

November 24, 2020

Dear Giants Neck Association Neighbors and Friends:

Thanksgiving week is here and even though it will be a strange holiday this year with fewer big family gatherings, we hope that you are nonetheless able to relax and enjoy yourself.

By now you should have received your ballot concerning the proposed conversion of the existing clay tennis court to a multi-purpose facility. A ballot was sent out on November 6, 2020 to the owner of each of the nearly 200 GNBA properties at the address that is on file with the East Lyme Tax Assessor (or, if applicable, to the designated Member Representative for the property, at the address specified in the designation). Please note that in many cases this is an address outside of Giants Neck Beach (and may even be out of state). If you have not received or have misplaced your mailed ballot, you may also download the ballot directly from the GNBA website (www.giantsneckbeach.org). ***Please note that you may submit your ballot anonymously if you would prefer to do so – just follow the instructions contained in the ballot.***

We have received a few comments and questions concerning the proposal, both through the designated email that we set up (court.gnba@gmail.com) and through conversations with individual members, and we thought it might be helpful to pass these along for your information as you consider the proposal.

When did the Board of Governors (BOG) meet to consider the future of the tennis court, and did members have an opportunity to participate?

The future use of the tennis court space has been a matter of considerable focus for the BOG for over a year. In this calendar year alone, the court was either a significant agenda item or the sole agenda item for meetings held on January 16, February 17, March 5, April 13, July 9, August 11, September 22, September 29, October 8, October 13, and October 14. As you are aware, all BOG meetings since mid-March have been conducted via the Zoom meeting platform as a result of the restrictions imposed by the Covid-19 pandemic. All meetings were properly noticed by agendas being filed with the Town of East Lyme, posted on the GNBA website, and posted on the bulletin board at the Helen Lena Clubhouse. Each agenda contained instructions for public participation in the meeting via Zoom.

Minutes from all BOG meetings are filed in the East Lyme Town Clerk's Office and are available on the GNBA website.

Much of the basis for the BOG's extensive considerations this year came from the more than 100 responses to the survey conducted in August 2019. Moreover, in addition to the survey and the opportunities for member participation at each of the BOG meetings noted above, the BOG sent and posted a general outline of the proposal in May 2020, and then sent a detailed follow up memo in October with more specific information about the proposal and the voting process. That memo noted that the BOG had created a dedicated email address through which members could ask questions and provide input. Six messages were received.

Why are we using a special assessment?

The BOG feels that this is the most equitable way to fund a significant discretionary project of this nature. Until fairly recently, the GNBA Charter did not contain any provision for a special assessment for use in the event of an expense that falls outside of the normal operating budget or capital expense for necessary repairs or maintenance of an existing asset. The proposed multi-sport court is indeed the very sort of project that was envisioned when the Charter was amended to allow for the use of a special assessment; it is a completely *discretionary* project to construct a brand new facility which benefits all properties equally.

If the expense of the proposed project were to be considered a normal budget expense or paid from the capital account, and thus funded through mil rate taxation, the spread of individual obligations would range from approximately \$155 to \$1,730. We would therefore have a situation where members who only need to pay a few hundred dollars could obligate others to pay \$1000 or even \$1700 for a project that is discretionary and benefits every property equally. The BOG has in recent days received a comment that funding through taxation "is how it's always been done." This comment, however, overlooks the fact that the use of a special assessment had been unavailable prior to the Charter revision. The Charter was amended to allow for this more equitable form of funding for specific projects, and if ever there were an appropriate project for which to implement a special assessment, this proposed court is it.

Are the BOG's procedures for the vote appropriate?

Yes. The Charter provides in relevant part that the Governing Board "may, upon approval of the Association at a meeting duly warned, enact special assessments to

fund capital Projects. The amount of any such special assessment may be made on any basis that is recommended by the governing board as necessary and proper given the nature of the project for which the assessment is being made, provided that such amount has been approved by the Association at a regular or special meeting duly warned.” (2015 S.A. 15-1, Section 20).

One Association member has suggested that this process requires two separate events; first, a vote on the proposal and then a vote on how to pay for the project. The BOG has been assured by the Association’s outside counsel that the procedures it has implemented are appropriate and compliant with our Charter in light of the current Covid-19 restrictions. Counsel confirmed that nothing in the Charter would require two separate votes (*e.g.* one to approve the project and one on how to fund it), and that it is perfectly appropriate to combine them into a single vote. It is also worthy of note that our counsel advised us that under the Governor’s current orders, the BOG could approve the project and enact the special assessment on its own without any Association vote. Of course, this matter is significant enough and the sentiment of the Association community important enough that the BOG wanted to proceed only with the full voice of the members being heard through an inclusive voting process.

What about a bocce court? Or volleyball? Or...? The proposal on the ballot calls for the conversion of the existing red-clay tennis court to a post-tension concrete multi-sport court which will be surrounded by attractive fencing. While neither bocce nor volleyball can be incorporated into this type of court, the footprint of the proposed court will be essentially the same as the existing court, thus leaving the green space to the east of the court available for an open area or other future recreation opportunities, as space allows. Any such proposals can be taken up as distinct projects in the future, if there is sufficient interest and support.

The BOG has worked hard on this proposal, and recommends it enthusiastically to the Association. We hope that you agree and will vote “Yes” on your ballot, so that we can have an attractive new facility in place for next summer.

Remember that ballots are due back to the P.O. Box no later than Monday, December 7, 2020.

Have a wonderful Thanksgiving,

Board of Governors
Giants Neck Beach Association