The Keewaydin Committee met on 2/13/24 for a wide-ranging discussion of activities and recommendations for action by the board. Attendees included:

Mitch Johnson, Manager, WMA
Dan Maruszczak, Mariner Services
Tom Engel, Committee Chair
Donna Lessard
John Miller
Ed Murphy
David Cattrell, Liasson to WMA board

Issues discussed:

• <u>Solar Power – Keewaydin Property</u>

Captain Dan will be taking a potential vendor to the island property on 2/14 to walk the property prior to submitting a proposal to install a solar array and battery back-up to power the existing water and septic pumps, and provide lighting for the restrooms and pavilion.

- With improved weather, day-trips to the island are now virtually full.
- Existing generator needs service ~ 40 flushes per day on average.
- Our generator requires ethanol-free gasoline @ \$5.75 / gal. That translates to a cost of around \$30 per day. The solar power, if implemented, will replace the need for the generator.
- The contractor needs to mount storage batteries where they will be protected from theft, heat, weather, and airborne salt, pollen, and dust.
- One committee member noted that batteries should have an 8-10 year expected life, and that the solar panels would need regular maintenance to remove saltencrusted dirt and debris.

General Condition of Island Property

Captain Dan noted that he has received virtually no complaints this season on the condition of the island property. Although we are planning some painting and repair of sections of the pavilion in the off-season, the vast majority of the comments on our island property and the beach have been positive. The landscaping done over last summer has done well, with the exception of some plants near the island dock which were flooded in an early season storm.

Dan estimates that about ten of our plastic Adirondack chairs have been stolen this season. He noted that Walmart has these on sale now @ \$25, and suggested that we pick up replacements. The Committee agreed to support the request. There was some discussion of adding chaise loungers, but after discussion, the committee recommended replacing only the plastic Adirondacks.

We noted that our kayaks are available to members and guests using the Keewaydin property Monday – Friday. (Boat traffic on the weekends makes riding kayaks in the channel dangerous.) Those who wish to use the kayaks, paddles and life jackets should call ahead to alert the crew. We do not currently charge for the use of our kayaks.

• Keewaydin Queen 3

Our catamaran is now ten years old, and will require maintenance and repairs to pass a (required) Coast Guard inspection scheduled for late April. (The estimated useful life of the KQ3 is 30 years.) The boat will be taken out of the water for this major inspection, which is scheduled for August. We already know that it will require maintenance on the hull, isinglass (in spots), and replacement of worn canvass. The hull has soft spots, and will require repairing rotting wood beneath the surface, and resurfacing. Additionally, the current flooring will require re-painting to produce a non-skid surface. Captain Dan expects a very thorough inspection and warns that we may be required to address additional corrections / modifications before next Fall.

Dan has engaged a diver to clean the hull underwater monthly, and this will produce huge cost savings over having to address exterior hull maintenance during the out-of-water inspections. The next cleaning is scheduled for the week of (Feb 12-16).

Permits

We plan to pursue two separate permits. This first would be a permit to build a second dock exclusively for the Keewaydin Queen 3 on the undeveloped lot we own immediately to the North of the property we currently utilize. We are optimistic that we can obtain approval for a dock now, even if we decide not to build in the immediate future, but we are wary of waiting to apply for the permit in the future. Additionally, the Committee recommends pursuing the various permits we would need to dredge the channel from our main dock to the main navigation channel in Naples Bay. We expect that the entire process will cost in the neighborhood of \$20,000. The permitting process is likely to take 18-24 months, and will involve various federal and state agencies. Dan noted that Collier County has utilized underwater locations for oyster farming near the Windstar property, and that these activities have increased the sub-surface currents and led to increased silt build-up near our main dock. We may not need to dredge immediately, but we should be prepared for a time when we will not be able to move the boat in or out of our main dock for extended periods. Our permitting consultant is scheduled to go out to the island shortly to assess how development has and will likely affect our ability to navigate from the main dock to the navigation channel.

Second Wind

Captain Dan has had only two bookings for the Second Wind, and he will probably move the boat to another facility, where he expects the demand will be much higher.

Communication

Mitch Johnson noted that we plan to issue a monthly Newsletter to residents starting this month. Among items suggested that we address:

- We should highlight dates for the Full Moon Cruise (Feb 24), as well as the sunset cruises. Mariner Services receives the revenue (and absorbs the expense) for the evening cruises, and ridership has been down this year. Weather to date may be a factor, but Dan suspects that there is also resistance to the price increase this year (\$15 to \$20).
- TIPs. We should find a firm but gentle way of reminding our members that the crew (excluding Dan) relies on gratuities, and that we should encourage our members to appreciate excellent service by extending a tip at the conclusion of day-trips and evening cruises. Dan said that most of the riders on day-trips to the island do not tip at the conclusion of their day at the beach, and that evening cruise gratuities are more regular. Perhaps the Communications Committee can develop a way of highlighting the issue. One member noted that Club members are used to "plus...plus" when dining or attending club events, and that we all should be mindful of extending appreciation to the Keewaydin crew.
- There have been a number of requests for dinner cruises, but most members do not recognize the logistical and financial implications that made last year's experiment a losing effort by Mariner Services. Permits to dock downtown and minimum seating guarantees had a serious negative impact on Mariner Services, and Dan is reluctant to re-start the regular cruises.
 - He may consider a one-off lunch cruise to Marco Island as long as it is well-publicized and attended.
- WMA web site. Our newsletters should include reminders of the web site, and our capabilities. I have received requests that financial information be posted and announced in our newsletters. Perhaps the YTD unaudited financials should be posted as well as the audited financial statements.

Acquisition Opportunity

Captain Dan has been approached by the owner of the adjacent property to the south of our Keewaydin properties. The owner has decided to sell the property, one of only 14 buildable sites on the island. The owner is asking \$1.5 million.

The property has a usable dock, a water well, a septic system, a solar array and an 866 square foot raised home, which has been damaged by recent storms. The current owner told Dan his contractors believe that the structure is "salvageable."

The committee discussed the opportunity with Dan, and covered the following points:

Positive

- Protects our existing property from development by our immediate neighbor.
 We are buffered to the north; this would increase the buffer to the south.
- Florida law permits the owner of beach property to fence the property down to the mean high tide. If a future owner of the property did this, it would impact our enjoyment of the Keewaydin beach.
- This would be a rare opportunity to protect our existing Keewaydin facility.

Negative

- The asking price is high and likely negotiable. Dan reports that vacant, buildable lots on Keewaydin have changed hands at \pm \$850,000. With an existing, usable structure, the real value could be \$1,000,000 to \$1,500,000.
- Significant due-diligence must be done before we could make a "go / no-go" decision on submitting an offer.

Is the current building really salvageable?
What would it cost to repair the existing structure?
What is the condition of the septic and fresh water well?
What permits would be required to repair or demolish and remove the existing structure?

 How would the financial burden of this potential acquisition affect our ability to maintain our existing properties. (E.g., roads inside our gates will need resurfacing in several years.)

Additionally, current Master Association residents would need to approve the purchase and financing.

The Committee recommends that the board evaluate the feasibility of extending an offer on the property.