

RYCV COMMODORE DAVID SEAMAN,

DAVID,

In my 17 years with RYCV there have been many good times, but I feel that over the last few years a noticeable disharmony has descended over the club.

There are various factions-do /don't want all new facilities /don't care/ all too hard/agree/disagree with committee etc etc.

The lowlight to cap all this off, [maybe it started it], is the unkempt construction site in the middle of the yard which started out to be a platform lift.

I actually find it depressing just to go to the club and have to walk past that hole in the ground.

I have been trying to objectively analyse how this state of affairs has developed and I will attempt in this note to set out my thoughts. I will also offer some ways out of the malaise that I perceive the club is in.

It is vital to examine our governance now because of the enormous amounts of money that are being proposed for the likes of the floating MARINA, TRAVEL LIFT and CLUBHOUSE.

My school of thought takes me to the conclusion that our system of voting at Special/General Meetings is one major cause of the problems that I perceive. Currently our rules on voting are rather vague. Traditionally a majority of eligible voters present in person is considered as affirmative.

Of the 500 or so eligible voting members, the usual attendance at a meeting might be 100, perhaps swelling to almost 200 depending on the occasion.

What this implies is that the club is run by a small group of people i.e. 51% of the relatively small number of members attending; largely the committee and its supporters, and the silent majority are just that –silent!

The reasons for this lack of interest to participate in voting are no doubt many and varied. Members have never been asked, so one can only postulate.

- Lack of interest
- Insufficient publicity of meetings.
- Lack of details re both sides of the issues.
- Super saturation of members with the desired outcome that the committee wants.
- Believing that the outcome is a foregone conclusion-so why bother going. [I myself was in this category for some years]

Whatever the reason it is decidedly unhealthy for such a small group to determine the clubs direction, regardless of whether or not their intentions are honourable.

Office holders in an Incorporated Association such as RYCV are bound to act prima facie "in the best interest of all members", and not in the pursuit of some personal/group ideological outcome.

The first and most vivid example is the Platform Lift, which was voted on in 2012.

For some years maintenance on the Slipway was obviously so minimal that finally it fell into complete disrepair and was taken out of service.

It is of interest to note that concurrent with the debate at the time re Slipways/Platform Lifts etc. \$285,000, which would have repaired the Slipway, and generated some \$25,000 in lost annual revenue, was spent on a new front fence! Certainly some or most of that money came from donations to the Seachange fund but it does say something about our priorities. So, with the demise of the Slipway, the committee decides that it is a wonderful opportunity to have something "modern". This is in spite of the fact that with shallow water and low tidal range such as we have slipways are still widely used and regarded as a time tested and most efficient way of retrieving/ launching boats-just look next door at HBYC.

The committee launched an extensive marketing campaign, extolling the virtues of the Platform Lift, and fending off any alternative viewpoints. Anyone holding such views were made to feel "out of touch" and deemed to be holding the club back. Financial justification for the project could at the best be said to be "fanciful."

To quote a committee member: "a Platform Lift is the only option".

Little, if any, co-operation or advice was sought from the Marina sub-committee as to the best way forward.

The cost was originally stated to be \$250,000, but gradually increased in stages to be \$1.34 Mill

Alternates such as an extra, or new larger Travel Lift, or rebuilding the SlipWay, were summarily rejected out of hand.

For the meeting the voting agenda was drawn up in a most unusual and convoluted way that gave the Platform Lift the best chance of succeeding, which it did. A group of members had lodged a dispute notice on the unfairness of the agenda, and whilst the Commodore at the time conceded that the agenda was biased and had agreed to change it, at the last minute he said he was over-ruled by the committee and the original agenda was maintained.

On the night of the vote an extensive presentation was given on the Platform lift, costed at \$1.34 Mill

The alternative to repair the slipway was quoted by the committee to the members at the meeting to be more expensive at \$1.6mill, even though quotations had been received by members, and passed onto the committee, Ear to the tune of some \$600, 000, including remedial works to the adjacent walls and wash-down holding tanks [Actual slipway repair estimate was circa \$300,000]

No-one from the committee followed through to evaluate this alternative –just not interested in anything but a Platform Lift!

So with the project approved the committee placed a person in charge who was lacking experience in this field, and likewise appointed the contractor ADH, who had little expertise in this area. Earlier this year that contractor, ADH, went into liquidation. As a result the Platform Lift project has been a disaster.

