

**Hammock Dunes Owners Association, Inc
Board of Administrators Meeting
March 18, 2013**

Call to Order

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

Members Present: George DeGovanni, Cosmo DiPerna, Bruce Aiello, Nancy Cerniglia, Bob Bagdon, Marge Rooyackers, Andy Furia, Dennis Vohs, Phil Henderson

Members Absent: Tom Sharpe, David Jacobs

Others Present: Travis Houk, Southern States Management Group, Inc.
Jake Sullivan representing Don Finch, Hammock Dunes Club

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

Approval of the Minutes – February 18, 2013 Board of Administrators Meeting

ON MOTION BY Bruce Aiello, seconded by Bob Bagdon, with all in favor, the Board approved the minutes of the February 18, 2013 Board of Administrators Meeting, with the following amendment:

- **Mr. Henderson did not attend the February 18, 2013 Board of Directors Meeting and did not second the motion to adjourn.**

Asset Purchase Vote

Mr. DeGovanni made a presentation on the pro's and con's and of purchasing the Declarant's assets at the negotiated price. Mr. Houk distributed a document outlining the asset purchase information. If the Board approves the purchase today, members will be updated on the plans at the Annual Members' Meeting, in preparation for a vote by owners. Mr. DeGovanni submitted the plan for review by Community Relations Committee members Mike Russo, Mike Barber and Bob Striffler. It was recommended that speakers submit their questions on 3" X 5" cards for use by the Board in responding to as many questions as possible within the given time limits of the meeting. The agreement with E2M is contingent on a positive vote from owners and loan approval. Mr. DeGovanni suggested holding the town hall meeting in April and making a voting decision in 30 days following the town hall meeting. There will be several email blasts to remind owners of voting deadlines. Mr. DeGovanni stated he must engage the Association's legal firm, Taylor & Carls, to confirm the voting procedure and requirements. The Board discussed the need for a real estate attorney.

ON MOTION BY George DeGovanni, seconded by Bob Bagdon, the Board voted on whether to approve the agreement with E2M as follows:

HDOA Board approves the \$1,875,000 conditional purchase of the following packaged assets from E2M: 1) Declarant Rights which includes Developer, Master Documents, and Intellectual Property, 2) Front Gate Sales Office consisting of the building and property, 3) A1A San Gabriel billboard, titled land, 4) DCDD Connection Fee Agreement.

The HDOA Board purchase approval is contingent on the following conditions: the Hammock Dunes Owners' approval vote consisting of simple majority of 51% of a minimum of 1/3 of the available 1220 votes and loan approval by a financial institution. Conditions of HDOA E2M agreement are as follows: 1) a \$100,000 refundable earnest deposit applied against the \$1,875,000 purchase price, with a closing date not later than June 30, 2013. If an agreement is not reached the purchase price increases an additional \$50,000. 2) HDOA and E2M each pay one half of all legal and title fees associated with closing, 3) if HDOA is unable to close by

September 30, 2013 then the earnest deposit will still apply to the purchase price but is not refundable.

MOTION AMENDED BY George DeGovanni, Seconded by Marge Rooyakkers, with Mr. DeGovanni, Mr. Vohs, Mr. DiPerna, Mr. Furia, Mr. Henderson, Mr. Bagdon, Ms. Cerniglia, Ms. Rooyakkers in favor, and Mr. Aiello abstaining, the Board voted on whether to approve the agreement with E2M as follows:

HDOA Board approves the \$1,875,000 conditional purchase offer of the following packaged assets from E2M: 1) Declarant Rights which includes Developer, Master Documents, and Intellectual Property, 2) Front Gate Sales Office consisting of the building and property, 3) A1A San Gabriel billboard, titled land, 4) DCDD Connection Fee Agreement which consists of all remaining New Construction Water and Sewer Hookups estimated at 240.

The HDOA Board purchase approval is contingent on the following conditions: the Hammock Dunes Owners' approval vote consisting of simple majority of 51% of a minimum of 1/3 of the available 1220 votes and loan approval by a financial institution. Conditions of HDOA E2M agreement are as follows: 1) a \$100,000 refundable earnest deposit applied against the \$1,875,000 purchase price, with a closing date not later than June 30, 2013. If an agreement is not reached the purchase price increases an additional \$50,000. 2) HDOA and E2M each pay one half of all legal and title fees associated with closing, 3) if HDOA is unable to close by September 30, 2013 then the earnest deposit will still apply to the purchase price but is not refundable. 4) Members' assessments will increase by \$11/month commencing July 1, 2013, 5) The assessment increase of \$11/month will continue through 2014 and until the loan is paid off.

