

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

MINUTES
REGULAR BOARD OF DIRECTORS MEETING
May 13, 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, Jerry Probst and Jack Kihm. With all five board members present a quorum was declared.
2. **PROOF OF NOTICE.** David Slayback, POA Manager, confirmed that proper notice had been posted.
3. **COMMUNICATIONS:** None
 1. A letter was received from Mr. Arthur Patstone presenting some ideas concerning use of the mail in ballot procedures adopted by the association. The letter was referred to the Legal and by-Laws Committee.
 2. A letter was received from Mr. Mike Kelly, Chair of SC Airport Committee, requesting help in enforcing safety rules, particularly in connection with driving on Taxiways. The letter was referred to the Safety and Security Committee.
 3. A letter was received from Mrs. Dawn Sautter regarding work duties assigned to Mr. Art Horton, Public Works employee. The letter will be responded to by the Board.
4. **MINUTES:** The minutes of the April 16, 2008 Board Meeting were presented. Mr. Love stated that the minutes contained significant omissions and he requested that the minutes be rewritten. Action on the minutes was tabled to allow Mr. Love to write the board with his requests for correcting the minutes.
5. **OPEN FORUM:** John McCollister addressed the board and requested approval for a brief dedication ceremony of the newly named North Gate bridge, the William P. Lear Bridge. Mr. McCollister asked that the bridge be closed for about a minute at 11:00 a.m. on May 24, 2008, that a ribbon be stretched across the bridge entrance, that it be cut by William P. Lear Jr. and that he then cross the bridge in a golf cart. Security will be asked to help with traffic control. The board approved the request.

Belinda Woods requested that the "island" at the intersection of Southcreek Boulevard and Spruce Creek Boulevard be irrigated. The irrigation system at this island was installed several years ago but the water supply was subsequently removed. She was informed that Public Works is working on a project to provide lighting to the island; electricity to be installed for this purpose. With electricity available the POA will be able to pump water to the irrigation system.

Mike McDermott, of the Legal and By-Laws Committee requested that the Board delay any action on the proposed contract for services with the Volusia County Sheriff's Office. He said that the committee had reviewed the proposed contract and had serious reservations about the language and asked for time to review, revise and produce a contract which the committee believes will provide

sufficient protections to the SCPOA. The Board granted the committee 3 weeks to present a revised proposed contract.

6. REPORTS:

OFFICERS: None

COMMITTEES:

BUDGET AND FINANCE: Mr. Probst, POA Treasurer, reported that the Budget and Finance Committee had received a briefing on the results of the 2007 Audit from James Halleran, of the CPA firm of James Moore. He then introduced Mr. Halleran who made an oral presentation to the entire board of the 2007 Audit results. Following Mr. Halleran's remarks, Mr. Probst spoke of the issue with unpaid assessments by owners. On 12/31/07 the POA was owed approximately \$160,000 by owners as unpaid assessments. As of 5/13/08, with the addition of the 2008 annual assessment, the unpaid assessments now total approximately \$286,000.

The matter of collection of these unpaid assessments is of major importance to the SCPOA. Therefore, as of April 25, 2008 a letter was sent to all owners owing money to the SCPOA advising them of the amount owed and requesting payment within 30 days or a communication with the POA office if there is any dispute of the amount owed. The letter warned that if there is no activity on an account within the 30 days the account will be turned over to a collection agent. On or about May 27, 2008 a second collection letter, from the collection agent, will be sent to owners who have not paid on their account or who have not made a payment arrangement acceptable to the Board.

Owner Arthur Patstone questioned whether the lack of assessment payments will result in financial problems for the SCPOA. Mr. Probst said that he doubted there would be a problem in 2008 but there would likely be a problem "over time". Dr. Kihm asked if the RFID's (electronic entry gate openers) could be turned off on automobiles owned by people owing the POA money and Russ Faller said the association attorney had been asked about this and he said that the POA cannot do this.

