

Kerikeri Cruising Club Inc (KCC)

Minutes

Meeting of the General Committee Tuesday 20 August 2024

The meeting commenced at 7pm in the clubhouse, 346 Opito Bay Road, RD1, Kerikeri.

1 Attending

M Turner (Commodore), T Bingham (Vice-Commodore), A Wells (Rear Commodore), S Cain (Keelboat), B Carter, D Smith (Treasurer), T Milicich (Deputy-Chair Marina), M Lucas (Marina), D Brock (Secretary), R Dempster

M MacDiarmid (attending)

2 Apologies

M Reid

Resolution: *It was resolved to accept the apologies.
Proposed T Bingham/Seconded B Carter: Carried*

3 Minutes of the Previous Meeting

Resolution: *It was resolved to accept the minutes of the previous meeting
16 July 2024.
Proposed A Wells/Seconded D Brock: Carried*

4 Health & Safety

Health & Safety Summary Report circulated to the Committee

Health & Safety meetings since the last Committee meeting 2, 1 incident

Resolution: *It was resolved to accept the health & safety report.
Proposed D Brock/Seconded T Bingham: Carried*

5 Finances

5.1 Budget

Some significant increases in expenses: insurance, IT (allowance for external IT support), training (an allowance in anticipation of health & safety requirements), health & safety initiatives.

Subscription increases for CPI would be negated by anticipated decreases in member numbers due to wider economic conditions.

Decisions to be made: carry the deficit by dipping into the Club's cash reserves or increase subscriptions to cover the increases.

RIB refurbishment \$15K, YNZ fee - can this be reduced? Sandspit as example. Subs & fees increase by more than CPI with description of what the Club is doing? i.e. aims of the Club. Updated budget will be distributed in advance of the next meeting.

Increase membership by opening territorial boundary as a way of increasing membership/subs income.

Review cost of pile moorings (include portion of insurance, refurbishment, licences), dinghy storage

To assist with the annual audit process, the following items were circulated as a list with details to the Committee & noted in the agenda & minutes with a total approved/accepted.

	Total Value	Details
Invoices for Payment	\$40,897.66	List circulated. A request has been sent to YNZ requesting permission to pay the fees in 2 instalments
Credit Card Transactions for Approval	\$938.65	List Circulated
Debtors	\$2,890	
Wage reconciliation	\$2,471.44	Monthly reconciliation from visitor pool to Club

Resolution: *To approve the profit & loss report to 31 July invoices for payment, debtor balance, credit card transactions & July 2024 wage reconciliations as circulated.*
Proposed D Smith/Seconded B Carter: Carried

Resolution: *To approve the invoices for payment, debtor balance, credit card transactions & July 2024 wage reconciliations as circulated.*
Proposed D Smith/Seconded T Milicich: Carried
T Bingham - Abstain

6 New Members & Resignations

Name	Reason for Joining	M/ship Type	Provenance	Boat type	Proposer	Seconded
Michael Gilson & Joanne McPhee	Building house in Mataka Station, wanting to join local boating community	Long Distance	USA (a.t.m.)	Launch (MAHANUI)	Mike Quilter	Robi Quilter
Derek & Janice Potts	Moved to Kerikeri, boating	Family	Kerikeri	Launch (BLUE LAGOON)	David Potts	David Stuart

6.1 Changes to Membership Types & Resignations

None this month

Resolution: To approve the new membership applications as above.
Proposed B Carter/Seconded R Dempster: Carried

7 Decisions

7.1 Centreboard Programme

It was recommended to temporarily halt Centreboard activities until the programme has been reviewed and safety standards and systems improved.

The recommended programme pause will allow the Club the opportunity to be ready to restart for the new school year in 2025 & to establish foundations and a framework that ensures continuity of safe, accountable behaviour through successive Club committees.

There is a significant amount of work to be done, for example; the Club cannot host sailing lessons until our support boats and systems comply with the Yachting NZ (YNZ) MOSS exemption. The Club currently has an exemption, but the systems have fallen out of use & need to be reinstated. Also, YNZ certificated coaches and Club support boat drivers need to be recruited & trained so the Club can run YNZ courses. These things (and others) will take time and effort to achieve, time that this pause will provide.

