral Heights residents & to have a “combined tailgater.” It passed unanimously. Details about publicity of tailgater will be discussed & reviewed later by e-mail. Leupold will send the details to residents via e-mail & Facebook. An announcement will be made at the general membership meeting. Lebow-Little will cancel our space.

### **Dock repairs in Ackerman Park & Boat Club lease**

Gibson, Breen & Schiappacasse met at Breen’s house to discuss the dock repairs in Ackerman Park & the Boat Club lease. This meeting was followed by a meeting at Gibson’s house with representatives of the Boat Club.

#### **Discussion**

Boat Club members believe they’re “double paying” dues because they pay dues to both the Boat Club & AHIA, contribute “sweat equity” by repairing the dock, racks & buildings, pay rent to AHIA, & then give a donation to the association.

Several Boat Club members felt that the dock didn’t need extensive repairs & wanted more of a discount for their sweat equity. Other members felt it should be condemned & had received quotes from contractors of between \$10,000 & \$15,000.

Some Boat Club members wanted AHIA to take over the operation of the dock. Others wanted the Boat Club to maintain its anonymity. No alternative exists between the Boat Club & AHIA. It’s one or the other or nothing. It’s not viable to hire a management company.

The Boat Club has seven slips. The amount that the Boat Club receives for slip rentals varies by boat but is generally about \$250 - \$300 per season which is about six months. It was noted that other people in Admiral Heights charge more for slips. Boats can’t be left in the water during the winter. Our “marina” has been compared to those in similar communities & the price is about the same. One disadvantage to ours is that boats must wait for the bridge to open & close. Also, slips are being lost due to the creek’s silting.

The Boat Club charges \$35 per rack, same as AHIA.

The Boat Club is an asset to the community. Every single realtor touts our being a “water rights community,” the community docks, & swimming pool.

#### **AHIA wants**

- If receipts are provided, AHIA would make \$2,000 of repairs “forgivable.”
- A limit as to how much AHIA needs to spend on capital improvements, rebuilding the docks, trees falling, and/or maintenance.
- Yearly inspection to keep maintenance to a certain standard
- Require list of repairs as they are completed
- Require a Boat Club member to attend at least six of our monthly meetings
- Both Boat Club & AHIA to be prepared to present information about their finances to the general membership. We need to be sure that both will be able to meet their financial obligations.
- The other terms of the original contract to stay the same except for the new points of agreement
- Would like for the Boat Club to put money in escrow

**Possible points of agreement**

- The Boat Club pays **70 percent & AHIA pays 30 percent of capital improvements**. Both groups must approve bids.
- 10 year lease
- Drop the \$500 donation
- Convenience lease of \$25 per year

**Questions**

- What is a “certain standard?” How do we enforce a certain standard? What if we disagree about the standard?

- Is 30 percent reasonable? What does it take to be a good landlord?
- What is meant by capital improvements?
- How much revenue does the Boat Club generate? How much do they have in savings?
- How much is AHIA's revenue? How much do we have in savings?
- How many slips will turn over in 10 years?
- What got us to this point and how can we prevent it from happening again?  
Answer: Not enough oversight.

### **Observation**

If the Boat Club rebuilds the dock, maintains the property, & pays for water, electricity and insurance, who can ask for anything more? If the dock is rebuilt, the Boat Club may be paying as much as \$1,000 a year instead of the \$500 donation they are spending now. The value of the old lease was about \$5,000. The value of the new lease would be about \$11,000 but it would be paid upfront rather than in increments. We don't see it as income but an investment in a really nice dock, an amenity that would improve the cost of homes in Admiral Heights.

We would like Gibson to make a presentation on the terms that AHIA would like in a lease between the Boat Club & the AHIA. At the end of his presentation we would like him to make a motion for the general membership to authorize the Boat Club & the AHIA to craft a lease for the two groups based on the terms discussed at the general membership meeting. Breen should draft up a list of the proposed terms to be passed out. It's recommended that the motion not be amended.

### **Next meeting**

After the special meeting about the dock repairs and lease, the regularly scheduled general membership meeting will be held. The main agenda item is about the open contract by a developer to buy WNAV land to build 30 – 40 \$600,000 houses on 7.46 acres of which five acres is buildable. He also proposes to do a land swap with a property owner on Cedar Park Road. The owner of that property would get one of the new houses in return for his which would be razed to build a connecting street from the WNAV property to Cedar Park. Tom Bozzuto, CEO of Bozzuto Homes, has been in touch with AHIA, trying to garner its support. So far, the board is opposed to this venture & especially to the new road.

**To do**

1. Draft proposal for Boat Club lease & prepare for making a presentation on the proposal – Gibson
2. Prepare a list of the terms of the proposed agreement - Breen
3. Plan next year's budget -- what should be included, what should be deleted, priorities, how much should be spent on various items, whether dues should be raised & by how much – All
4. Finalize tailgate details – Cherneski Announce tailgate information via e-mail & Facebook - Leupold Make tailgate announcement at general membership meeting - Burdick
5. Cancel our tailgate space so it can be given to someone else - Lebow-Little
6. Talk to residents to see how they feel about the WNAV development - All

Meeting was adjourned at 9:35 p.m.

Submitted by  
Martha Thorn  
Secretary