OLSBA BOG Meeting Minutes June 10, 2026 Regular Meeting

Key Takeaways

- All infrastructure contracts are signed and the association has officially entered the **Construction Phase** after 15 years.
- The Annual Meeting is scheduled for **Saturday, June 13, 2026 at 10:00 AM** at the middle school.
- Member feedback on the budget and mill rate — including credit card fees, line item splitting, and cost equity — was reviewed and will be addressed at the Annual Meeting.
- The **Nominations Committee** reported a significant shortage of candidates for officer positions; no new candidates have come forward for President or Vice President.
- A motion was passed requiring **all candidates to speak for up to 3 minutes** at the Annual Meeting to introduce themselves.
- A **pre-construction meeting** is slated for June 22, 2026, and a joint Board of Governors/WPCA meeting is being planned for the same date.
- A **project spending reconciliation ledger committee** will be formed to address cost equity and fund allocation over the 15-year project history.
- Security arrangements for the summer season and July 4th were discussed, with Safety First LLC confirmed as the new private security contractor.

Officers Present: John Cunningham (President), Paul Yellen (Vice President), Rob Cappellucci (Treasurer), Tracey Cappellucci (Secretary)

Board Members Present: Mary Kate Reynolds, Jack Thomas, Jay Moynihan, Bob Palazzo, Jerry Vande Werken

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Discussed Topics

1. Call to Order and Approval of Minutes

John confirmed quorum at 7:02. Minutes from the May 20th and June 1st meetings were presented for approval.

- **Details**
    - Jerry: Made the motion to approve the minutes.

- Jack: Seconded the motion.
- **Conclusion**
  - Minutes from both meetings were approved unanimously with no opposition.

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2. President's Report

John presented a structured overview covering recent accomplishments, tonight's meeting objectives, and upcoming milestones.

- **Details**
  - John: All infrastructure contracts (Old Colony, Miami Beach, Old Lyme Shores, and two shared contracts) are now signed with notice to proceed issued — marking the official start of the Construction Phase after 15 years.
  - John: The Annual Meeting notice was sent on June 2nd on schedule, including the proposed budget and calculated mill rate.
  - John: Tonight's agenda prioritizes addressing member feedback on the budget and mill rate, nominations, and financial topics.
  - John: Looking ahead — a pre-construction meeting is slated for June 22; a broader community construction meeting will follow. A private placement note process (6–12 weeks) will be needed for costs not covered by Clean Water Funds. Ongoing coordination between the Board of Governors and WPCA is planned, with a joint meeting proposed for June 16th.
- **Conclusion**
  - The association is now in the Construction Phase.
  - The Annual Meeting on Saturday will address budget reductions, infrastructure updates, and nominations.
  - A joint Board of Governors/WPCA meeting is anticipated around June 16th.

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3. Member Correspondence and Feedback

John summarized three substantive member communications received since the budget was posted.

- **Details**
  - John: Tom Grick requested a split billing line item separating infrastructure costs from operating costs. He declined an invitation to speak at the meeting; his written materials were submitted instead.

    - John: Julia raised a correction to the July 4th budget line (to $3,700), objected to the credit card fee line item, and raised questions about infrastructure cost apportionment.
    - John: Tom Anulli, writing on behalf of a small group, raised questions about legal expenses, note placement, interest expense, annual cash out-of-pocket costs, credit card fees, informational signs, and the Clerk of the Works line in the WPCA budget.
    - Robert: Noted an arithmetic error in the WPCA budget presentation that needs to be corrected.
- **Conclusion**
    - The board agreed to defer detailed discussion of these items and return to them later in the meeting.
    - The board will be prepared to address these topics at the Annual Meeting on Saturday.

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4. Treasurer's Report

Robert presented the May financial report and requested approval for outstanding invoices.

