

SPRUCE CREEK PROPERTY OWNERS ASSOCIATION, INC.

212-1 Cessna Blvd, Port Orange, FL 32128

DRAFT

MINUTES SPECIAL BOARD OF DIRECTORS MEETING

January 31, 2008

1. **CALL TO ORDER.** President Dawn Sautter called the meeting to order at 11:00 a.m. Other directors present were Alan Baltz, Jack Kihm and Bert Love and Tim Plunkett. With five board members present a quorum was declared.
2. **PROOF OF NOTICE.** Dawn Sautter affirmed that proper notice of the meeting had been given.
3. **APPROVE CONTRACT FOR NEW PROPERTY MANAGER.** A motion was made by Bert Love, second by Jack Kihm, to approved the proposed contract for the new property manager.

Tim Plunkett asked who had written the proposed contract and Dawn Sautter said that she had written it. Tim Plunkett then asked if the contract had been approved by an attorney and Dawn Sautter said that it had been approved by Attorney Doug Daniels.

Dawn Sautter then asked if David Slayback's contract had been approved by an attorney and Tim Plunkett said that it had.

Tim Plunkett then said that he considered this contract under review to be substantially more complex than prior contracts and he thinks it best to have written confirmation of attorney approval for the association records.

Alan Baltz then said that he has taken it upon himself to perform "due diligence" on the new manager (Keith Jones) and has done some preliminary checking on information supplied by the new manager in his resume, and information supplied by Dawn Sautter. Alan Baltz said that information from Dawn Sautter concerning the new manager's business record at the Bluewater Key RV Park may be flawed in that Dawn Sautter spoke with one Frank Wagner who she said told her that Mr. Jones is eligible for rehiring. Alan Baltz has determined that Mr. Wager served as President of the Board of Directors in 2004 but the following year was not a board member and thus not in a position to now say whether or not Mr. Jones is eligible for rehiring. Mr. Baltz suggested that the meeting be adjourned so further review of Mr. Jone's information could be undertaken.

In discussion of this matter Dawn Sautter said that no negative issues of Mr. Slayback's job performance have ever been discussed with him.

Alan Baltz asked the reason for the rush to have Mr. Jones sign an employment contract. Bert Love responded that the matter was unfinished business of the current board and needed to be concluded before the annual meeting.

Alan Baltz asked that the meeting be adjourned and reconvened in executive session with the attorney so the matter could be more fully discussed. Dawn Sautter said that she would contact the attorney Doug Daniels and see if she could arrange an appointment in his office at 5:00 p.m. this date, or, alternatively, tomorrow.

Mr. Love said that the business before this meeting was to approve the contract and thus why not go ahead and handle that business. Alan Baltz said that he had only gotten the proposed contract very early this morning and had not had time to review it very carefully but he had noted a few items which he questioned, including why the POA is obligating itself to pay a performance bonus (saying it had not done this in the past), why is the POA obligating itself to reimburse Mr. Jones for his employment agency fee and why is the POA paying a 3% contribution to an IRA for Mr. Jones without his having to contribute anything himself. Dawn Sautter said she would correct the clause regarding IRA contributions and said that the other matters were negotiated with Mr. Jones and these are things he wanted.

4. ADJOURN. The Board members agreed to adjourn until such time as the attorney can be present at an executive session meeting, and until he will bring provide an opinion letter confirming the legality of the form and content of the contract, and that this executive session will be conducted between this point in time and the end of the business day Friday, 2/1/08. The meeting was adjourned.

Jack Kihm, Secretary