

SPRUCE CREEK PROPERTY OWNERS ASSOCIATION, INC.

212-1 Cessna Blvd, Port Orange, FL 32128

MINUTES REGULAR BOARD OF DIRECTORS MEETING

December 11, 2007

1. **CALL TO ORDER.** President Dawn Sautter called the meeting to order at 7:00 p.m. Other directors present were Alan Baltz, Jack Kihm and Bert Love. Tim Plunkett was away on business. With four board members present a quorum was declared.

2. **PROOF OF NOTICE.** POA Manager confirmed that proper notice had been posted.

3. **COMMUNICATIONS:** Dawn Sautter reported that she had received several communications from owners:

1. Bill Ahern, wrote about management style of the board,
2. Art Patstone and various e-mails, wrote about salaries of employees and the proposed 2008 budget,
3. Dick Russell and Kathy Evernham wrote about the road reflectors by Roscoe Turner Blvd and Spruce Creek Boulevard,
4. Belinda Woods wrote in favor or accepting the Groundskeeping contract from Craig Baumann, and
5. Stewart Pinsof wrote about the road reflectors and about having the Sheriff patrol in Spruce Creek.

Dawn said she would respond to each of the letters.

4. **MINUTES:** The minutes of the November 13, 2007 Board meeting were presented. Mr. Love requested certain changes in the wording of the section of the minutes dealing with the medical insurance reimbursement program. The minutes were approved subject to Mr. Love's corrections being made.

The minutes of the November 28, 2007 Special Board Meeting were presented and approved as written.

5. **REPORTS:**

OFFICERS- Jack Kihm reported (1) the SCPOA needs more candidates to run for the Board. There will be an election at the Annual Meeting on February 2, 2008 and thus far only 1 person has submitted their name as a candidate. He said that the job is very rewarding, and that prerequisites include positive views of the Creek and a vision of its future, (2) the Board has been accused of micromanaging and this criticism does have some merit because the Board has been active in correcting the problems inherited from the prior board but that the time has now come to let the manager do the managing, and (3) the POA is quite dependent upon the volunteers who perform a variety of needed and valid functions in the community. The committees are also a helpful resource for the Manager and volunteerism is encouraged, (4) there appears to be a definite need to have the Sheriff's Department perform traffic control services within Spruce Creek, that there is just too much speeding in the community and it is only a matter of time before one of our walkers, of skaters, or bicycle riders and pet walkers is hurt, or worse, killed, that having the

Sheriff patrol (perhaps even for just a 90 day trial period) should have a positive effect on slowing down vehicles, and (5) the Compliance Review Committee has become necessary to help enforce the Rules and Regulations of the Creek.

Alan Baltz - No Report

Bert Love – Said he also is aware of the concerns about micro-managing. He also reported that there will be a Special Board meeting on December 18, 2007 to review and adopt a 2008 Budget.

Dawn Sautter – No Report

COMMITTEES:

Airport – Sal DeVincenzo reported everything running smoothly.

Architectural Review Committee – No Report

Community Relations – No Report

Children’s Recreation – No Report

Public Works Committee – Ray Gage report that the PWC has submitted bids for three project for approval by the Board at this meeting. He also requested that certain Capital Projects recommended by the PWC be placed on the agenda and voted on by the members at the Annual Meeting on February 2, 2008. The Board asked PWC to submit their proposals in writing to the Board at the 12/18/07 Special Board Meeting, and that such proposals include purpose and costs.

Security – No Report

Update – No Report

MANAGER: David Slayback reported that Peter Rouse has submitted his resignation from the Public Works Committee where he has served and Chairperson and, during the past year, as Manager. Peter was Airport Manager for some years before accepting an appointment to Chair the Public Works Committee. He cited personal reasons for his retirement but has asked to be called upon for “help” with future projects. David commented that Peter is a very valuable resource of history and information about Spruce Creek and his continued helping with Public Works will be welcomed.

6. OLD BUSINESS:

1. Consider Proposal to cease program for reimbursement of employee’s Personal Medical Insurance for 3 employees.

Bert Love requested that this matter be deferred to the December 18, 2007 Special Board Meeting citing a request from Alan Baltz to give him time to check with the IRS about their regulations governing this matter.

