

CURLEW LANDINGS

Dock Owners' Association

Board of Directors Meeting Minutes December 19, 2019

Call to order

A special meeting of the Curlew Landings Dock Association (CLDA) Board of Directors (BoD) was held at the Curlew Landings Clubhouse on December 19, 2019. The meeting was called to order by President David Newman at 7:05 PM.

Board members attending included David Newman, Jim Beaty and Dana Windhorst. A quorum was present.

Approval of minutes

The minutes of the 17 October 2019 special Board of Directors meeting were approved by unanimous vote.

Agenda items:

1. Insurance review. Dave mentioned that CLDA has liability insurance for injury (slips & falls, etc) and negligence. The CLDA is also covered by a Directors and Owners (D&O) liability policy. There is no insurance covering damage to the CLDA commonly-owned property (docks, piles, lighting, gates, etc) from fire, theft, natural disasters (e.g., storms & hurricanes) or damage from boats, etc. Dave related a long discussion he had with our insurance company and learned that a property damage policy for an operation like ours might typically be 5% of the coverage amount (&25,000/year for \$500,000 in coverage). This represents all of the current yearly income from annual assessments and likely explains why we have never had such coverage in the past. The agent said an operation like ours should set aside a reserve fund to cover the costs of damage to our property (the BoD is already authorized, in the Declarations of Covenants, Article VII, to maintain such a fund with the necessary cost added to the annual assessment). The cost of replacing a destroyed finger pier was suggested as a reasonable amount to hold in reserve for repair damage to CLDA property. Dave said the insurance agent also recommended the CLDA require that all slip owners have liability insurance on any boat parked in a slip, with the policies' declaration pages to include CLDA as an "additional interest" party. Dave suggested having the insurance agent speak at the January annual members meeting.

2. Discussion of amendments to our by-laws: Dave said that the insurance agent said there were some state of Florida requirements for how by-laws should be written. Jim stated that this drove the CLHOA to revise its by-laws to comply with this a couple of years ago. He also said there was \$5,000 for legal fees, for this reason, in the CLDA budget for 2019 that did not get spent – this is a necessary step that we still need to ensure is taken (having an attorney review our by-laws and covenants for legally-required changes/updates). That is in addition to any changes/amendments we as a dock association agree need to be made.

4. Electrical issues on the dock. The directors discussed concerns regarding safety issues, for example, from fire hazards stemming from electrical connections that are not up to current code. As far as we know, there have never been any CLDA rules governing this issue. The CLDA owns only the electrical

going out to the breaker boxes. The breakers themselves, and all wiring and connections beyond that, are owned by the slip owners. Some of the connections are exposed to the salt water under the dock. Those without GFI stay hot even if exposed to the water, so there is current being put into the water that theoretically degrades any nearby metal in the water (motors and propellers) due to enhanced galvanic (bimetallic) corrosion. The other problem with hot & wet circuits under the dock is a fire hazard (see discussion re insurance requirements, below).

The directors discussed the need to assess the status and safety of the extensive electrical wiring under the dock & out to the individual slips. The need for this was recently emphasized by a broken conduit that threw sparks for a prolonged period of time before power was cut to it. Dana had a recent discussion with James White from Buell Electric. A full survey will take two men in a boat for probably an entire day. Rough estimate of \$1200. This will give us a current assessment of the safety of the wiring and what needs to be done, to the wiring owned by the CLDA and that owned by individual members. Dana moved to authorize this survey by Buell Electric; Jim seconded, affirmative vote was unanimous. Dana will contact Mr. White to proceed with this.

4. Dock maintenance. Items to consider: Structural – bridges, docks, finger piers, supports, decking boards, joists, gates (east gate still not securely closing automatically). Do we have an adequate plan for ongoing inspections, to arrange quality repairs as needed, and to project a budget for this? Do we, as a BoD and as a membership organization, possess the experience and competence to adequately accomplish this? Discussed: need ongoing properly-accomplished maintenance or we will run into what happened once in the past at CLDA where the entire dock had to be completely rebuilt, paid for with a very large special assessment. Dave N. suggested a thorough inspection should be done every December with a list made from which a next-year budget for repair can be estimated, and that inspection of all commonly-owned piles be done yearly, as well. Jim added we should have a yearly inspection for piles that need to be replaced, and this should include inspection of the dock structure as well. Including an inspection of individually-owned piles, for those owners wanting an inspection, could be made part of the project (owners paying for those inspections separately). Jim will look into this, and offered a motion that he go ahead and get a quote for inspection of the common piles (it has been 2 years since the last inspection) by Gulf & Bay Dock Works to present for BoD review (it will take an inspection in order to come up with a quote for the actual pile replacements and wraps). Seconded by Dana. Unanimous affirmative vote, motion carried. The directors also discussed the challenges of dock maintenance work days. Only a small number of members have been good at volunteering to work (kudos to Steve Shuller for recently repairing the west dock gate). The more help we can get for doing things we have the capacity and skills to safely accomplish, the less we have to spend out of our limited funds. Dana suggested that the BoD should consider exercising its authority to add officer positions as necessary, to create a “dock maintenance officer” position and, preferably if there is someone in our association with the knowledge and experience to oversee this and is willing to serve in this capacity, nominate and elect that person to this position. This should be accompanied by the appointment of a dock maintenance committee with the DMO as the chair.