MOTION CARRIES

Hammock Dunes Club Administrator Report:

Mr. Jake Sullivan advised the Club has scheduled a Town Hall meeting on April 15, 2013. Club membership is holding steady and the Club is continuing its Community Expo initiative.

Committee Reports:

Maintenance Committee Updates

Mr. Bagdon reported on the following items:

- **Front Bridge Report**

Commencement of work on the bridge is still scheduled for the first of April 2013. A conference call is scheduled for the key players this week. There is a maintenance meeting on April 1, 2013 to review and approve the final plan including traffic plan.

- **Grande Mer Walkover**

Mr. Bagdon reported three bids have been received for the Grande Mer Walkover repairs ranging in price from \$7,000 to \$20,000. The bid from Kevin Peck, Inc. is at \$12,000 and is recommend by the Committee.

ON MOTION BY Bob Bagdon, seconded by Marge Rooyakers, with all in favor, the Board voted on whether to approve the bid from Kevin Peck, Inc. for the Grande Mer Walkover repairs. Motion carries.

- **Dunes Enhancement and Brazilian Pepper Plant Removal**

Mr. Bagdon reported a bid has been received from Kevin Partel, Inc. to remove the Brazilian Pepper Plants from both sides of Clicker Beach. The Brazilian Pepper bid was approved at the Committee meeting since it was a low amount. A bid of \$3,750 was also received from

Kevin Partel, Inc. which included the installation of an additional 500 feet of sand fencing to preserve the dunes. The installation will occur north & south of Clicker Beach. Mr. Aiello reported this money will be taken from the Natural Disaster Contingency.

ON MOTION BY Bob Bagdon, seconded by Marge Rooyakkers, with all in favor, the Board voted on whether to approve the bid from Kevin Partel, Inc. for \$3,750 for the additional 500 feet of sand fencing with funds for the project to be taken from the Natural Disaster Contingency. Motion carries.

Communications and Community Relations

There was no report on this item.

Social Committee

Mr. Furia reported the first community beach party, scheduled for 6:00 p.m., May 22, 2013, at the dune walkover was advertised in the recent *Sandscripts* newsletter.

Community Planning

Mr. Vohs reported the Club is providing statistical information to the Committee for the realtor profile being created. Another email will be sent to those who responded to the initial email for the survey.

Security & Emergency Response Committee

Mr. Aiello reported on March 25, 2013, the employee ID badge process for use in accessing community entrance for Club employees will begin. Mr. Aiello reported Jess has the badges and will be notified of the start date.

There has been no negative feedback from Securitas or the realtors on the new realtor access procedure.

Jess caught a security breach which occurred when two women showed up at the club house and were not authorized. The Committee will investigate.

Design Review Committee

There was no report on this item.

Finance Committee

Mr. Aiello reported on Association financials. Bad debt is standing at \$158,000. The Community is recovering an average of \$10,000 per month. Mr. Aiello reviewed Granada Estates and Ocean Estates financials for the month and year to date.

DRC Cash Deposit (Bond) Legal Opinion

Mr. DiPerna and Mr. Aiello reported the HDOA's legal firm, Taylor & Carls, issued an opinion stating the HDOA could retain the interest from cash deposit (construction bond) money and fund the administrative expenses of the Design Review Committee. The legal opinion stated the DRC manuals must be changed and should disclose the purpose of the interest. Mr. Aiello indicated the lawyers should confirm there is no conflict with the Florida Statutes.

ON MOTION BY Bruce Aiello, seconded by Cosmo DiPerna, with all in favor, the Board voted on whether to approve, contingent upon review of the Florida Legal Statutes, amending the DRC manuals to retain interest on deposits for the purpose of funding the administrative expenses of the DRC. Motion carries.

Association Updates/Discussion:

There was no report on this item.

New Business:

There was no new business.

Audience Comments:

There were no audience comments.

Adjournment

ON MOTION BY Phil Henderson, seconded by Andy Furia, with all in favor, the meeting was adjourned at 12:40 p.m.