



MINUTES OF ANNUAL GENERAL MEETING 7.30PM - 27 JULY 2021- WARDROOM

Commodore Ron Greer declared the meeting open at 7.30pm and thanked members for coming and showing an interest in the Club. Commodore requested that voting cards be used to vote and that members stand and wait to be called on if they wish to speak. As per Section 15 of the Constitution, members are obliged to conduct themselves in a courteous and responsible manner.

ITEM 1 ATTENDANCE

The final number of members registered was in attendance was 111.

ITEM 2 APOLOGIES

Marshall Croxford	Geoff Totterdell	Peter Thompson	Ross Norgard
Andrew Kay	Wally Douglas	David Everall	Trevor Richards
Cam Berg	Steve Smith	John Holder	Doug & Janine Taylor
John Olsen	Mark Maher	Morgan Flower	Rosemary Morrow
Matthew Cooper	Tony Hawk	Bob Kacera	Brian Marsh
Colin Lockley			

ITEM 3 CONFIRMATION OF MINUTES

3.1 Confirmation of the Minutes of the Annual General Meeting held on 30 July 2020.

Resolution

THAT THE MINUTES OF THE ANNUAL GENERAL MEETING HELD 30 JULY 2020 BE ACCEPTED AS A TRUE RECORD.

Moved: Phil Hearse

Seconded: Matt Duff – CARRIED

3.2 Confirmation of the Minutes of the General Meeting held on 30 March 2021

Jim MacBeth requested an amendment to the minutes of the General Meeting to correctly reflect comments he made. He submitted a statement to be included suggesting the Club look at gender issues across the Club, including gender balance, and the use of gendered language. The minutes have now been amended.

Resolution

THAT THE MINUTES OF THE GENERAL MEETING HELD 30 MARCH BE ACCEPTED AS A TRUE RECORD.

Moved: Greg Hancock

Seconded: Jim MacBeth - CARRIED

3.3 Business arising from the Annual General Meeting held 30 July 2020

Nil.

3.4 Business Arising from the General Meeting held on 30 March 2021

Nil.

ITEM 4 RECEIPT OF FLAG OFFICER'S REPORTS

4.1 COMMODORE'S REPORT – Ron Greer

Commodore's report was taken as read

Commodore added that the stormwater drainage problem at the entrance of the Club was first flagged with the City of Fremantle some 12 years ago. Despite being the second highest rate-payer in Fremantle no remediation work was ever done. Following Marija Vujcic's (Club Protocol Officer) election as a Councillor for the South Ward of Fremantle, Marija assisted in facilitating a meeting between the Club and Mayor Brad Pettitt. Despite the Mayor stating he was unaware of the problem with meeting resulted in the drains finally being looked at and cleaned. Commodore also pointed out that Marija is currently standing for Mayor in the upcoming Council elections.



Commodore also advised that Lease negotiations are ongoing and Lyn Powell would make a statement later in the evening regarding progress.

Jim MacBeth questioned why the Capex plan was 5 years rather than 7 or 10 years.

Commodore replied that 5 years provides enough scope into the future for action and is more focussed. It is important in the initial years to keep on track and that subsequent Boards will continue pushing the plan forward.

Resolution

THAT THE COMMODORE'S REPORT BE ACCEPTED.

Moved: Paul Galvin Seconded: Alan Stain - CARRIED

4.2 VICE COMMODORE'S REPORT – Anita Wyntje

Vice Commodore's report was taken as read.

Vice Commodore provided an update on the changes to the Constitution. Two matters have been carried over for the new Board to address before being put to members for comment.

It has become apparent that the Club needs to develop a Volunteer Development Program. The Club has excellent volunteers and is now working with Section Captains to provide a mechanism to support and recognise the extraordinary efforts our volunteers.

VC called for questions - no questions asked.

Resolution

THAT THE VICE COMMODORE'S REPORT BE ACCEPTED.