- **Details**
    - Robert: Cash on hand is just under $223,000; unrestricted position is just under $200,000.
    - Robert: The largest expense is beach repair and maintenance (Anthony's sand-moving costs), which is slightly over budget; the association remains on track to spend $20,400 on Anthony by year-end.
    - Robert: The association is showing a surplus of just under $97,000 for the 11-month period.
    - Robert: Invoices requiring approval — Anthony's $3,200 beach cleanup balance, and a $730 Kerma insurance premium (crime coverage, due July 1, covering through July 15, 2027).
    - Robert: The next Shipman payment (50% of balance) is planned for June, with the remaining 50% in September/October 2027.
    - John: Two Fuss & O'Neill invoices totaling approximately $14,000 are approaching 90 days past due.
    - Jay: Reported that Curt Mailman indicated a letter from OLSBA confirming payment upon receipt of Clean Water Funds would be sufficient.

- John: Suggested paying the Fuss & O'Neill invoices now from the $55,000 WPCA line item (untouched this fiscal year) and seeking reimbursement when Clean Water Funds arrive.
- Jerry: Agreed with paying now, citing a prior incident in January when Fuss & O'Neill stopped work due to non-payment.
- Robert: Confirmed the full $55,000 WPCA budget line has not been spent; prior F&O bills were paid from surplus and reimbursed directly to the association.

- **Conclusion**
  - Motion made by Jerry to accept the Treasurer's Report and approve payment of all listed invoices including the two Fuss & O'Neill invoices.
  - Motion seconded by Jay and approved unanimously.

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5. Security and July 4th Planning

Paul provided an update on the new private security contractor and summer/July 4th security planning.

- **Details**
  - Paul: The prior security contractor was acquired; the new contractor is **Safety First LLC**, owned by a well-credentialed operator with offices in Glastonbury, Boston, and New York, also serving Old Colony.
  - Paul: Rate is $31.50/hour per guard — a $1.50 increase over last year.
  - Paul: Owen (internal security coordinator) will be on-site by end of June; he is working on staffing for the upcoming weekend, June 19th (Juneteenth), and July 4th.
  - Paul: Plan is to close gates on weekends only; no weekday closures anticipated unless the board directs otherwise.
  - Paul: For July 4th (a Saturday), two guards are planned for Friday and Saturday nights, one on Sunday night, then one guard on Saturday nights going forward.
  - Paul: Last year's snow fencing between Old Lyme Shores and Old Colony was largely ineffective; the most effective deterrent was the town Ranger's ATV with flashing lights.
  - Bob: Asked whether an insurance certificate and additional insured status had been obtained from Safety First LLC.
  - Paul: Confirmed these had not yet been obtained and committed to requesting them the next day.

- Bob: Suggested exploring hiring off-duty police officers; Paul noted this is not feasible as the association is not classified as a municipality for that purpose, but agreed to raise it with the First Selectwoman.
- Paul: Confirmed 911 is the only way to reach local police; calls should reference large unruly crowds, underage drinking, fireworks, and threatening behavior.
- Jack: Noted that a cyclone fence previously behind the canoe racks has been removed, reducing a physical barrier.
- MK (Mary Kate): Raised the issue of people being dropped off at the highway and walking around closed gates; suggested guards with reflective vests and flashlights for evening coverage.
- Jerry: Recommended designating one or two people to call 911 if an unruly crowd needs dispersal, as this was the most effective tactic last year.

- **Conclusion**
  - Safety First LLC is confirmed as the security contractor at $31.50/hour.
  - Paul will obtain an insurance certificate and request additional insured status from Safety First LLC.
  - Paul will contact the First Selectwoman regarding July 4th security coordination and the possibility of off-duty officer arrangements.
  - Gate closures will be on weekends only, with July 4th receiving enhanced coverage.
  - 911 remains the primary contact for police response.

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6. Nominations Update

Judeen presented the Nominations Committee's report on recruiting efforts and candidate status for the Annual Meeting.

- **Details**
  - Judeen: The committee sent outreach notices on April 14, April 29, and May 24 with a June 5 deadline.
  - Judeen: This year, all expiring terms were publicly announced — including incumbents — so any member could raise their hand, correcting a prior-year oversight.
  - Judeen: For officer positions: Rob is willing to continue as Treasurer; John and Paul prefer not to continue; Tracy is willing to help but cannot take on the Secretary role full-time for another term.

