

Hammock Dunes Owners Association, Inc
Board of Administrators Meeting
May 21, 2012

Call to Order

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

Members Present: George DeGovanni, Kelli Jebbia, Bruce Aiello, Phil Henderson, Andy Furia, Nancy Cerniglia, Dennis Vohs
Members Absent: Cosmo DiPerna, Tom Sharpe, David Jacobs,
Others Present: Travis Houk, Jeff Annon, Southern States Management Group, Inc.
Don Finch, Hammock Dunes Club

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

Approval of the Minutes – March 19, 2012 Board of Administrators Meeting, March 26, 2012 Annual Meeting, March 26, 2012 Organizational Meeting:

ON MOTION BY Phil Henderson, seconded by Bruce Aiello, with all in favor, the Board approved the minutes of the March 19, 2012 Board of Administrators Meeting as written.

ON MOTION BY Bruce Aiello, seconded by Andy Furia, with all in favor, the Board approved the minutes of the March 26, 2012 Annual Members Meeting, with the following correction:

- **On Page 1, Paragraph 7, under Member Comments, the phrase “and the Board responded to member questions” should be added after the word “topics”.**

ON MOTION BY Bruce Aiello, seconded by Kelli Jebbia, with all in favor, the Board approved the minutes of the March 26, 2012 Organizational Meeting, with the following correction:

- **On Page 2, paragraph 3, in the motion appointing Mr. DeGovanni as Chairman of the Maintenance Committee, the phrase “in the interim” should be added at the end of the motion after the word “committee”.**

Financial Discussion:

Jeff Annon reported on Association investment funds. Hammock Dunes Owners Association, Granada Estates Neighborhood, and Ocean Estates Neighborhood all share a Tax ID number. The FDIC currently insures up to \$250,000 in interest bearing accounts for a single Tax ID number. In the past, the HDOA has used a broker to purchase certificates of deposit at fixed rates and terms from various banks around the country. A year ago, when the HDOA began negotiations for purchase of the Declarant's rights and property, the Board requested to keep some funds liquid in the event an agreement was reached with H. D. Associates. At that time, the HDOA began using CDRS, a financial vehicle that allows the Association to keep liquid funds below FDIC insurance limits. CDRS is a reciprocal program among cooperating banks with clients in similar situations thus the small incremental deposits identified on the balance sheet, i.e. \$0.31.

**Waterfront Open Board Seat Appointment
Committee Chair Selection**

There was discussion regarding appointing one owner to fill both the vacant Waterfront Community position on the Board of Administrators and to replace Mr. DeGovanni as Chairman of the Maintenance Committee. Bob Bagdon and Gus Mitsopoulos submitted their names as candidates and presented information on their credentials. After excusing the candidates, the Board reviewed the candidates' qualifications.

ON MOTION BY George DeGovanni, seconded by Kelli Jebbia, the Board voted on whether to appoint Bob Bagdon to the Waterfront vacancy. Motion carries by majority.

Mr. Bagdon will serve the remaining term of the Waterfront seat. The Board thanked Mr. Mitsopoulos for his willingness to serve and encouraged him to stay involved with the Board.

ON MOTION BY Phil Henderson, seconded by Dennis Vohs, with all in favor, the Board elected Bob Bagdon as the Chairman of the Maintenance Committee.

Committee Reports:

Financial Committee

Mr. Aiello advised the Finance Committee sent final changes of the year-end financial report to the auditor. The CPA made the changes without exceptions, and advised the audit meets the standards of normal accounting practices and procedures and accurately reflects the Association's activities. Mr. Aiello will write an article regarding Association finances for the *Sandscripts* newsletter.

The Southern States Management Group's new accounting software is now operational. A final copy of the financials will be available at the end of the week after Mr. Houk researches questions posed by the Finance Committee. The Association is trying to generate liquid funds from as many sources as possible, without raising member assessments, to make funds available to the Negotiating Committee for a down payment on purchase of the Declarant's rights and property. HDOA loaned the Ocean Estates/Playa del Sur community \$300,000 from deferred maintenance funds for seawall construction. As Playa del Sur owners pay down the loan, funds in the deferred maintenance account are being built back up making additional cash available for a down payment.

Mr. Aiello reported four properties remitted a total of about \$15,000 for delinquent member assessments last month. The court hearing involving 13 San Marco Court was successful. Bank of America was directed by the judge to foreclose on the property. The budget reflects \$30,000 for the year for expenses related to owning 13 San Marco Court that will now appear as a credit in this month's financial report. Money owed to Taylor and Carls for legal fees will be paid from legal and professional fees reserves, since that is a well-funded line item account.

Design Review Committee

Mr. Houk reported another new home review has been approved for construction at 10 Anastasia Court.