Moved: Steve Parkinson Seconded: Belinda McManus - CARRIED

4.3 REAR COMMODORE SAIL'S REPORT – Bill Henson

Taken as read. RCS called for questions. There were no questions.

Resolution

THAT THE REAR COMMODORE SAIL'S REPORT BE ACCEPTED.

Moved: Alan Stein Seconded: Rod Mulcahy - CARRIED

4.4 REAR COMMODORE POWER'S REPORT – Kyle Timms

Taken as read. RCP called for questions. There were no questions.

Resolution

THAT THE REAR COMMODORE POWER'S REPORT BE ACCEPTED.

Moved: Rob Halvorson Seconded: Tony Blaxell- CARRIED

4.5 REAR COMMODORE FISHING & DIVE REPORT – Neville Norkett

Taken as read. RCFD called for questions. There were no questions.

Resolution

THAT THE REAR COMMODORE FISHING & DIVE'S REPORT BE ACCEPTED.

Moved: Steve Delfos Seconded: Alan Stein - CARRIED

5 RECEIPT OF REPORTS AND BALANCE SHEETS



- While there is still a great deal of uncertainty with tenure, regulatory compliance and failing infrastructure around the Club, stability in the Board and management provided a base where the Club was able to achieve a turnaround which resulted in a cash surplus and net surplus at the end of the financial year despite many weeks of lockdown.
- \$818,400 received in government support.
- Due to changes in accounting standards, rent is now reported as interest and depreciation – in excess of \$800,000.
- Nearly \$100,000 was recovered from long-term debtors in 2021 after being written off in 2020.
- Rather than focusing on past results it is time to look forward to ensure members are aware of the realities beyond the numbers.
- The role of the Treasurer, Trust(ees) and the F Schedule were outlined.
- The current balance sheet looks good, however the Club needs to look ahead to the longevity of the marina and club facilities. The current F Schedule has not provided sufficient provision to cover required current or future maintenance.
- Past ten years of financials show there is very little movement as our membership remains stable - membership is tied to pens and hard stand bays.
- To sustain the F Schedule and meet the shortfall, the bona fide needs to be approximately \$2 m+ per year.
- No clear solution can be identified but will be a combination of improving the current business model, optimising the Trust Fund and looking for new business opportunities.
- To generate funds in the past the Club sold off some income streams in the form of permanent financial membership and pen sub-leases.
- Currently 156 permanent financial members (12% of senior membership). Although these members contribute significantly to the Club there is a significant loss incurred as forgone annual fees equates to over \$150,000 per annum.
- The Club maintains 8,750m of pens but only generates income on 2,100m
- A Pen sublease entitles the holder to use a piece of water defined by a pen number. Currently amongst the 3000 members, and 1400 senior members Club has 550 who hold a sublease.
- The maintenance fee is a fee for maintaining access to pens – short and long term maintenance.
- Largest portion of maintenance is attributable to the harbour and jetties and is provided for in the annual bona fide.
- A great deal of work has been done to ensure the Club has accurate maintenance schedules which can be constantly reviewed covering the lifespans of all assets.
- As approximately 70% of proposed F Schedule increase is attributable to jetties, 70% of the bona fide should be considered maintenance to all occupiers of a pen – applied to all pens. Same methodology for hardstand pens.
- A fair and equitable approach will help meet some future obligations.
- Planning Committee is looking at utilising current club assets for new sources of revenue.
- F Schedule as part of solution – not saviour.
- A final reminder that all Board and Committee members are volunteers giving up time to ensure the continued success of the Fremantle Sailing Club.

Commodore called for questions. There were no questions.

Rob Halvorsen requested clarification on why the rent is not shown as rent and also if the Club received any reduction in rent resulting from COVID.

