

**Hammock Dunes Owners Association, Inc.
Board of Administrators Meeting
December 19, 2011**

Call to Order

The meeting was called to order at 10:00 a.m.

Members Present: George Bagnall, Dave Eckert, Kelli Jebbia, Cosmo DiPerna, Bruce Aiello, Phil Henderson, Andy Furia, George DeGovanni, Jay Furbay
Members Absent: David Jacobs, Tom Sharpe
Others Present: Travis Houk, Southern States Management Group, Inc.
Don Finch, Hammock Dunes Club

A quorum was established. Members' sign-in sheet located in Association Meeting File.

Mr. Bagnall called the meeting to order at 10:00am and announced the meeting will be an abbreviated meeting.

Approval of the Minutes – November 21, 2011 Board of Administrators Meeting

ON MOTION BY Kelli Jebbia, seconded by Bruce Aiello, with all in favor, the Board approved the minutes of the November 21, 2011 Board of Administrators Meeting with the following amendments:

- **On page 3 under DRC, the second to last sentence should read "...regarding the painted tile roof."**
- **On page 3 under Maintenance Committee, the second to last sentence should read "...to engage all parties..."**
- **On page 1 under Long Range Planning, the fourth sentence from the bottom should read "...the model can be used for forecasting."**
- **On page 3 under Social Committee, the sentence should read "...Dinner in September or October of 2012."**

Long Range Planning Presentation & Discussion – Hammock Dunes Database

Mr. Dave Eckert stated that included in the agenda package is material and documents to assist the Board in understanding the leadership, authority, and relationship between Flagler County, HD Associates, HDOA, DCDD, and Admiral Corporation (ITT). Mr. Eckert stated the objective was to reference as many parties, and their relationship, to assist the three person negotiation team in their efforts. Mr. Eckert reviewed the diagram and the list of issues identified in the Long Range Committee handout. He expressed that a sub-committee should be established that includes members of the HDOA Board and HD Club Board that reviews and comments on long range planning future projects and current events. Mr. DeGovanni agreed and stated both Boards should encourage this Committee to address these issues. Mr. Aiello stated one potential problem with the Club's new non-resident membership program is that they will not be issued a Smartpass. Mr. DeGovanni stated perhaps an identification card can be given to these club members instead of a Smartpass. Mr. Bagnall indicated the HD Security Committee should address the situation and come to an agreement on a policy. The Committee will approach the Club and then review the policy with the HDOA Board.

Mr. Eckert and Mr. Jeff Annon reviewed the database model which simulates income and expenses based on assumptions from the recent HD Club transaction with HD Associates and the subsequent pamphlet that mailed. The Board plugged numbers into the model and changed the assumptions based on memberships and fee structure. The Board reviewed and discussed community membership assumptions and potential options for the Club and HDOA to consider.

HD Associates Negotiation Team Update & Discussion

Mr. DeGiovanni updated the Board on the recent discussion and negotiation with HD Associates. The Board reviewed a handout drafted by the Committee outlining the assets and different type of investor options. The handout documented the perceived value of each asset and combined totals. The Board recommended the Committee continue reasonable negotiations with HD Associates as long as the deal is not queried. Mr. Bagnall reported the Committee had discussions with IntraCoastal bank representatives and the financials will be evaluated. The Board continued discussion on if a membership vote is required to approve the deal. Mr. Bagnall stated per the legal opinion the Board received in the summer, a quorum of the voting membership must approve the deal. The Committee collected the handouts at the end of the meeting.

Annual Meeting

The Board agreed to have the Annual Meeting and Election March 26, 2012.

Audience Comments

The Board addressed member comments and concerns.

Adjournment

ON MOTION BY Dave Eckert, seconded by Cosmo DiPerna, with all in favor, the meeting was adjourned at 1:15 p.m.