

**Lake Geneva Yacht Club  
Board of Directors Meeting  
March 3, 2012**

**A regular meeting of the Lake Geneva Yacht Club was held at Lake Geneva Yacht Club on March 3, 2012, at 9 A.M.**

**Present:** John D. Simms, Jr. Commodore  
F. Terrance Blanchard, Treasurer  
John DeCarlo, Secretary  
Michael Keefe, Retiring Commodore  
Directors:  
William Bentsen  
Steven Boho  
Rodney Rieger  
James Smith  
Andrew Wilson  
Paul Wood

**Excused:** Frank Davenport  
Don Holst  
John Kivlin  
Thomas Larimar

**Non Board Attendees** Ellen Bentsen  
Gerry Millsap

**Document Approval- Minutes of Previous Meeting:**

Motion was made by Michael Keefe to approve the minutes of February 4 and February 25 board meetings. The motion was seconded by Paul Wood. The motion was unanimously approved.

**Officers Report**

**Commodores Report (John D. Simms, Jr.)**

Thank you all for making the effort to attend this meeting, not only is our weather dangerous for traveling today, we have had back to back meetings which no doubt has made it difficult for many of you to balance this commitment with others you have. I especially thank our out of town members. Our meeting last week with our attorney went quite well. Charlie spent much time elaborating on the necessity to recognize and address the issue of real estate taxes in the future and the need to take steps to contain our exposure. Furthermore, the land lease appears to be a great way to manage the property while affording the GLSS the opportunity to fund raise nearly unencumbered for the improvements they would like to see in the property.

We will discuss the Letter of Intent today but I would like to say that I advocated this approach because, as a former President of the GLSS, VC and now Commodore of our club I have come to recognize that for as much as our current lease specifies, there is much it does not specify and often leads to confusion and conflict. I look forward to having the shared rights and responsibilities spelled out as well as providing a formal forum or appeals methodology for future issues.

Our "open House" was well attended. I believe there were matters brought up worthy of our committee's consideration. For example, there are many members that would like to see our trophy cabinet be incorporated into the final design due to its history and importance to many members. I will ask Mike to share feedback he received in his report.

Your executive board has not met since the last meeting due to members traveling. We have however, been working on a matter that we are making some progress. Julie has asked us to accept her decision that this summer she would no longer care to act as our office manager. Julie has put her heart and soul into the job and this summer she plans on giving that energy to her family. Julie has offered to do whatever is necessary to effect an orderly transition and provide training as necessary. I can tell you Julie will be a very tough act to follow. I am recommending that we split the job into two: an executive secretary as called out in our by-laws; an accounting clerk of some type. We will be addressing this matter in the coming weeks.

Today, in my opinion the most important matters before us is for the BOD to accept the LOI as currently being drafted and provide the executive committee the support and direction to get this matter negotiated and to discuss and plan our members involvement in the process. Thank you for your help.

#### **Vice Commodores Report (Don Holst)**

No report

#### **Rear Commodores Report (John Kivlin)**

The race calendar is complete and has not changed since the last meeting. There was discussion and input from last year's scoring ad hoc committees on average points and the NFP's part of the SI's section 19, but after distribution to the fleet reps the feedback received was that they would like to keep the schedule as is. He proposed that the changes be tabled for this year and revisited for the 2013 season. John requested a motion to approve the schedule as it stands. Gloria Melges and Bob Pagel have agreed to coordinate Tuesday and Fridays respectively. JJ Esposito will return next year but Ned Wippich has moved to North Carolina so a second driver will be needed. Repairs on both boats are complete and within budget. This was followed by a discussion on the proposed 420 clinic on June 9-10 but Jim Smith noted this was awarded to Pewaukee. There will be no laser regatta in 2012.

#### **Treasurer Report (Terry Blanchard)**

Review of January financial results (Attachment #1)

Terry Blanchard updated the board on the progress of the mortgage refinancing. He has communicated with M&I regarding errors in their proposal and will report back to the board at the next meeting. The Wisconsin Sales and Use tax audit will commence on 3/5/12. Terry reported that all appropriate communications have been made to Carl Roth regarding past overdue expenses. **A motion was made by Jim Smith to proceed with expulsion of Carl Roth. The motion was seconded by Paul Wood.** The motion was unanimously approved.