Treasurer confirmed the Club received a rent reduction for six months last year. Under the new accounting standard, rent is calculated on the right to use of an asset. Because the Club has at least 20 years left on our leases, \$760,000 multiplied by 20 years arrives at a figure of over \$20 million on a right to use. **Rob Halveston** then questioned what would happen if the Club recorded rent as rent rather follow the accounting standard. **Lyn Powell** answered that the Club would record a noncompliance on our audit and the Club would be



reported to ASCIC. The legislation must be complied with – every reporting entity in Australia will be using these standards. Also noted that rent relief received last year was recorded as income even though nothing was received.

Peter Blaxell commented that he agrees with the user pays approach for the bona fide amount but noted that the original cost of pens covered the full cost of construction of the jetties and that in 1982 a levy was imposed on all pen lessees to save the Club which was on the point of being liquidated - that money went into general funds of the Club. Finally, the bulk of the pens are now Part B sub-leases which benefit the Club as it takes a share in proceeds for any sale. Questioned if those factors yet been taken into account. **Treasurer** advised they had not

Terry Baker questioned if the recent maintenance increase was fair and equitable across all pen types in particular Part 1 and Part 2 subleases as opposed to Club owned pens. **Treasurer** replied that increases are calculated across all pens and then the Club calculates what it believes it can charge per metre for those pens. **Terry Baker** commented that the Club generates \$600-800K per year from pens yet over the past 10 years the Club has only spent about \$200K on maintenance and the Club has 'over-banked' approximately \$7m. Also questioned how the rates could increase 30% while council rates only increased by CPI. **Treasurer** confirmed that the council increase was included as well as a large increase in security costs over the past 12 months.

Gary Brabham requested a percentage rate of return on trust funds for last 12 months. **Treasurer** replied Clayton Dodd would cover this in next presentation.

Resolution

THAT THE AUDITED FINANCIAL ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2021 BE ACCEPTED.

Moved: John Hallett Seconded: Greg Hancock – CARRIED

AGENDA ITEM 6 BOARD OF TRUSTEES REPORT

Chairman of the Trustees **Clayton Dodd** presented the Board of Trustees Report and an overview of the FSC Trust:-

- Advised that despite a drop in indices last year, the fund returned 10% in the 12 months to 31 March 2021.
- Since COVID the market has been performing very well and the Australian market has put on over 50%
- Currently holding \$16.3M in cash, \$1.4M with Canaccord Genuity and \$5.2 with JB Were. The trustees also own a pen valued at \$200K.
- Trustees always reviewing the investment strategy and have a very conservative 5% return target – needs to be looked as an average rather than year on year.
- Unfortunately the current interest rate of 0.25% on cash at bank is not going to provide anywhere near required return and trustees will need be looking at grown equities moving forward.
- A high degree of uncertainty remains in market despite government stimulus and the Trustees need to be conscious this. Current holding is very conservative and we are heavily weighted in cash.
- Slides showing F Schedule with current settings out to 2045 and another with the addition of \$11.7M and the effect on the bona fide amount.
- Pens and jetties are the Club's most important asset and significant funds will be required to maintain them.
- The inclusion of \$11.7m will increase bona fide amounts to an average of \$2.23m over the next 5 years and will continue to increase over time before the anticipated jetty replacement program commences in 2039.
- Increase of an extra \$580K pa to the bona fide.



- This will be a challenge to ensure the Club generates sufficient future profits or develops a strategy to ensure the bona fide amount is met.
- **Clayton Dodd** advised that he would not be seeking re-election this year and thanked fellow trustees along with Finance Manager Janelle Whyte for valuable contributions. Also thanked Paul Arns who is leaving the trustees to take up a seat on the Board of Management.

Commodore invited questions for the Trustees.

Peter Blaxell questioned if the figure of \$72M provision in the F Schedule for jetty replacement in 2039 onwards is in today's dollars or in 2039 (dollars). A 3% cumulative inflation rate is included in the calculation.

Jim MacBeth thanked the Chair for a very clear report. Questioned, given the situation directly faced by the Club in terms of climate change and the issues around stranded assets in terms of fossil fuels wondering about the direction the Trust portfolio may take. Clayton Dodd confirmed that the trustees rely on the advice received from JB Were and Canaccord Genuity. Both funds are very conscious of these issues.