2. Reflectors. There were several comments concerning the use of the reflectors as a speed control device, that there were too many reflectors placed by the stop signs at Roscoe Turner Boulevard and on the speed hump on Spruce Creek Boulevard, and that the reflectors on the speed hump create a lot of “noise” from tires going over the hump. Scott Seagraves commented that the problem seems to be to get people to stop at a “Stop Sign” and that the reflectors probably do little to encourage such stopping—the actual Stop Sign is readily visible and recognizable in its own right. Ray Gage repeated his request to remove several of the reflectors at the Roscoe Turner stop signs. A **motion** was made by Bert Love, second by Alan Baltz, to reduce the number of reflectors

installed at Roscoe Turner Boulevard and Spruce Creek Boulevard in accordance with the plan previously submitted by Ray Gage and the Public Works Committee. The motion was approved unanimously.

3. Consider proposal to deactivate RFID's of owners in arrears on payment of their Assessments. Jack Kihm presented a written Resolution on this matter. Dawn read the resolution in its entirety. A motion was made by Jack Kihm, second by Alan Baltz, to adopt the Resolution. The motion was approved unanimously.

Discussion then turned to rescinding the RFID for owners found in violation of the C&Rs or Rules and Regulations by the Compliance Review Committee. A **motion** was made by Jack Kihm and second by Alan Baltz to amend the Resolution to include this additional point. The motion was approved unanimously.

The board recommended that a when a notice is sent to an owner that their RFID(s) are being deactivated it should include a copy of the Resolution. Further, accounts delinquent as of February 1, 2008 should be promptly notified.

4. Consider proposal to refer complaint regarding painting of Kollmer house and hangar to Compliance Review Committee. A letter dated November 28, 2007 was sent to Mr. and Mrs. Kollmer outlining the nature of the complaints about the painting of their house and hangar and requiring them to respond with information about their intentions to remove the causes of the complaints or the matter would be referred to the Board of Directors for further action. No response was received to this letter and the Manager requests permission to form the Compliance Review Committee and proceed against the Kollmers. A **motion** was made by Jack Kihm, second by Bert Love, to authorize the Manager to proceed. The motion was approved unanimously.

5. Eagles Crest. Eagles Crest has requested equitable relief from their being charged 1.667% of the annual assessment because they are a 12 unit subdivision built on 20 building lots. The matter was referred to SCPOA counsel and a method to grant the requested relief has been found. Simply, Eagles Crest and the SCPOA need to amend their documents to accommodate the request. The SCPOA will place this matter on the agenda for the February 2, 2008 Annual Meeting for a vote by the membership to approve the change in the SCPOA documents. Eagles Crest will likewise have a vote of their membership to approve the change to their documents. A question was raised as to an "effective date" of such a change, if it is approved. This question was tabled for further review.

Mr. Love also passed out a resolution he recommended using to describe the nature of and reasons for the recommended documents changes and also describing any impact the changes will have on the community.

A **motion** was made by Bert Love, second by Alan Baltz, to include the resolution (information) form regarding Eagles Crest in the information package to be mailed for the February 2, 2008 POA Annual Membership Meeting. The motion was approved unanimously.

6. Status of Production of 2008 Directory. It has been announced to the community that everyone is invited to check their listing information from the 2006 directory and to make any

corrections or additions to that data. The new information will be incorporated into the 2008 Directory, which is scheduled for production in early January, 2008.

7. Annual Meeting. The Board wants to remind everyone that 3 director's seats will be voted on at the Feb 2008 Annual Meeting. To date only 1 owner has announced his candidacy and at least 2 more are needed. The work is interesting and a great service to the community. If you want to know more about it please speak with a director. If you want to be a candidate please submit a resume to the POA Office by the end of December.

7. NEW BUSINESS

1. Use of Sheriff's Deputies in Spruce Creek. The Safety and Security Committee has been working for several months with the Volusia County Sheriff's Office to develop a contract for service whereby the Sheriff would patrol the streets and roads of Spruce Creek (not the runway or taxiways) to enforce traffic laws, i.e. speeding, stop sign violations, careless or reckless driving, etc. A **motion** was made by Jack Kihm, second by Alan Baltz to approve the contract developed and recommended by the Safety and Security Committee. The motion was approved unanimously.

2. Consider and Approve Contract for 2008 Groundskeeper. The Public Works Committee solicited bids from 4 vendors to take on the duties and responsibilities of Groundskeeper at Spruce Creek for the year 2008. Three bids were received. The low bidder was Baumann, Inc., (Greg Baumann, our current groundskeeper). The PWC recommended that the bid from Baumann, Inc. be accepted. A **motion** was made by Alan Baltz, second by Bert Love, to award the Groundskeeping contract to Baumann, Inc. for 2008. The motion was approved unanimously.