Bill Austin Appeal

Mr. Houk reported the owner of 16 Cordoba Court signed a construction agreement, received DRC approval, and retained a builder. The Association had an issue with construction delays and directed legal counsel to send a letter to the owner establishing a time frame for completion of the project to avoid further legal action. In accordance with language in the construction agreement, the \$200 cost for legal counsel to write the letter was taken out of the owner's construction deposit. The owner contested using \$200 from the construction deposit for the attorney's fee and requested a refund.

ON MOTION BY Bruce Aiello, seconded by Kelli Jebbia, with Phil Henderson, George DeGovanni, Andy Furia, Nancy Cerniglia, Bruce Aiello, Kelli Jebbia in favor, and Dennis Vohs abstaining, the Board voted on whether to deny the owners request for reimbursement of \$200 taken from his construction deposit as reimbursement for legal fees incurred, based on the Association's legal right to collect the funds. Motion carries.

Social Committee

Mr. Furia reported the recent Beach Party was rained out and thanked the Communications Committee for broadcasting cancellation of the event to the residents. Mr. Furia will work with Mrs. Jebbia to advise residents the Beach Parties will occur the 3rd Wednesday of each month from June through September and there will not be a make-up date if the party is rained out. Mr. Furia will meet with Mr. DiPerna to plan the Volunteer Recognition Dinner scheduled for October 24, 2012.

Security & Emergency Response Committee

Mr. Aiello reported the Securitas, Inc. contract has been finalized and construction will begin soon. The new agreement states Securitas, Inc. owns, services and maintains the access control camera equipment and agrees to repair or replace any camera not functioning properly. Mr. Houk reported installation of the infrastructure has already started.

In the upcoming edition of the *Sandscripts* owners will be advised that the Camino del Mar bridge will require traffic flow pattern changes and reduced speed limits. Residents will be asked to obey the speed limits, be safety conscious, and use the South Gate to the extent possible, rather than the Main Gate during the construction period. Prior to commencement of bridge repair, the Association needs to consider a size limit for trucks and trailers accessing the community through the Main Gate during construction. Once a bid has been selected the Mr. Aiello and the Maintenance Committee will work with the contractor to develop a traffic plan.

Long Range Planning Committee

Mr. Vohs met with Mr. Eckert to obtain information on past goals of the Long Range Planning Committee and to review the materials used by the committee. He also met with Mr. Bagnall and Mr. DeGovanni to gain an understanding of the committee's mission. Mr. Vohs contacted the Hammock Dunes Club Board to initiate a joint planning process between the two organizations to discuss common objectives. He asked Alan Messer to look at a few items relative to real estate values in the area, and asked Dick Ryan to participate. Mr. Ryan has an understanding of the DRI that has concluded, funding going from the DCDD to the County, and can help formulate a plan to have the County refund some of the money to the Association to fund community projects. The County Administrator has not provided information on the process for determining what the priorities will be for distribution of funds to the community. Mr. Aiello indicated the DCDD has discussed taking over the community roadways. Mr. Vohs was asked to prepare a list of HDOA goals, joint goals with the Club and joint goals with the DCDD for discussion by the Board.

Communications Committee

Mrs. Jebbia distributed a draft of the upcoming *Sandscripts* newsletter to the Board. This month the *Sandscripts* will introduce the new Presidents Letter and announce the date of the Volunteer Recognition Dinner on October 24, 2012. Mr. Vohs requested a broadcast e-mail be sent regarding a support for a member of the Securitas gate staff, Yolanda, who has been approved to have a home built by Habitat for Humanity. The Board agreed if residents are interested in volunteering or assisting, they can contact Habitat directly.

I-Contact

Mrs. Jebbia reported on I-Contact, which is an e-mail database. She will be coordinating with the Hammock Dunes Club to cross reference current resident addresses. The Association pays a cost for each e-mail sent, which will make cleaning up the data base cost effective. Mr. DeGovanni suggested the configuration management and updating of the I-Contact database be turned over to Southern States Management Group to integrate it into their existing data base, and recommended requesting updated contact information from owners. When the updating is complete, it could be integrated with the data base now managed by SSMG. There was discussion regarding protecting the privacy of resident information. Mrs. Jebbia will meet with Fred Annon and Mr. Houk to discuss I-Contact.

**Maintenance Committee and Updates:
Bridge Re-Surfacing Project/Delegation**

There is a bidder's conference next Wednesday with MS Engineering and the Maintenance Committee at which the RFP will be issued with a deadline to submit bids. It is anticipated the project will be started in July and completed in August or September. The bridge contractor will be given 90 days to complete the project and will be penalized for every day exceeding the 90-day limit. It is estimated the project will cost \$100,000 to \$150,000. Due to the timing of the next Board Meeting, relative to the timing of awarding the contract, Mr. DeGiovanni requested delegation of authority to the Maintenance Committee to award the bid, with the caveat that the President, Treasurer and Maintenance Committee Chairman approve the final amount not to exceed \$150,000. Audience member, Mr. Dave Eckert noted previously a 3-person committee was authorized to select the bid for the sea wall subject to approval by the Board after the fact which may be an opportunity to renegotiate if the bids come in too high.