Alan Stein questioned if the rate of return was on funds deployed or funds held. Clayton Dodd confirmed that the overall return was for all funds. The value of the fund increased \$3.1M then the bona fide amount was subtracted leaving a net profit of \$2M. Further, as the bona fide amount is being increased this year and the Club now has the five year Capex plan it is evident the Club has been underspending on maintenance rather than over collecting as previously mentioned by **Terry Baker**. Due to planned proactive maintenance program the amounts allocated in the F Schedule may be different (less/more) in future years.

Resolution

THAT THE TRUSTEES REPORT FOR THE YEAR ENDING 31 MARCH 2021 BE ACCEPTED.
Moved: Anita Wyntje Seconded: Peter Blaxell - CARRIED

ITEM 7 ELECTION OF PATRON FOR 2021/2022

In accordance with Clause 16 (a) (iii) of the Constitution the Board of Management recommends that the presiding Governor of Western Australia be invited to be the Patron of Fremantle Sailing Club for the season of 2021/2022.

Resolution

THAT THE PRESIDING GOVERNOR OF WESTERN AUSTRALIA BE INVITED TO BE THE PATRON OF FREMANTLE SAILING CLUB FOR THE SEASON OF 2021/2022.
Moved: Terry Baker Seconded: Paul Arns – CARRIED

ITEM 8 ELECTION OF VICE PATRONS FOR 2021/2022

At the 31 July 2014 AGM the members agreed the presiding Officer holding the appointment of Commanding Officer of HMAS Stirling be the Vice Patron of Fremantle Sailing Club.

Resolution

THAT THE PRESIDING OFFICER HOLDING THE APPOINTMENT OF COMMANDING OFFICER OF HMAS STIRLING BE ELECTED VICE PATRON OF FREMANTLE SAILING CLUB FOR THE SEASON OF 2021/2022.
Moved: Terry Baker Seconded: Steve Delfos - CARRIED



ITEM 9 APPOINTMENT OF BOARD OF TRUSTEES FOR 2021/2022

Commodore said that in accordance with Clause 29 (a) of the Constitution, the Board of Management propose that the following members be elected individually as Trustees for the year 2021/2022:-

1. Mr Russell Kane
2. Mr Bradley Saunders
3. Mr Mark Conlan

Resolution

THAT MR RUSSELL KANE BE APPOINTED TO THE BOARD OF TRUSTEES FOR THE YEAR 2021/2022.

Moved: Alan Stein Seconded: Anita Wyntje– CARRIED

Resolution

THAT MR BRADLEY SAUNDERS BE APPOINTED TO THE BOARD OF TRUSTEES FOR THE YEAR 2021/2022.

Moved: Peter Blaxell Seconded: Phil Hearse - CARRIED

Resolution

THAT MR MARK CONLAN BE APPOINTED TO THE BOARD OF TRUSTEES FOR THE YEAR 2021/2022.

Moved: Greg Hancock Seconded: Steve Delfos - CARRIED

ITEM 10 APPOINTMENT OF AUDITORS FOR 2021/2022

Commodore advised that in accordance with Clause 16(a)(v) of the Constitution, the Board of Management, on the recommendation of the Finance Committee, recommends the appointment of BDO AUSTRALIA Pty Ltd to be the Club Auditors for the 2021/2022 Club Financial Year.

Resolution

THAT THE FIRM BDO AUDIT (WA) PTY LTD BE APPOINTED THE CLUB AUDITORS FOR THE 2021/2022 CLUB YEAR.

Moved: Paul Arns Seconded: Anita Wyntje - CARRIED

ITEM 11 ANNOUNCEMENT OF CLUB PERSON OF THE YEAR

Commodore announced that Andrew Brockis is awarded Club Person of the Year for 2021/2022.

Commodore spoke to the nomination.