3. Consider and Approve Bid for repair of 11th fairway water management problem on Spruce Creek Golf Course. Dawn Sautter commented that the letter sent to the Country Club following the October 31, 2007 SCPOA Board Meeting requested the Country Club to acknowledge that the repair by the SCPOA was a subject to a disclaimer that the POA does not believe it is their problem to correct and that with the consent and agreement of the Spruce Creek Country Club the POA will enter the easement area and make the necessary repairs. Jim Dyer, President of the Spruce Creek Country Club, cited the last paragraph in the letter from Becker & Poliakoff, attorneys for the POA, which say, in part, "if an easement is silent upon which party is to repair the easement property, then either party is permitted to repair the easement property, but neither party can force the other party to accomplish such repair." He then said that the Country Club has no further comment.

The Public Works Committee solicited bids from 5 contractors and 3 actually bid. The PWC recommended that the low bidder be approved: J. D. Weber Construction Co., Inc bid \$21,970. A **motion** was made by Jack Kihm, second by Alan Baltz to award the contract to J. D. Weber Construction Co. Inc. The motion was approved unanimously.

4. Consider and Approve Bid for repair of Taxiway Foxtrot at Taxiway Lima. The Public Works Committee had this project engineered to develop proper plans and sought bids from 5 contractors. Two contractors actually bid the project. The low bidder was Hardy Construction Co., Inc. with a bid of \$29,660. The Public Works Committee recommends that Hardy Construction be awarded the contract. A **motion** was made by Bert Love, second by Alan Baltz to accept the low bid of \$29,660. The motion was approved unanimously.

5. Consider proposal for installation of new fence at end of Roscoe Turner Blvd. This is the fence at the dead end of the east portion of Roscoe Turner and it is subject to continuing vandalism and destruction. The proposal is to install an “industrial strength” cyclone fence, with reinforced vertical poles and wiring, and to be capped with barbed wire. Jack Kihm asked if a solid block wall would not be more appropriate. Following discussion the matter was deferred to the Special Board Meeting scheduled for December 18. The PWC is to gather information on costs of a block wall.

6. Review Proposed Credit Card Policy. A proposal was made some months ago for the POA to utilize Credit Cards for its purchases rather than bank Debit Cards. Credit Cards would have an individual account number and all charges to the card would be easily identified as to the purchaser and the committee of the POA to which the charge would be assigned. By contract, Debit Card charges are debited to the POA bank account and on receipt of the month statement there is substantial work to match the charges with the receipts and verify the accounting.

A Credit Card Policy was obtained by the Manager on-line and submitted to Mr. Love for review. Mr. Love offered a Credit Card Agreement and requested that it be approved and implemented. Simply, each card has a \$2,000 limit and each holder of a POA credit card is individually liable for any unauthorized charges. A motion was made by Bert Love, second by Alan Baltz, to approve the Credit Card Agreement and to authorize the Manager to issue the credit cards following signing of the Agreement by the card holder. The Board will assign credit cards to POA Officers.

7. Audit of 2007 Financial Records. Bert Love reported that James Moore & Company, the CPA firm which conducted the audit of the 2006 Financial Records, has bid to conduct the 2007 audit for a cost of \$16,000 with an optional additional cost of \$1,600 for risk based standards, if such additional service is needed. A **motion** was made by Bert Love, second by Jack Kihm, to accept the bid from James Moore & Co. During discussion it was suggested that POA policy requires competitive bids on contracts over \$3,000. Bert responded that that James Moore did a lot of work to get our accounting records in good shape; that they recommended a number of changes to our procedures and he feels that they should have the opportunity to do the 2007 audit to confirm that the changes have been made and that the POA accounting policies are in conformity with GAAP. It was then suggested that the auditor be asked to confirm that the true cost will be as quoted and that there will be no cost overruns without prior warning by the auditor. Bert said he would write a letter requesting this from the auditor. The motion was then put to a vote and was approved by a vote of 3 in favor to 1 (Alan Baltz) opposed.

8. OPEN FORUM.

9. ADJOURN. With no additional business to come before the Board the meeting was adjourned at 9:15 p.m.

Jack Kihm, Secretary