The Club cannot conduct YNZ sailing courses until these criteria are fully met. D Godbert suggests the Club could run its own, independent, learn to sail courses and not the YNZ courses. This alternative course of action would require General Committee approval.

The Centreboard Committee has an acting chair, D Godbert, as P Kee resigned. The committee members & other interested parties are aware of the recommendation to pause the programme. A copy of a communication to the Centreboard Committee & others was circulated to the General Committee as was D Godbert's response.

The General Committee agreed that Centreboard activities are a cornerstone activity of the Club but acknowledged the necessity of operating in a safe & demonstrably safe way.

Resolution: It was resolved to temporarily halt Centreboard activities until the programme has been reviewed and safety standards and systems improved appropriately. M Turner & T Bingham will meet with the Centreboard stakeholders to progress the review.
Proposed M Turner/Seconded B Carter: Carried

7.2 Project Manager

Resolution: It was resolved that the Club engages a Project Manager (Position Description attached) on a project-by-project basis for the purpose of expediting Club & marina refurbishment & capital projects. Budget for this role would be included in the project budgets & the position would be for the duration of each project with recruitment also on a project-by-project basis.

Proposed M Turner/Seconded M Lucas: Carried

7.3 Clubhouse Wine Prices

A letter from A & S August (circulated with agenda) & additional anonymous member feedback opining that the clubhouse bar & food prices are too high was discussed.

The clubhouse is not making a profit. Prices appropriate for the industry to recover costs (full costs are not recovered as the clubhouse is open only one or two nights per week). Prices could be decreased if Club volunteers staffed & administered (e.g. ordered, collected & managed stock) as this would reduce the wage expense. Volunteers undertaking this role would be required to be appropriately trained, qualified & rostered.

Research is currently underway to discover the process & cost of changing the Club from a “club liquor license” to a general restaurant license. This would remove the “members only” restriction, & may open new markets & boost clubhouse turnover so that pricing could be reviewed.

7.4 Clubhouse Deck Replacement

Resolution: It was resolved that the Club accepts the donation proposal (ITM Donation Proposal circulated with agenda) & allocate approximately \$7,250 from refurbishment funds toward the budget for replacing the clubhouse deck.

Proposed M Turner/Seconded T Milicich: Carried

7.5 "General Business" section for the Agenda

A recommendation from M Lucas to add a standing agenda item for each meeting and the provision at the meeting for this opportunity to raise issues not listed. It was commented that the General Committee has been significantly more efficient & effective since the structure & agenda of it’s meetings was changed some 4 years prior.

It was agreed that although “General Business will not be added as a standing item to the General Committee agenda, urgent items can be accommodated with the prior agreement of the meeting Chair.

7.6 Clubhouse

Recommend budget approval for:

- replacement of the clubhouse kitchen salamander/toaster oven of \$530 exc GST &
- purchase of a bench top deep fryer for \$1,297 exc GST

The price on these items has been compared:

- Comparable salamanders cost between \$417-\$956 exc GST
- Comparable bench top deep fryers cost between \$434-\$1,950 exc GST

It is challenging to make “like for like” comparisons as specifications on this equipment vary slightly item to item & price needs to be balanced with performance. For example, less expensive fryers are available but they are less powerful which may result in slower cooking & poorer quality product - soggy chips.

Resolution: *It was resolved to purchase a kitchen salamander/toaster oven for \$530 exc GST & a bench top deep fryer for \$1,297 exc GST.
Proposed B Carter/Seconded T Bingham: Carried*

7.7 Health & Safety Review Proposal

As directed by the General Committee, the Club’s Health & Safety Co-ordinator has sought & received three proposals for a Club-wide health & safety review. A summary of the proposals & recommendation was circulated to the General Committee. The process of seeking the proposals included meeting on-site so the potential contractor could be introduced to the Club, its environment & activities. The Club has a budget of \$5,000 for health & safety initiatives & some of the cost will be shared to the marina that also has a budget for safety improvements.