Andrew is a long-standing member of FSC and is one of the more active participants with the Dive Section along with being a keen dinghy sailor.

Andrew is an active volunteer at the Club, often skippering our dive days, participating in the wiring of anodes with other members of the Dive section, leading the cleaning FSC moorings with Bosuns and also being a perennial volunteer at many other events (harbour cleanups, cracker cruise skipper etc) for many years.

It has been Andrew's huge and understated participation in the sailing marker cleaning and maintenance for the past three years that differentiates him as a volunteer worthy of member of the year.



To appreciate the scale of this effort, each of the many FSC sailing markers require removal of biofouling around 6-8 times a year. Once this work has been completed, the shackles and chains are checked for corrosion, and the position of the marks is checked against GPS in case they have moved. Biofoul removal from the markers and moorings is very dirty work. Andrew is wonderfully supported by the Bosuns (who look after the top-side work), and other Dive Section members. The team has worked hard to optimise the workflow.

Andrew volunteers hundreds of hours each year entering the water with a buddy mid-week, often with at least one bosun on the surface cleaning the sailing marks. Much of this work has largely gone unnoticed by members for many years.

Andrew is hard-working, great to work with and offers great value to the club via his volunteer dive services. His work understated and he continued with his work during the COVID lockdown when the rest of the club was largely shut down.

ITEM 12 NOMINATION FOR LIFE MEMBERSHIP - NOTICE OF MOTION

The nominations were assessed by a panel comprised of five former Commodores who forwarded the recommendation to the Board for consideration. At the Board of Management meeting held 30 April 2021, the Board considered the recommendation and moved to award KEVIN OWENS Life Membership. Commodore read the citation.

Kevin Owens joined Fremantle Sailing Club on July 11, 1989 as a full member, and this year celebrates his 90th birthday as a respected and still active and loyal participant and supporter. However his association with the Club dates back to the late 1940s, via his life-long commitment to sailing, competitively, as an administrator, and through the sheer enjoyment and love of the sport.

Kevin became an avid sailor at a young age, and in 1948 teamed up with the legendary Rolly Tasker, as his crew in "Sharpies", sailing "Falcon" for almost a decade. He competed with Tasker in numerous State and National championships with great success both as WA State Team representative, and individually in "Falcon", winning the Australian Sharpie Championship during the 1958 Season.

He went on to crew with fellow FSC member Terry Gaunt, to again win the National Sharpie Event in "Viking", heralding an outstanding dinghy career sailing Crest Cats, and Sixteen-foot skiffs, winning State titles, and successfully represented Western Australia on at least five occasions.

In 1970 he moved into administration of dinghy sailing at the Mounts Bay Sailing club, eventually rising through the ranks there to become Commodore in the late 1980s, before becoming involved in offshore sailing and joining Fremantle Sailing Club in 1989.

At FSC he sailed 5 different class boats all named "Trim", with Ray Lynch, winning countless races and titles including, in later years, 2 Harbour Race events.

Kevin became deeply involved in both sailing and administration at Fremantle, again rising through the ranks to become Commodore, 1992 -1994. During this Period with Messrs. Lynch and Lightfoot and others, Kevin was one of the driving forces behind numerous international, World, National and State sailing events, including the Whitbread, Velox Five Oceans, Clipper, World Grand Prix, the David Dicks "Seaflight" circumnavigation, etc, etc. His efforts helped put Fremantle Sailing Club on the World and International Scene, a reputation it still enjoys to this day. Sailing and competition were his two key drivers, and he helped drive Offshore and Inshore fleets to unprecedented numbers, sometimes helping field fleets of over 60 vessels in offshore events.

In 1984, he was elected as the inaugural President of the Commodores Association of Western Australia. He is a life member of that association.

In 1979 Kevin was appointed as a delegate to Yachting WA, and later appointed as a trustee of the Ron Tough Foundation, in 2018 being awarded the gold medal by that organization for his contribution over almost 40 years to youth and sailing. Since 1989 with the State and National bodies he has proudly



represented Fremantle Sailing club for over 4 decades. A remarkable contribution to this club and his chosen sport of sailing.