- Judeen: For Board of Governor positions: two openings exist; four candidates have come forward. One candidate is new to Old Lyme Shores and was interviewed by the committee.
- Judeen: The committee does not recommend specific candidates for board positions, but does recommend that if no one raises their hand for President or Vice President at the Annual Meeting, John and Paul be nominated and the association vote on whether to retain them.
- Judeen: The committee also wants to distribute a printed committee list at the Annual Meeting for corrections and new sign-ups, including a "call list" for seasonal assistance.
- Judeen: A future Board of Governors meeting is requested to review ideas for reducing obstacles to volunteerism.
- Jay: Asked what commonly deterred candidates; Judeen cited the substantial time commitment and the burden of handling resident issues directly.
- Paul: Confirmed the board is at the maximum number of Board of Governors members per the charter; expanding would require a charter revision.
- Judeen: Confirmed that Mr. Larson, who had indicated he might resign, has decided to fulfill his full term — so there remain two (not three) Board of Governor openings.
- Jay: Raised concern about fairness if a floor nominee speaks publicly while other candidates only submitted written materials.
- Jerry: Proposed a motion that all candidates for any position be asked to speak for no more than 3 minutes to introduce themselves and describe their relevant skills, whether pre-submitted or nominated from the floor.
- Jay: Seconded the motion.
- Paul: Will verify with Norbert Church the requirement to accept floor nominations.
- Paul: Confirmed that if no President or Vice President is elected, the Board of Governors would need to appoint a president at each subsequent meeting — a cumbersome but legally available process.
- Robert: Emphasized the need to document all processes for future volunteers.
- MK (Mary Kate): Supported having all candidates speak briefly, noting it helps members make informed decisions.
- Judeen: Confirmed candidate information will be emailed to all members before Saturday; printed copies of the committee list will be prepared for the Annual Meeting.

- **Conclusion**
  - Motion passed unanimously: all candidates for any position will speak for up to 3 minutes at the Annual Meeting; floor nominations remain open per Robert's Rules of Order.
  - Candidate information will be emailed to members before Saturday's Annual Meeting.
  - Printed committee list and sign-up sheets will be distributed at the Annual Meeting.
  - The Nominations Committee will bring ideas to reduce volunteerism obstacles to a future Board of Governors meeting.

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7. Annual Meeting Logistics and Preparation

John outlined logistics and agenda structure for the Annual Meeting on Saturday.

- **Details**
  - John: The meeting will be held at 10:00 AM at the middle school. Zoom simulcast cannot be reliably committed to due to past technical difficulties.
  - John: A draft presentation will be circulated by end of day the following day for board review.
  - Jay: Suggested placing the WPCA/infrastructure project presentation before the budget discussion, so members are better informed when voting on budget items.
  - John: Agreed, noting that infrastructure-related items represent more than half the budget.
  - MK (Mary Kate): Reported that the community directory will not be printed for the Annual Meeting due to insufficient responses; instead, blank sign-up sheets will be available at registration for members to submit their information.
- **Conclusion**
  - Annual Meeting agenda will be restructured to present the infrastructure/WPCA update before the budget discussion.
  - Directory sign-up sheets will be distributed at registration; a completed directory is hoped to be released sometime during the summer.

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8. Budget Discussion: Credit Card Fees

The board discussed the credit card processing fee line item in the budget, which drew member objections.