ON MOTION BY Kelli Jebbia, seconded by Mr. Aiello, the Board voted on whether to approve a three person committee comprised of the President, Treasurer, and Maintenance Committee Chairman authorized to review the bids and award the contract subject to review and approval or denial by the Board at the July Board Meeting. The motion fails.

By consensus, the Board agreed to have the committee report on the bidding process at the June 2012 Board of Directors Meeting and not to award the bid until the full Board votes on the matter. The Committee will have a chance to review the bids the week before the meeting and offer their suggestions.

4th Hole Landscape – Camino Del Mar

Corey Enterprises submitted a bid of \$5400 to replace the bushes and hedges along common property near the 4th hole tee boxes from the gold tees to the white tees.

ON MOTION BY Kelli Jebbia, seconded by Phil Henderson, with all in favor, the Board voted on whether to approve hiring Corey Enterprises to replace the shrubbery at cost of \$5,400. Motion carries.

DCDD Clearing

Mr. Houk reported due to the DCDD clearing, a boat ramp along Camino del Rey is now visible. Mr. DeGiovanni stated the Maintenance Committee has been discussing what can be done to camouflage the area.

**Association Updates/Discussion:
DRI Close-out**

Mr. Aiello reported the DRI close-out has been officially signed and is in effect. There was discussion regarding the funding, ownership/control, and how the funds will be disbursed.

Cable Easement Solicitation

Mr. DeGiovanni reported several meetings ago, a representative from Communications Consulting Group (CCG) made a presentation to the Board regarding how the HDOA could obtain money from cable service providers for use of cable easements on common property. The Association asked Mr. Furbay to research the benefits of using CCG rather than having the Association deal with the cable companies directly. The Association decided to ask CCG to determine the amount of funds that might be negotiated with Bighthouse and AT&T, with no monetary commitment at this time. The Association will compare the consulting fees with the easement fees to determine whether retaining CCG is cost effective. The Association will also need approval and cooperation from the condominium sub-associations, and the Island Estates and Villas Neighborhoods, since some of the easements lie on their property and may affect agreements they currently have with the cable

companies. Mr. DeGiovanni suggested that representatives of those Boards obtain concurrence from each neighborhood Board to move forward with investigating the potential for monetary return from cable companies for easement use.

ON MOTION BY Bruce Aiello, seconded by Phil Henderson, with all in favor, the Board voted on whether to approve CCG to begin negotiating potential revenue income from easement use with cable companies for Hammock Dunes Owners Association common property including Granada Estates and Ocean Estates. Motion carries.

There was discussion about the Master Association, Granada Estates, and Ocean Estates each receiving their pro-rata share of any revenues received. If other Associations wish to join in the solicitation effort, they would also receive their pro-rata share of any revenue generated. Mr. Vohs and the Long Range Planning Committee will be charged with contacting CCG and initiating the negotiation process.

Asset Purchase Committee Update

Mr. DeGiovanni reported about an e-mail sent to Tom Sharpe at H.D. Associates requesting a status update on the previous letter that was sent from the Committee. Mr. Sharpe advised H.D. Associates is still interested in the sale and provided two prices. There was discussion on when and how to relay this information to the community. Mr. DeGiovanni offered to draft a broadcast e-mail to be sent to residents or included in the *Sandscripts*.

Villas Neighborhood Association “Self Help” Update

Mrs. Jebbia updated the Board of the Villas “Self Help” procedures. To date, the Villas Neighborhood has received two delegations from the HDOA, 16 Marbella Court & 2 Via Capri.

ON MOTION BY Kelli Jebbia, seconded by Phil Henderson, with all in favor, the Board voted on whether to initiate HDOA delegation to the Villas Neighborhood Association by way of “self help” previously approved by the Board. Motion carries.

AttF Phase 2

Mrs. Jebbia reported since the Audubon Fitness Trail has been up and running for a few months there are some areas which require updating. Graphic Signs will perform additional painting and marking. This item will be discussed at a future Board of Directors Meeting.

New Business:

Resident Legal Consultant

Mr. DeGiovanni recommended finding a reputable volunteer lawyer in the community who would advise on legal matters but not in the capacity of a Board Member. It was noted there may be a conflict of interest if a resident who is a Club member provides legal services to the Club. Mr. DeGiovanni requested the Board think of names of residents who might be interested in providing legal services at no fee.

Rumble Sticks

Mr. Furia advised he feels there is a need to install another rumble stick on Ave. del la Mer before Porto Mar Road due to the excessive rate of vehicle traffic speed in that area. This item was tabled until the next meeting.

Parking Violations

Mr. Houk will research if passenger vehicles including trucks must be parked in an enclosed garage.

Audience Comments

The Board addressed member comments and concerns.

Adjournment

ON MOTION BY Kelli Jebbia, seconded by Dennis Vohs, with all in favor, the meeting was adjourned at 1:25 pm.