Kevin has continued to serve FSC in virtually every capacity as a sailor, administrator and contributor to the sport, its administration, international, nationally at State level; and most importantly, representing Fremantle Sailing Club as a proud and loyal member. He still actively contributes to his beloved club and sport.

This despite a family tragedy in 2018 when his only son, himself a keen sailor, was lost in the "Finistere" capsized.

Kevin's contribution to the Fremantle Sailing Club and the sport of sailing is frankly, unrivalled and eminently qualifies him for what is the very fitting award of a Life Membership.

Commodore advised members that a 4/5 vote in favour is required for the nomination to be approved. Commodore asked Kevin to leave the room while the votes were tallied. Commodore invited Kevin back into the room and announced the result.

Resolution

THAT KEVIN OWENS BE AWARDED LIFE MEMBERSHIP.

Moved: Terry Baker Seconded: Graeme Allen - CARRIED

Kevin addressed members and said he was honoured to join other life members. He thanked all members past and present along with the panel and board members. He told members that he had started sailing in 1939 which was the year war broke out and joined as a junior member at the Perth Flying Squadron in 1940 and had been sailing ever since. He thanked his family for the support they have provided. He said he was a strong believer in putting something back into what you get plenty out of. The people he has met, sailed with and against and worked with have been wonderful. He will cherish the honour for the rest of his life.

ITEM 14 SPECIAL BUSINESS

14.1 INCREASE THE ESTIMATED REPLACEMENT VALUE OF THE F SCHEDULE BY \$11,735,008 AS PER ATTACHED APPENDIX B

Commodore invited Rob Hodby to speak to this motion.

- The 5 year capex plan was put to members at the general meeting in March 2021.
- The increase in the F Schedule will cover essential works that need to be done to bring Club facilities up to speed.
- All items included are for refurbishment or replacement, there is no maintenance included in the amount.
- Most items are already in the F Schedule – this motion is to include new values which are accurate.

Matt Duff congratulated the Commodore and the Board on the work done over the past two years. Wanted to question the increase in pen maintenance and also wanted confirmation that all future work included in this increase would be put out to competitive tender. **Commodore** confirmed it would be.

Resolution

THAT THE MEMBERS APPROVE THE ESTIMATED REPLACEMENT VALUE OF THE F SCHEDULE BE INCREASED BY \$11,735,008.

Moved: Matt Duff Seconded: Paul Galvin - CARRIED

14.2 APPROVAL OF EXPENDITURE OF AN ESTIMATED \$792,958.00 FOR VARIOUS MAINTENANCE & CAPITAL WORKS

Resolution



THAT PURSUANT TO CLAUSE 18(J) OF THE CONSTITUTION, THE MEMBERS APPROVE AND AUTHORISE THE EXPENDITURE OF AN ESTIMATED \$792,958.00 FOR THE CLUB'S FINANCIAL YEAR ENDING 31 MARCH 2022, TO BE APPLIED IN PAYMENT OF THE FOLLOWING ESSENTIAL REMEDIAL MAINTENANCE WORKS RECOMMENDED, SET OUT IN THE 5 YEAR WORKS BUDGET AND APPROVED BY THE BOARD ("THE AUTHORISED AMOUNT"):

Moved : Rod Mulcahy

Seconded: Steve Delfos - CARRIED

14.3 APPROVAL OF EXPENDITURE OF AN ESTIMATED \$1,125,000 FOR STAGE ONE (1) OF THE DFES FIRE COMPLIANCE PROJECT

Commodore invited Paul Bailey, Project Manager to speak to the DFES Fire Compliance Program.

