

SPRUCE CREEK PROPERTY OWNERS ASSOCIATION, INC.
212-1 Cessna Blvd, Port Orange, FL 32128

MINUTES
REGULAR BOARD OF DIRECTORS MEETING
April 16, 2008

1. **CALL TO ORDER.** President Russ Faller called the meeting to order at 7:03 p.m. Other directors present were Bert Love, Mike Hay and Jerry Probst. Jack Kihm had another engagement. With four board members present a quorum was declared.

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

At this time in the meeting Mr. Love raised a Point of Order, citing Article V, paragraph J of the By-Laws which deals with the scheduling of Board Meetings. Mr. Love said that the rescheduling of the meeting from the previously scheduled date of April 8 to April 16 violated this section of the By-Laws. Mr. Love was told by Mr. Faller that the rescheduling was proper and in compliance with the By-Laws.

3. **COMMUNICATIONS:** None

4. **MINUTES:** The minutes of the March 11, 2008 board meeting were presented for approval. Mr. Love requested again that the minutes reflect that Dr. Hay had made a motion at the meeting which was “defeated”. Mr. Love was reminded that a motion which is not seconded is not a successful motion and need not be reflected in the minutes; however, at his request, Section 7 of the minutes of February 12, 2008, item 3, last sentence of paragraph 1 is amended to read “the motion was not seconded and therefore no vote was taken on it.” A **motion** was made by Dr. Hay, second by Mr. Probst, to approve the March 11, 2008 minutes with the above noted correction. The motion was approved 3 in favor to 1 opposed (Mr. Love).

The minutes of the March 27, 2008 board meeting were presented for approval. A **motion** was made by Dr. Hay, second by Mr. Probst to approve the March 27, 2008 minutes as presented. The motion was approved 3 in favor to 1 opposed (Mr. Love).

5. **OPEN FORUM:** Bruce Alter thanked the Board for its positive response to his complaints about the upkeep of the RV Storage area and for having the area cleaned up. He also stated his opposition to the use of Sheriff Patrols in Spruce Creek.

6. **REPORTS-OFFICERS:**
Russ Faller – No Report

Mr. Probst reported that the Budget and Finance Committee has met one time and has done a preliminary review of the 2007 Audit and a comparison of the financial condition of the association between 2007 and 2006. The Accounts Receivable situation was reviewed and the increase in unpaid annual assessments between 2007 compared to 2006 is up over 100%. A very serious collections program will be initiated within a week to enforce the requirement that

association members must pay their annual assessments. Mr. Love disagreed with some of the data presented, but had no other data to offer.

Mr. Probst also said that the purpose of the Budget and Finance Committee is to spend about half its time managing Balance Sheet and Assets of the association and the other half to manage the expenditures of the association—the results shown on the Profit and Loss Statements.

The 2008 Audit has been completed and James Halleran of James Moore and Company, the CPA firm which conducted the audit, will discuss the 2007 audit results with the Budget and Finance Committee at its April 23, 2008 meeting.

Mr. Love raised an objection to the Budget and Finance Committee meeting being conducted with 3 board members present (Mr. Probst, Dr. Hay and Mr. Faller); that the meeting should have been identified as a Special Board Meeting. Mr. Faller said that he did not believe his presence as a non-participating observer created a board meeting but the matter would be looked into and if what was done is determined to be wrong it will not be repeated.

Bert Love said he had a letter to read from Dr. Kihm. Mr. Faller said that the letter was addressed to him as President and he chose not to read it at the meeting as it contained comments which were inflammatory except for the last sentence in which Dr. Kihm said he did not have enough information about the question of spending additional funds on the Seclusion Drive project to render an opinion on it. Mr. Love requested to read the entire letter and proceeded to do so.

Dr. Hay –No Report

COMMITTEES:

Community Relations – Jean Franzone reported that the Newcomers Party was a huge success, that 23 newcomers attended the party. There were welcoming remarks from a number of the social committees, and plenty of food and desserts. She gave a special thanks to Kathryn and Tony Minner for hosting the party in their home.

Public Works – Ray Gage reported on the status of various projects: (1) Seclusion Drive is progressing ahead of schedule, (2) the draining swale at Roscoe Turner Blvd and Spruce Creek Boulevard is progressing ahead of schedule, (3) the South Creek sidewalk repairs are completed, (4) ideas for lake aeration systems are being evaluated, (5) ideas are being studied to put water into the 2 dry lakes by Golf Villas, (6) a sink hole and drainage problem across Beech Blvd, (7) the security camera systems for the Airport and the Gates are about ready for installation and (8) the playground parking lots have been repaired and auto bumpers installed in the parking area and additional sod is to be installed.

Safety & Security – Jerry Probst read the report from Joan Dufton, Chair of the Committee. The committee reported discussion of ideas to broadcast information to the community on such topics as safety on roads and taxiways. Use of SC-TV and the SCPOA Website (www.SCPOA.com), and of articles in the UPDATE, have been discussed and will be pursued. The committee is also working with the Country Club regarding proper warning markings on their slow moving golf course equipment when it is on POA roads.

Airport Authority – Sal DeVincenzo, Airport Manager, reported that the various GPS systems used in cars are being updated by the vendors to direct cars around the runway.

Children's Recreation – Krista Ghaffarian reported several successful events in the past month, including participation in Wings and Wheels, having over 100 kids at the annual Easter Egg Hunt. They are planning an “end of School” party, a mid-summer party and a Fall Carnival.