Resolution: *It was resolved to engage Stay Safe as per the combined annual proposal \$5,250 exc GST.
Proposed T Milicich/Seconded S Cain: Carried*

7.8 Fixed Assets

Resolution: *It was resolved that all fixed assets with a depreciated value of less than \$100 be written off
Proposer D Smith/Seconder S Cain: Carried*

7.9 Lake Manuwai Shed Door

D Godbert email circulated prior to meeting

Will be discussed as part of the Centreboard review

7.10 Licence Transfers

Resolution: *It was resolved that the following berth licence transfers be ratified, signed & sealed by the Club:
C28 (14m) from Steve & Julie May to Tony & Sheryl Milicich
B37 (14m) from Tony & Sheryl Milicich to Ivan Lapanovic & Vivienne Mitchell
D32 (12m) from Ivan Lapanovic & Vivienne Mitchell to Grant & Lee-anne Goodwin
A17 (12m) from Nico & Linda de Langen to Terry Dawson*

A37 (12m) from Simon & Judy Willis to Mark Fraser & Maria Sokalski

A20 (10m) from Murray & Sue Lyon to Reb Aplin & Alaina Howes

D36 (12m) from Dave & Vicki Keen to Derek & Janice Potts.

Proposed R Dempster/Seconded S Cain: Carried

T Milicich - Abstain

Resolution:

It was resolved that the following berth licence transfer be ratified, signed & sealed by the Club on receipt of the completed paperwork & confirmation of the transfer of funds between the purchaser & vendor has been made:

A19 (12m) from Estate of Brian Riley to Kris Sunde.

Proposed R Dempster/Seconded T Bingham: Carried

7.11 Marina Matters

Committee to consider the August edition of Marina Matters before it is circulated to berth licence holders. Remove 10% Management Fee portion & remove argument/disagreement reference of the newsletter.

7.12 Changing the Date of the September Meeting

The clubhouse, Commodore & others are required for the evening of 17th September when the America's Cup will be on site. This would ordinarily be the meeting of the General Committee. It was agreed that the meeting be rescheduled to the 10th of September & the Marina Committee meeting moved to 3rd September.

7.13 Fuel Jetty

A price estimate of a "like for like" replacement of the fuel jetty has been received (circulated).

Structural drawings by Haigh Workman for replacement of the fuel jetty with the donated Superior pontoons etc have been received. Also received, an estimate (circulated) for installation of these material as a fuel jetty replacement.

An estimate for dredging to remove the contaminated seabed sediment is being sought so that funding for environmental clean-up can be applied for.

Plastic pontoons are in Mt Pokaka storage. Piles, sleeves & gangway will be stored in Ruakaka until they can be transported to the Club.

7.14 Pile Replacement & T-head Refurbishment

Two tenders for marina pile replacement & t-head refurbishment were received. These have been assessed (copy of assessment circulated) & the Marina Committee has recommended that the Dixon/Hallett tender for \$367,781+ GST be accepted.

Due to the value of this expenditure, it must be considered & accepted by a General Meeting of the Club. A general meeting for this purpose requires 18days notification, it is recommended that the SGM be held on 4pm Sunday 8th September in the clubhouse.

Draft notice of SGM will be circulated to the Commodore, Vice-Commodore, Secretary, Marina Committee Chair & Deputy Chair for approval prior to publication to members.

The balance of marina refurbishment funds is currently \$796,967. Of this, \$459,415 is committed to works underway. Leaving an available balance of \$337,552. This is less than the tender however berth licence fees are in the process of being invoiced out with \$150,000 refurbishment contribution. This will allow for the payment of the pile replacement & t-head refurbishment & the B pier gangway replacement.

At the July 2024 General Committee meeting purchase of a replacement gangway was authorised & this will proceed.

Resolution:

*It was resolved that the Dixon Stainless/Hallett tender (\$367,781+ GST) for pile replacement & t-head refurbishment be recommended to a special general meeting of the Club (to be held at 4pm, Sunday 8th September 2024) for acceptance.
Proposed M Lucas/Seconded S Cain: Carried*

7.15 E Pier Through Rod Remediation

R Brown of Shorewise, has recommended (email circulated) the through-rod fix (weld & hot zinc treatment) is suitable as long-term remediation of under length through-rods initially supplied for installation at the corner frames. The Marina Committee agreed to accept the Brown's advice on the suitability of the fix but is not prepared to cover any costs associated with it as the issue was not of the Club's making.