- Following a fire on a vessel in 2019, DFES issued some non-compliances on the Club's fire system.
- Subsequently Warrington Fire was engaged to develop a fire strategy to bring the systems up to standard.
- The strategy will be implement in three stages.
- Stage one covers the Club house and surrounds to ensure sufficient water pressure, pumping stations and tanks.
- Stage two will provide hydrants to the jetties
- State three will cover the works area – this area is being undertaken last as other work needs to be done to achieve environmental compliance.

Matt Duff questioned why salt water couldn't be used. **Paul Bailey** advised that salt water is not compliant. Chemicals and foams used by DFES are not compatible with salt water.

Resolution

THAT PURSUANT TO CLAUSE 18(J) OF THE CONSTITUTION THE MEMBERS APPROVE AND AUTHORISE THE EXPENDITURE OF AN ESTIMATED \$1,152,000 FOR STAGE ONE OF THE DFES FIRE COMPLIANCE – FIRE SYSTEM UPGRADE PROJECT RECOMMENDED AND APPROVED BY THE BOARD ("THE AUTHORISED AMOUNT").

Moved : Treasurer Rob Hodby

Seconded: Commodore Ron Greer - CARRIED

14.4 APPROVAL OF EXPENDITURE OF AN ESTIMATED \$259,196 FOR JUNIOR CLUBHOUSE MAINTENANCE WORKS AND RE ROOF (3-5 YEAR LIFE EXPECTANCY)

Commodore explained that this work was required to provide a 3-5 year window while a new business model is developed with the aim of redeveloping the building. Planning Committee is currently working on this and will have something to present to members later in the year.

Resolution

THAT PURSUANT TO CLAUSE 18(J) OF THE CONSTITUTION THE MEMBERS APPROVE AND AUTHORISE THE EXPENDITURE OF AN ESTIMATED \$259,196 FOR JUNIOR CLUBHOUSE SUSTAINING MAINTENANCE WORKS AND RE ROOF RECOMMENDED AND APPROVED BY THE BOARD ("THE AUTHORISED AMOUNT").

Proposed: Treasurer Rob Hodby

Seconded: Commodore Ron Greer – CARRIED



14.5 APPROVAL OF EXPENDITURE OF AN ESTIMATED \$137,000 FOR UPGRADE TO COFFEE TERRACE

Commodore invited CEO Karen Baldwin to speak to this proposal – noted that original plans had included a provision for a similar type of enclosure to what is currently proposed.

- Discussions with members has identified a need to offer some better Club facilities.
- One area identified is upgrading the coffee terrace to create a space which is accessible in all weather conditions.
- This proposal replaces the fixed glass panels with bifold opening windows and an operable roof (vergola) which can be opened and closed depending on weather conditions.
- The upgraded space will provide members and guests with a new function and entertaining space which can be used all year round.

Terry Baker commented that this is a great concept but clarified that he we Vice Commodore during initial construction and the coffee deck had resulted from a modification to the original plans which had large indents in front of the bar area.

Resolution

THAT PURSUANT TO CLAUSE 18(J) OF THE CONSTITUTION THE MEMBERS APPROVE AND AUTHORISE THE EXPENDITURE OF AN ESTIMATED \$137,000 FOR AN UPGRADE OF THE COFFEE TERRACE RECOMMENDED AND APPROVED BY THE BOARD (“THE AUTHORISED AMOUNT”).

Proposed: Treasurer Rob Hodby

Seconded: Commodore Ron Greer - CARRIED

14.6 APPROVAL OF EXPENDITURE OF AN ESTIMATED \$375,000 FOR REPLACEMENT OF THREE (3) BOAT RAMPS

Commodore provided background - new decks were installed on ramp jetties seven years ago. They are now in very poor condition, and the cost of repair would be between \$30-50,000 each to repair. It is proposed to replace existing with floating jetties. Noted that a number of times during the past couple of months the jetties have been completely under water and unusable. Very unsafe and could jeopardise the Club jetty licence.