#### **Secretary Report (John DeCarlo)**

No report

#### **New Facility Update**

##### **Operations Committee (Rodney Rieger and John D. Simms, Jr.)**

Rodney Rieger and John Simms reviewed some of the committees concerns as we move forward. The question regarding the effect of pledge failure on the mortgage agreement was discussed with particular emphasis on the consequence to LGYC of this event. The letter of intent should state that the GLSS needs to address its financial obligations as well as noting the commitments that the LGYC is making to the property now and going forward. Rod Rieger noted that the sailing school was looking for a methodology for amicable resolution of usage conflicts within the letter of intent agreement or the operational agreement. It was noted that we should make an additional motion on the naming of the facility to avoid any confusion. **A motion was made by Bill Bentsen that the name Buddy Melges Sailing Center shall refer to all the entire current LGYC property. The Buddy Melges Sailing Center will be the home of the Lake Geneva Yacht Club and Geneva Lake Sailing School.** The motion was seconded by Jim Smith and unanimously approved.

The committee recommended that the board should proceed with a decision on the choice of operational plan to be presented to the membership (Option 1, 2 or 3). **Michael Keefe made a motion that the LGYC board of directors recommends the concept of the ground lease (option #1). The GLSS will construct and own the building and use of which will be subject to the Letter of Intent. The management of the Buddy Melges Sailing Center will be the responsibility of the LGYC as defined in the operations agreement.** The motion was second by Steve Boho and was approved with one nay vote. Bill Bentsen concluded the discussion with the presentation of a counter proposal which would allow the LGYC to maintain joint ownership of the building. Additional discussion followed. Jim Smith systematically reviewed many of Bill Bentsen's points noting that many of these points may arise in the future from the general membership. He noted that the key issue is that the operational control of the BMSC will be maintained by the LGYC and the LGYC will maintain its existence as a separate organization while continuing to own the property. These are the important differences from the proposal put forth several years ago. Terry Blanchard expressed his concern that there has been no discussion on the length of the lease and felt that 99 years was not a viable option and further discussion needs to take place.

The board has put forward a preliminary process for future action.

- Upon finalization of the Letter of Intent by the attorney the board will move forward with further discussion and vote on the document.
- Upon approval of the Letter of Intent a meeting will be held with the general memberships to discuss the Letter of Intent and outline a proposed timeline for completion. John Simms suggested that the executive committee should meet to create a preliminary timeline for the proposed project.
- In addition, the board will seek approval of the long term ground lease by the membership. The meeting date will be no sooner than 30 days and no later than 90 days from this meeting.

#### **New Club House Committee (Michael Keefe)**

The committee has met with 3 builders and will meet again with them to try and pick one next Wednesday, all were very impressive. They are going to provide us with their opinions on design issues and cost. It will be a tough call. Mike Keefe further noted that the attendance at the open house was nice to see and many thoughtful suggestions were presented and considered.

#### **Funding Committee (Bill Bentsen and Charles Colman)**

No report other than Charles Colman has begun fund raising activities on the North and South shore.

#### **GLSS Report**

No report

#### **Unfinished Business**

##### **Regatta review**

The M17 regatta needs a budget and chair and will be asked to present this prior to the next board meeting.

##### **Fleet Captain Report (Steven Boho)**

Steve is in contact with Kevin Jewett and GLSS regarding the possibility of on the water clinics. He will be working on improving a crew list to encourage greater participation.

He reported on the intense feedback on NFP/AVG point's issue. Many of the fleets have unique issues in this regard. Jim Smith and Bill Bentsen reviewed the issues and the philosophy behind the proposal. Jim Smith made a motion to accept the Ad Hoc Committee recommendations. (Addendum #2). The motion was seconded by Steve Boho. The motion failed on show of hands vote.

Motion made by Bentsen that the **modified SI's be considered on an experimental basis. The original SI's will remain in place and any fleet interested in the alternative SI's should inform the board by the next meeting.** Motion seconded by Smith and approved unanimously.

## **New Business**

### **Membership Changes**

Mike Sarton from Regular to Associate.

George Kummer from Senior to Honorary Service Member on a recommendation by Terry Blanchard, Don Holst and John Simms.

**Motion made by Bill Bentsen and seconded by Terry Blanchard to approve changes in membership.** Motion unanimously approved.

### **Membership Resignations:**

Jeff Doubek

Jamie Rosenfield

Richard Reynolds

Joey Fontana

Joseph Esposito

Gerard Jacobs

Michael Guigo

**A motion was made by Michael Keefe to approve the resignations.** Motion seconded by John DeCarlo and approved unanimously.

**Motion was made by Michael Keefe to deny the request by Sarah Lyon to reduce amount of dues.** The motion was second by Terry Blanchard and unanimously approved. Motion was made by Jim Smith for the board to consider the addition of a Non-resident Intermediate Membership category with a dues payment of \$500 to the membership categories. Motion was tabled by Jim Smith.

### **Adjournment**

**Motion to adjourn was made by Jim Smith.** The motion was seconded by Paul Wood. The motion was unanimously approved.

Respectfully submitted,

John DeCarlo  
Secretary

Documents included for archiving: Treasures Report (attachment #1), Recommendations from LGYC Ad Hoc Scoring Committee (Attachment #2)