In his email, R Brown also suggests through-rods be replaced when the associated corner frames are replaced because the condition of the corner frames (discovered when the E pier refurbishment was undertaken) indicates they need more urgent replacement than originally scheduled. The original schedule was based on the Marina Condition Report also prepared by Shorewise. Considering the revised advice, the E pier corner frame replacements will be brought forward & it would be unnecessary to replace the attendant through-rods at that time.

Someone needs to be responsible for the cost of inspecting the 10% of rods. Who is responsible? Not the Club

7.16 Out of zone membership suggestion

Recommendation that the following membership category be presented to the October 2024 AGM for consideration & adoption.

- Create a membership category for people who would like to own a marina berth license from outside the Club's catchment area. We have several reasons we think this might be beneficial, we have Murray Lucas's levy that might be difficult to implement and approve, it's perceived unfairness, the prospect of further contributions (title) and the current economic circumstances, but it could be rolled out to those interested in out of zone membership, including those living overseas, who would like to keep their yacht in the Bay of Islands.
- As we are frequently told our berths are ridiculously cheap compared to other marinas, this is something we wish to keep that way for local membership, however the maintenance costs are a constant and this suggestion help resolve several issues.

- This category of membership would have a considerably higher subscription rate (\$1,000-\$1,500/year?) and be limited to 25-50 members.
- If an existing member who owns a berth license leaves the area, there would be a membership category to enable them to formally keep their berth instead of our current "turning a blind eye" method of dealing with those situations. Albeit at the higher subscription rate, however, we wouldn't expect a refurbishment levy contribution from them.
- Out of zone members who wish to hold full instead of long-distance membership are not joining for the social interactions or contribute to the functioning of the Club, they are solely joining for the marina. We do not want to become a caretaker club where we are running the Club for members who are using it purely for the facility without financial compensation.
- It would be an opportunity to have a limited trial of the refurbishment levy.
- It would likely have quite a high turn-over, which would be desirable.
- This would be full membership with voting rights etc, but still no proxies.

This suggestion will be considered by the Marina Committee for comment. A review committee may then be formed to further development. It will not meet the timeframe for adoption at the 2024 KCC Annual General Meeting.

The availability of berth licences could be advertised in the Club newsletter.

7.17 Refurbishment Fund Levy (RFL)

Agreement and implementation - supporting information already circulated to GC members during the week for pre-meeting reading.

7.18 Management Fee

It is proposed to accept a fixed annual management fee of \$50,000 to replace the annually calculated method. This intends to bring budgeting certainty and to remove debate and rancour from allocating the Club's internal fees. This is a reasonable and positive compromise between the Club officers and the Marina Committee.

The 2012 Cost Sharing Agreement will also be nullified and replaced with a \$100/license/annum payment. This contribution from the berth license holders recognises the additional costs the Club has to bear for the facilities associated with the existence of the marina. The Club also benefits from the assets the marina has brought to the Club and must budget accordingly. The \$100 ground contribution would be accumulated and allocated as funds for major maintenance projects to the car park, driveway, fuel jetty, boat ramps and admin building. The club must consider allocating a certain amount of its income to these future costs otherwise the fund will be insufficient to meet its needs. The Club will be able to add to and accumulate these funds in the Club's refurbishment account.

This agreement would be back dated to the start of this year 1/7/24 and there will need to be an adjustment of approximately \$150 extra per berth for the next invoicing period (Jan-Jun 2025).

Thanks to all who participated in this discussion, particularly Tony, Mike, Tim and David for their patience, perseverance and good intent.

Should this be 5 years to match the MTP changed calculation. 3 years can be extended but doesn't lock either party into a long-term disadvantageous position.

Resolution: *It was resolved to accept "in principle" the following agreement:*

- *\$50,000 per annum adjusted annually for CPI*
- *Review in 3 years, after the review it might be desirable to place in constitution*
- *The fixed fee would replace this year's management fee, it could be payable in line with marina fee invoicing*
- *Existing E pier and fuel jetty splits would be nullified*
- *Haul out trolley management to return to Club and placed under Club manager responsibilities*

2012 Cost Sharing Agreement

- *Complete removal of 2012 agreement which would become redundant and no longer applicable.*
- *Introduce fixed fee contribution for spaces that the Marina has some cost allocation, IE car park, driveway, boat ramps, fuel jetty and the administration building*
- *It is proposed that a figure of \$100/berth plus CPI per annum would be appropriate*
- *The money raised would be placed into the Club's refurbishment account, not into general income*

Proposed T Bingham/Seconded B Carter: Carried

Resolution: *It was resolved to add the Kerikeri Cruising Club Treasurer to the authorised signatories & authorisers on the Kerikeri Cruising Marina accounts (all suffixes).*

Proposed T Bingham/Seconded T Milicich: Carried

8 Information Reports

8.1 Membership and marina berth waiting list numbers trends

Supporting information circulated to Committee in advance.