5. Consideration of a management company.

Dana will check with Ameritech regarding an estimate of the cost of managing the CLDA and what services would be offered.

6. Discussion re insurance requirements for association members.

All agreed that the risk to the CLDA property from boat owners who do not have liability insurance that would cover damage done to the common areas should drive a discussion of whether and how to

require that. It is possible that an amendment to the Declaration of Covenants would be necessary, requiring all boat owners to carry a minimum amount of liability insurance on boats in their slips. How much that amount should be, the reasons for this requirement, and what the enforcement policy should be if such an amendment were to be approved by the members. This would likely result in drafting of an amendment and a vote at a later meeting, unless we find that it can be accomplished with a simple majority vote of the membership, or of a quorum present.

Jim moved to arrange with an insurance agent with appropriate expertise to attend the January 2020 annual members meeting if possible, to present our insurance situation/exposure and make coverage recommendations to our membership regarding insurance for CLDA and for liability insurance carried by members. Dana seconded, and the motion passed with a unanimous vote. This is anticipated to result in draft amendments to the Declaration of Covenants to be voted on at a subsequent members meeting. Dave will take on finding the right insurance agent to speak and making that arrangement.

Dana agreed to look into a possible alternate insurance company for a competitive bid, as the current insurance agent is not local to this area. He will query a former owner of one of the local marinas regarding who he used for insurance.

7. Recent history of dredging and water levels

Jim took and documented (see attachment) measurements of the depth of every slip at Mean Low Tide (MLT) in May 2016 (immediately after the last dredging operation), Sep 2016, Mar 2017, Feb 2018, Jun 2018 and Nov 2019 (attached). The chart shows the average depth in groups of 10 (slips 1-10, 11-20, 21-30, 31-40 and 41-50). At that first measurement in May 2016, every dock had 3 feet of depth at MLT. By Sep 2016 (4 months), slips 1-10 already had only 0.5 ft of depth. These slips remained the same (within measurement error), losing no significant additional depth from Sep 2016 to the last measurement in Nov 2019. During that same initial 4 months, slips 10-21 lost half their depth (1.5 ft), 21-30 lost 1 ft of depth, and 31-50 lost 0.5 ft (kept 2.5 of their initial 3 ft of depth). From Sep 2016 to Nov 2019 slips 11-20 and 21-30 lost approx. 1 additional foot of depth, to 0.4 and 1.2 ft respectively. Slips 31-40 lost 0.4 ft and 0.6 ft respectively, to 2.1 and 1.9 ft respectively. Summary of current (Nov 2019) depths at MLT: 1-10 @ 0.4 ft; 11-20 @ 0.4 ft; 21-30 @ 1.2 ft; 31-40 @ 2.1 ft; 41-50 @ 1.9 ft. So, over time, the fill-in has gradually moved downstream, at least in respect to slips 11-50 (1-10 lost 2.5 of the 3 ft in 4 months, with no significant change since then). So now, 3 ½ years after the last dredging, only 60% of the slips still have 1 foot or more of water at MLT, and 40% have only 0.4 ft. It is getting close to time for the membership to decide whether & when they want to dredge. Here are the options:

- a) Do not dredge in 2020.
- b) Special assessment to dredge all slips in 2020. An estimate done by Gator Dredging, the company that did the last operation in May 2016, shows a cost of about \$93,000, or close to \$2,000 per slip. Gator Dredging said in Dec 2019 that the costs haven't changed significantly to date. However, that assumes a reasonably accurate estimate of the amount of sediment that needs to be removed (part of the costs, the non-fixed portion, are based on cubic yards of sediment removed) – and the amount of sediment in the slips has increased over the past year. Something slightly over \$100,000 is probably more likely. So probably something a little over \$2,000 per slip.
- c) Increase the annual assessment high enough to pay for dredging every approx. 4 years. However, this option would allow the higher annual assessment to be started no sooner than January 2021, so it would pay for dredging 5 years from now. This would be an option only for

the ****next**** dredging operation after the one that probably needs to be done sometime within the next year.

- d) Dredging per-slip, only those who wish to pay for it, individually, to the dredging company. A fee-for-service dredging operation such as this would need to take place at the same time for all who wish to do it so the fixed costs of engineering and dredging equipment mobilization/demobilization would be spread out among those participating. In discussions with Gator Dredging, it looks like the cost would be in the neighborhood of \$3,000 - \$5,000 per slip depending on how much sediment the individual slip owner contracts for and how many participants the fixed costs are spread out among.
- e) Dredging per-slip with only a handful of participants. The dredging company will not mobilize the large equipment for a small number of slips, so it would be their small-job operation. This costs quite a bit more than using the large equipment operation, so would be an acceptable option for very few if any.
- f) [David Newman Dredging, INC. Dave, please insert a very brief description – do you want to give a brief update presentation on this at the annual members meeting?]

Adjournment

Jim B. moved to adjourn, seconded by Dana W., vote was unanimous, meeting was adjourned at 10:15 PM.

Dana Windhorst
Secretary

28 January 2020
Date of approval