A **motion** was made by Mr. Probst, seconded by Dr. Hay, to accept the 2007 Audit as presented. The motion was approved unanimously.

AIRPORT COMMITTEE: Mike Kelly presented a letter from the Airport Committee to the Board requesting enforcement of the existing prohibition against motor vehicles using the taxiways. He commented that over time a "culture" has developed that it is OK to drive on the taxiways. Airplanes do not maneuver quickly on the ground and the risk of an accident involving an airplane is high. He said the Airport Committee is looking at ways to change this "culture" of the people.

He also reported that the committee is working on upgrading the "restraint system" between the runway and Windsock Park. He also suggested that Windsock Park needs restoration work, including irrigation, to make it more useable by the community.

During discussion the "Taxiway Access Sticker" system was reviewed and will be emphasized as a way to control non-authorized access by vehicles to the taxiways.

ARC: No report

CHILDREN'S RECREATION: Krista Ghaffarian reported that the committee's programs are generating increasing participation by community families. There are planning an "End of School Year" program on 6/21/2008.

They have initiated a "Support our Schools" (SOS) program where they collect aluminum cans and tax tops. The cans are sold to the recycling center for money for the programs and the box tops are worth \$.10 each to a school. Cans and the special box tops may be dropped off at the SCPOA Office.

Lastly, the committee is developing a program aimed at kids 13 to 15 years old to get them involved in activities and to give them something to do with their spare time.

LEGAL & BY-LAWS: Mary Ann Hoffner reported that the committee has asked for ideas from association members regarding ideas for needed revisions of the association documents and had gotten a number of good responses. The committee now believes that all of the association documents (the C&Rs, By-Laws and Rules and Regulations,) need review and updating and so the committee continues with its efforts.

PUBLIC WORKS: Ray Gage briefly mentioned a number of projects presently either underway or in the planning stages.

1. Repairs to William P. Lear Bridge. The engineer is developing the specifications for the repair work.
2. Seclusion Drive road project. Underway and completion is ahead of schedule.
3. Master Plan. The engineering company had collected all site plans and plats from the POA and from the St. John's Water Management District and put them onto a computer database. They are waiting for the plans from Volusia County to enter into the database to complete the files. With this data we will know what the POA own, where it is located and, as with roads and structures, how they are constructed.
4. Culvert under Spruce Creek Boulevard to move water from Slow Flight to the retention pond on the east side of the road. Contract to be let.
5. Pump and Well for water in lakes by Golf Villas. Contract to be let.
6. Message Board for North Gate entryway (and moving present message board to South Gate entryway). Board has been ordered for North Gate.
7. Security Gate Cameras: 3 more cameras are to be added to both the North and South Gates.
8. Security cameras for the Airport have been received and will be installed.

SAFETY AND SECURITY: Joan Dufton reported

7. **OLD BUSINESS:**

1. **USE OF SHERIFF'S DEPUTIES IN SPRUCE CREEK.** Preliminary revisions to the contract have been received but the Legal and Buy-Laws Committee has requested additional time to make additional revisions. A **motion** was made by Mr. Faller, seconded by Bert Love, to table action on this contract until the Board Meeting scheduled for June 10, and to give the Legal and By-Laws Committee 3 weeks to develop their suggested revisions. The motion was approved 4 in favor to 1 opposed (Dr. Kihm).

2. CONSIDER EMPLOYMENT AGREEMENT FOR ARTHUR HORTON, MAINTENANCE DEPARTMENT. The Property Manager, Slayback, recommended that the following adjustments be made to Mr. Horton's employment status:

1. That his current base salary of \$43,264.00 be increased by \$2,500 to new annual total salary of \$45,764.00.
2. That the attached "Public Works Division, Job Description/Function for Public Works Superintendent" dated February 2008 be approved and adopted by the Board of Directors.
3. That a new position of "Public Works Superintendent" be assigned to Mr. Horton.
4. That Mr. Horton continue to have access to all other rights and privileges of employment by SCPOA.
5. That Mr. Horton and the SCPOA each be entitled to 90 days written notice by one party to the other of any termination of employment.
6. That a written employment agreement be entered into with Mr. Horton to include the above points and such additional language as shall be recommended by legal counsel.