- **Details**
  - John: QuickBooks Online does not allow pass-through of credit card fees to individual payers; it is an all-or-nothing decision on accepting electronic payments.
  - Robert: Argued strongly for modernizing payment collection; manual check processing is burdensome and unsustainable for a volunteer treasurer. ACH/bank draft payments at 1.5% can be passed through to the payer via QuickBooks.
  - Jerry: Supported keeping the credit card option this year to gather experience data and explore alternatives for next year.
  - MK (Mary Kate): Noted that if Rob were not volunteering, the cost of an outside accounting service would far exceed the credit card fee line item.
  - Jack: Suggested deferring to next year; John noted the item is already in the posted budget and can only be removed by a member motion at the Annual Meeting.
- **Conclusion**
  - Board consensus is to support leaving the credit card fee line item in the budget.
  - If a member moves to remove it at the Annual Meeting, the board will be prepared to discuss it.
  - ACH pass-through as a lower-cost alternative will be explored going forward.

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9. Budget Discussion: Split Billing / Line Item Separation

The board addressed Tom Grick's request to separate infrastructure costs from operating costs on member tax bills.

- **Details**
  - John: Under the current charter, the only mechanism for collecting funds is through the mill rate on property valuations; a separate benefit assessment line cannot be issued until the project is live and would then go through the WPCA.
  - Robert: Confirmed there is no statutory requirement for a municipality or special taxing district to itemize a tax bill; a special assessment would be different. Suggested maintaining an offline ledger per household as the practical approach.

- Jack: Opposed adding separate line items to the tax bill, noting the full budget already contains the information and members can make their own calculations.
- **Conclusion**
  - No action required; the board will not split the tax bill line items.
  - An offline reconciliation ledger per household will be maintained to provide transparency.

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10. Project Spending Reconciliation Ledger and Cost Equity

John raised the need to formally reconcile over $400,000 transferred from the association to the WPCA over 15 years and to codify cost equity principles.

- **Details**
  - John: The current spreadsheet uses raw dollar figures without accounting for time value of money; considerations include a property easement exemption for one member and the distinction between taxable lots and EDUs.
  - John: Proposed forming a committee to ensure this is done correctly and with input from all interested parties.
  - Jay: Agreed; emphasized that association resources served as seed money for the WPCA for years without state funding, and the community should reflect on whether repayment to the association is warranted. Supported quantifying this and setting a documented basis for the next 20 years.
  - John: Noted this is a natural transition point — moving from design to construction phase — to establish a clean slate before the WPCA benefit assessment is activated.
  - John: Referenced a straw-man resolution on cost equity (agenda item 8E) as a starting point; noted these principles were never formally codified by the Board of Governors.
  - Jack: Cautioned against creating adversarial "war camps"; urged a uniform, unifying approach.
  - John: Acknowledged the issue is already contentious and that the obligation is to ensure all members are heard.
- **Conclusion**
  - A committee will be formed to conduct the project spending reconciliation and develop a formal cost equity resolution.

- The goal is to establish documented principles before the WPCA benefit assessment is activated.

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11. WPCA Update

Jay provided an update on WPCA actions and upcoming coordination meetings.

- **Details**
  - Jay: The WPCA voted to hold a meeting on **June 16th at 7:00 PM** with Fuss & O'Neill project manager Mike Nelson to review pre-construction items, requisitions, change orders, reporting, and permitting.
  - Jay: The **pre-construction meeting is confirmed for June 22nd** (time TBD); notice will be sent out.
  - Jay: The WPCA agreed to invite the Board of Governors to a joint meeting, tentatively on **June 22nd following the pre-construction meeting**, to align on responsibilities, timetable, accountability, shared project, stormwater, construction management, Clean Water Funds, private financing, and member communications. A facilitator may be considered.
  - John: Agreed with Jay's sentiments and will coordinate on the joint meeting agenda.
  - Chat comment (Michael): Members need to vote on cost share based on projected project costs; questioned why a two-bedroom seasonal home should bear the same burden as a four-bedroom year-round home.
  - John: Acknowledged some cost-sharing decisions are already written into existing agreements and may not be negotiable; committed to following up with Michael directly.
- **Conclusion**
  - WPCA/Board of Governors joint meeting is being planned for June 22nd following the pre-construction meeting.
  - June 16th meeting with Mike Nelson is confirmed.
  - John and Jay will coordinate on the joint meeting agenda and potential facilitator.