8.2 Decision-making process by the General Committee group

As an example: re-actions taken for B Carter's facilities funding list from last two GC meetings. Already discussed under consideration of "General Business" agenda item.

8.3 Financial Status

A question to the Club Officers whether they consider the Club finances in crisis in relation to future issues (reclamation title, fuel jetty, clubhouse R&M, pile mooring refurbs), and likely on-going falling membership numbers. How is the Club going to plan to deal with these issues?

9 Committee Reports

9.1 *Centreboard - minutes on file*

9.2 *Keelboat Committee*

9.3 *House, Social, Launch & Cruise*

9.4 *Marina Committee - minutes on file*

9.5 *Clean Club -*

9.6 *Review Committee - meetings as required & no meeting since last General Committee meeting*

10 Action Sheet

Item & Start Date	Delegated Person(s)	Decisions/Future Action	Status & Update Dates
Reclamation Title	T Bingham	<p>Title Application Process</p> <ol style="list-style-type: none"> 1. Application lodged with LINZ 2. Valuation of undeveloped seabed. Valuation \$6,000-\$12,000. Quote for valuation to be obtained 3. Land valuation can be negotiated, & impairments (reductions) on the valuations made. 4. LINZ will give a list of conditions to be met before title can be issued. 5. Land will have to be purchased 6. Title allocated <p>Licence holders advised at AGM of process & potential costs. T Bingham/Thomson Wilson Law first meeting held re confirming process & costs for obtaining title - notes filed LINZ contact has retired, new contact person established. Summary of Process provided by T Bingham to Feb 2022 meeting of General Committee. LINZ appointed valuer has made a site visit. Aug 2023 - valuation submitted to LINZ but not accepted</p>	Land valuation commissioned & underway
	General Committee	<p>Decision pending on expense split between club & marina on cost of reclamation title application.</p> <p>First legal invoice of \$4,100 paid by Club</p> <p>Preliminary land assessment \$450</p>	
Launching Dock	Sub-committee M Turner, T Bingham	<p>Preliminary estimate received</p> <p>Cost of 'consent application ready' plans being sought</p>	

M Smith	M MacDiarmid, M Turner	Disputes Tribunal hearing held. Tribunal found in favour of the Club & will issue Court order for the debt to be paid. Advised that ownership & removal of the vessel from the mooring are beyond the jurisdiction of the Tribunal. District Court has jurisdiction. Harbour Master consulted as to action on removal of the vessel.	
		Dinghy Locker cleared	8/5/23
Health & Safety Review	Sub-committees	Sub-committees to consider & review	Underway
Te Pewhairangi Marine Mammal Sanctuary Event Permit	Keelboat, Cruise Centreboard Committees	Incorporate into event planning	
Fuel Jetty		Condition Assessment - received Access Restriction signs - M MacDiarmid - installed Monthly internal audit - to be drafted Plywood being installed - T Bingham Planned closure from 1 April 2024 for refurbishment Draft preliminary plan - M Turner - liaising with Haigh Workman to procure preliminary drawings	
Allied Petroleum Lease Extension		Lease extension approved by General Committee Sep 2023	
Audit Completion Report	Treasurer, Manager	Report to General Committee with recommendations for changes	
Health & Safety Initiatives		Create a position of Health & Safety Officer Scope an independent workplace safety assessment	Completed

Race Buoy Consent Conditions	Keelboat Committee	Repair buoys & equipment by end of April 2024 Completed with exception of Kent Passage buoy which requires attendance of the marine contractor. August 2024 imminent	
Safety	Keelboat Committee	Recording Keelboat safety processes - what is in place? Are race boat audits documented? Wind limit checks etc?	

11 Next Meeting

Next meeting 10 September 2024

Meeting closed 9.25pm