7. OLD BUSINESS:

1. USE OF SHERIFF'S DEPUTIES IN SPRUCE CREEK. Slayback report the questions concerning language in the proposed contract with the Volusia County Sheriff's Office had been sent to the SCPOA legal counsel, which has been in communication with the Volusia County Legal Staff. Revised language regarding indemnification policies has been verbally agreed to and the contract is being revised.

2. RECONSIDER PROPOSAL FOR A SIDEWALK EASEMENT IN FAVOR OF VOLUSIA COUNTY ALONG AIRPORT ROAD FROM THE AREA OF THE ENTRANCE TO SABAL CREEK TO THE EXISTING SIDEWALK AND CROSSING ACROSS AIRPORT ROAD IN FRONT OF THE WINDSOR COURT WALL. Slayback reported that the Volusia County Public Works Department had again contacted the POA and said that their original plans for the sidewalk are being changed and a new sidewalk alignment is being considered. A representative asked to show the POA the new plan. At a meeting between Slayback and their representative it became clear that their plans were only in the consideration stage and nothing has been finalized. Slayback sent the County a certified letter rescinding the easement which the POA Board had previously granted Volusia County and saying that when the County firms up its plans it can again contact the SCPOA regarding an easement. Slayback requested the board to approve the rescission of the Easement. A **motion** was made and seconded to accomplish this and was approved by a vote of 4-0.

8. NEW BUSINESS:

1. CONSIDER CHANGE ORDER 2 FROM J D WEBER CONSTRUCTION TO REMOVE AND REPLACE EXISTING STORM WATER INLETS ON EITHER SIDE OF SECLUSION DRIVE AND EXISTING 12 INCH PVC PIPE UNDER SECLUSION DRIVE AS A FIRST STEP IN IMPROVEMENT TO THE STORM WATER MANAGEMENT SYSTEM BETWEEN SECLUSION DRIVE AND THE RETENTION POND ALONG THE WEST SIDE OF THE 15TH FAIRWAY OF THE S C GOLF COURSE. Slayback presented a full explanation of the water management problems in this “system” and explained that water stands in the pipe beneath Seclusion because the pipe runs “uphill” and that the replacement of the pipe will allow the water to exit this system to a water management swale running between Country Club Drive and the east side of the 15th hole on the S C Golf Course. Additional work will have to be done to this swale but the work has to be engineered and planned and it is not necessary to do it now. Slayback explained that doing the work beneath Seclusion Drive while it is undergoing the repaving project made this addition to the project much more cost effective. Slayback asked the board to approve Change Order 2, at a cost of \$11,530.00.

Mr. Love criticized this work as a “piecemeal effort” and gives a blank check to just keep spending money without there being a comprehensive plan encompassing the entire water management problem. Mr. Faller disagreed, saying he felt this work was necessary and it made sense to do it while the road was opened up. To do it later would be more expensive since a section of the road would have to be removed and replaced. Mr. Probst made a **motion** to approve Change Order 2, at a cost of \$11,530. Dr. Hay seconded the motion, which was approved by a vote of 3 in favor to 1 opposed (Mr. Love).

2. CONSIDER EMPLOYMENT AGREEMENT FOR ARTHUR HORTON, MAINTENANCE DEPARTMENT. Mr. Love stated that Mr. Horton is now doing work which should be done by Slayback (helping with contractor project contracts, on-site inspections and evaluations of under-way projects, helping with the planning and implementation of Public Works projects, etc, etc), and wondered whether this elevation of Mr. Horton meant that the POA would have to hire a worker to perform the work done now by Horton. Mr. Probst replied that Slayback cannot do everything himself, that he needs to have assistance from others, that Slayback has to let the Board know what he needs and the Board will evaluate such requests and make the decision on what to do. Mr. Faller said that the job is too big for 1 person, that Slayback's job is to "manage" and oversee what is going on. He asked for a motion on the matter. Mr. Probst suggested that in addition to the job description provided to him covering Mr. Horton, he would like information on Mr. Horton's salary history with the SCPOA and information about salaries in the surrounding marketplace. The matter was "**tabled**" until the May Board Meeting and Slayback was directed to secure and provide the requested information.

3. CONSIDER PAYMENT OF INVOICES FROM ATTY DOUGLAS DANIELS FOR SERVICES IN CONNECTION WITH BOARD MEETINGS OF JANUARY 18 AND FEBRUARY 1, 2008. Slayback pointed out that the billings received from ATTY Daniels were vague, that the POA ought to have information on the hourly rate charge and copies of any reports and records made by Atty Daniels. Mr. Faller directed Slayback to secure the information. In response to a comment by Mr. Love, Mr. Probst said that the bills are sketchy, without time records and there is no hourly rate noted. He wants the information before the bill is paid. Mr. Love said that Atty Daniels was hired only for the meeting of January 18, 2008 and that the board voted to hire him at that meeting. Mr. Alan Baltz, former director who was at the January 18, 2008 meeting, objected from the floor that no such vote was ever taken to hire Atty Daniels. Dr. Hay noted that the minutes of January 18, 2008 which were written by former President Dawn Sautter and signed by her and approved at a prior meeting made no mention of hiring Atty Daniels. Mr. Probst asked Mr. Love why there is a charge from Atty Daniels of March 28, 2008 if he was hired only for the January 18 meeting.

Slayback was directed to contact Atty Daniels and request the desired additional information before paying the bill.

8. ADJOURN: With no further business to come before the board, on motion made and seconded, with no dissent, the meeting was adjourned at 8:15 p.m.

Mike Hay, Secretary