I believe that initially there were quotes from experienced contractors in excess of \$2.0 Mill but the cheapest quote at around \$1.40 Mill was chosen. Evidently something like \$1.4 Mill has been spent with perhaps the best part of another \$1.0 Mill to complete. [All \$ in this report are approximations]

A further extension of this sorry saga is that evidently you and the committee are still quite determined that the Platform lift as originally conceived must be completed. I recall that at a Special General meeting [forced on you by a group of ten members] on the subject of this failed project, that it was agreed to at least investigate, cost and maintain an open

mind on all other options. The integrity of what has so far been constructed, and its suitability for going forward was also questioned. Is it true that the delay in reporting on this project, [now more than six months since ADH liquidated], is due to the fact that the committee is endeavouring to have the costs somehow swallowed up in the Marina project?

Other similar examples are the floating marina, and new clubhouse, where whilst you believe you have consulted and are acting in the member's interests, in fact I believe you are not -the members have not been fully consulted during the process. A majority at a meeting with only 20% or so of eligible voting members present is not asking the members. Yes, the club has survived with this system since its inception but it has not, in living memory, been presented with such enormous financial commitments.

And then we have the example of a meeting to vote on the \$13 million floating marina being called for 1830 hrs on a Monday night, two weeks before Xmas.

This time was most inconvenient to a lot of members and consequently the outcome of the vote could well have been distorted.

Only the desperate step by a group of members in serving a dispute notice circumvented this meeting from happening.

On this subject, yes the meeting has been postponed, but there are other issues on that notice to be addressed.

Also of concern are the expenses incurred in the extensive evaluation of the floating marina. Funds were obtained from members [\$5,000 x 60] but in reality this money is actually revenue in advance, and not donations. Just what our current financial condition is, is the subject of much unhealthy speculation.

The above examples do I believe substantiate my opening comment –that there is disharmony at RYCV.

Under the Victorian Associations Act 2012, Section 69, such behaviour could well be deemed to be “oppressive.”

My solution centres on the inadequacy of our current VOTING PROCEDURE and the lack of fluid COMMUNICATIONS between the Committee and members. Instead of members being invited into the committees' line of thinking, and positions evolving together, the committee now makes a decision and then tries to sell it to the members.

As a consequence of the above deliberations, I believe that our rules need to be changed to incorporate the following:

Postal and/or proxy voting be universally adopted.

Eligible members be posted full details of all proposed schemes, including properly analysed and costed alternatives, and supported by interested members submissions if available -not just the committees preferred position.

That free and frank discourse from members on the relevant subjects be published on the Club's website without censorship or incurring delays from the editor.

On issues that financially and exclusively impact on “in the water” boat owners, i.e., Platform Lift and New Floating Marina, then only those boat owners affected should be eligible to vote.

One vote per boat.

For the vote to be in the affirmative there needs to be a majority of 75% of the eligible members voting, as I believe is called for in Section 64 of the above mentioned Act.

The above would obviously need a Resolution to be passed at a Special General Meeting, and in my opinion this needs to be accomplished before any further issues presently before the club are acted on.

Taking into account all that has been said above, the Platform Lift must then be the following topic for a Special General Meeting. The way forward must be decided, and the associated costs to completion determined.

Then before other projects such as new Marina and Clubhouse can be presented to members a detailed and all encompassing financial analysis of the clubs current and forecasted future position should be completed. This must take into account the collective impact of all of these various projects for at least the next five years, and entertain as wide a variety of possible scenarios that can be reasonably envisaged.

eg, if there is insufficient uptake of paid berths for the new marina then what do we do? This could well be a real issue as there is a viewpoint that there is, or very soon will be, an oversupply of marina berths in the top end of Port Phillip. Also we will in effect have to entice boats from other marinas into ours-not an easy task without reducing our fees and ending up in a fight with other clubs.

Staged construction?

Reduced size?

Or if we lose senior members due to going ahead with the floating marina?
or external issues such as Australia's continued financial downturn?

In debate on the New Floating Marina due consideration should be given to the issue of introducing POWERBOATS in order to financially justify it.

For 100 years RYCV has assiduously resisted such a move. My feeling is that RYCV should remain a YACHT CLUB and not morph into a BOAT CLUB!

When this was raised at the meeting last Saturday, your response was, eventually, that "you would ask the committee"-well, it's the members that need to be asked and not the committee, as per examples above. I fully realise the implications but it should be debated.

Happy to discuss at any time. It would be good to find an amicable solution, as I, and many other club members, believe the club is on the edge of a precipice. The above is my considered attempt at circumventing us actually going over it.

Yours,

PETER LLOYD