Matt Duff commented on climate change and rising sea levels over the past 40 years

Resolution

THAT PURSUANT TO CLAUSE 18(J) OF THE CONSTITUTION THE MEMBERS APPROVE AND AUTHORISE THE EXPENDITURE OF AN ESTIMATED \$375,000 FOR REPLACEMENT OF THREE (3) BOAT RAMPS RECOMMENDED AND APPROVED BY THE BOARD (“THE AUTHORISED AMOUNT”).

Proposed: Treasurer Rob Hodby

Seconded: Commodore Ron Greer - CARRIED

Before moving onto General Business the Commodore asked Lyn Powell to provide an update on the Lease negotiations with the Department of Transport (DoT).

FSC - LEASE DISPUTE UPDATE - AGM - 27TH JULY 2021

The club has been continuing with its efforts to engage with the Department of Transport (our Landlord) and their lawyers with regard to the re-appraisal of the club’s annual Rent from \$34,700 to \$760,000 since May 2019.



DOT refused to supply a copy of their valuation, or explain the methodology they used to determine a rent of \$760,000. This means that we do not know how this amount has been derived.

Rent Reviews have been happening in accordance with our Lease by our Landlord every three years since inception of the leases in 1979, and we have never seen an increase of this magnitude.

Any Rent review must be in accordance with the terms of the Leases, which form our legal and contractual obligation to the state.

DOT continue to invoice us our current rent of \$34,700 p.a. as an interim measure until the dispute about the Rent increase is resolved.

The Leases provide that a dispute about a rent increase can be referred to arbitration.

Whilst it was not our preference to refer the dispute to Arbitration, it is the best way forward, given the position taken by DoT. The Board has approved the Club proceeding with the arbitration and the appointment of a senior arbitrator.

I am pleased to report the Arbitration process has now commenced with a Procedural Conference held yesterday.

The Arbitrator made initial orders requiring (amongst other things) DOT to hand over a copy of their valuation by tomorrow.

We will continue to keep members informed of any resolution.

Commodore thanked everyone involved in the lease working group, particularly Bill Henson who is leaving the Board.

ITEM 15 GENERAL BUSINESS

Commodore called for any general business.

Jim Macbeth commented that a lot of money had been spent during the meeting and questioned if there was some sort of document outlining the expenditure. **Commodore** confirmed that information had been contained in Five Year Capex Plan outlined to members at the General Meeting in March 2021.

Ron Watson questioned when the proposed maintenance and remediation works would be undertaken. **Commodore** confirmed that all work approved this evening would be completed in the next 12 months. Ongoing updates will be provided in the to members in the Board Newsletter. **Ron Watson** asked about the launching ramp works – **Commodore** advised that work would be undertaken as soon as all approvals have been granted.

Commodore advised the Club's water treatment plan has been non-compliant for some time due to a range of reasons. The Club has been waiting on the Department of Transport to formalise plans for the Capo D'Orlando as this will have some effect on planning, however it has been decided that work on the water treatment plant will commence as soon as possible to become compliant.

ITEM 15 ANNOUNCEMENTS OF OFFICERS AND MEMBERS OF THE BOARD OF MANAGEMENT

Commodore called on Returning Officer **Brian Cooper** to announce the composition of the new Board of Management and Officers.

Brian Cooper confirmed that this year due to the exact number of people applying for vacant positions at the close of the nomination process, no election was required. This is the first time in 33 years that a vote was not required.

Congratulations to all elected.

Commodore thanked Bill Henson for his contribution to the Club over many years.



Commodore asked Commodore Elect Phil Hearse to come forward along with the new Vice Commodore Sail Todd Giraudo and also welcomed new board member Paul Arns.

Congratulations to Phil Hearse and the entire board and thanked all for their efforts over the past year.

Commodore Elect Phil Hearse thanked the previous board as well as Commodore Ron Greer and Vice Commodore Anita Wyntje – and confirmed the that the Club would continue to follow with the current strategic direction moving forward.

Commodore Greer declared the meeting closed at 9.25pm and invited all members to join him for refreshments at the bar.

DRAFT