Dr. Kihm commented that Mr. Horton is doing the Property Manager's job.

Mr. Love commented that (1) the insurance "gross-up" from 2007 ought to be removed from Mr. Horton's wage base, (2) an error had been made in the 08 budget with respect to Mr. Horton's January 1, 2008 wage increase and (3) that Mr. Horton should not be taken off "non-exempt" status.

In response to Mr. Love's comments, (1) Mr. Horton will provide his own health insurance and will not avail himself of the SCPOA health insurance plan, (2) Mr. Horton's 1/1/08 wage increase stands and (3) Mr. Horton will remain as a non-exempt employee, that is, he will remain subject to wages and hours regulations.

Mr. Probst asked the Property Manager to confirm his written recommendation, which was done: Horton's wages to be increased to \$45,764.00 per annum, his job title to be changed to Public Works Superintendent, that he will remain as an hourly paid employee and that the notice requirement for termination be set at 90 days.

Dr. Hay commented that he has seen Mr. Horton in action and knows what he can do. Dr. Hay has done considerable research on-line and feels the wage rate is well within the range of what the job should pay, but that he prefers the termination notice be 60 days.

Mr. Faller stated that he is board liaison to the Public Works Committee and commended Horton for all he does and how well he does it. He urged acceptance of the manager's proposal.

Mr. Love stated that he felt the money to be paid was too much.

A motion was made by Dr. Hay, second by Mr. Probst, to accept the manager's recommendations but with termination notice to be set at 60 days. The motion was approved by a vote of 3 in favor and 2 opposed (Mr. Love and Dr. Kihm).

8. NEW BUSINESS:

1. APPROVE APPOINTMENTS TO THE BUDGET AND FINANCE COMMITTEE. The following association members are proposed to appointment to the Budget and Finance

Committee: Alan Baltz, Joan DeVincenzo, Marge Cummock, Mike Hay and Ellie Murray. A **motion** was made by Mr. Probst, second by Dr. Hay, to appoint these five members to the Budget and Finance Committee. During discussion of the motion, Mr. Love asked what happened to the former members of the committee. Mr. Probst responded that all had resigned from the committee. The motion was then approved by a vote of 5 to 0.

2. CONSIDER AND ACCEPT 2007 BUDGET. This action was taken earlier in this meeting.

3. CONSIDER AND APPROVE A PROJECT TO INSTALL A NEW CULVERT TO MOVE WATER FROM THE WEST SIDE OF SPRUCE CREEK BLVD TO THE RETENTION POND ON THE EAST SIDE OF THE ROAD. Mr. Love commented that the SCPOA has no master plan for the work being done. Mr. Gage again reported that such a plan is being produced but suggested that Mr. Love might have his own insights into what such a plan should include and he might want to share them with Mr. Gage, as Chair of the Public Works Committee. Mr. Love said he would do that.

A **motion** was made by Dr. Hay, second by Mr. Probst, to approve the project. The motion was approved 5 to 0.

4. CONSIDER AND APPROVE A PROJECT TO INSTALL A WELL AND PUMP TO REPLACE THE DRY WELL AND BURNED OUT PUMP TO FURNISH WATER TO THE TWO DRY LAKES BY GOLF VILLAS. A **motion** was made by Mr. Probst, second by Mr. Love, to approve this project at a cost of \$4,400.00. During discussion Dr Kihm suggested that such a project was not a “green” project as it removed water from the aquifer for basically ornamental purposes. The motion was approved by a vote of 4 in favor with 1 abstention (Dr. Kihm).

5. CONSIDER PROPOSAL FOR ENGINEERING PLANS FOR THE NECESSARY REPAIRS TO THE WILLIAM P. LEAR BRIDGE. A **motion** was made by Mr. Love, second by Dr. Hay to approve this proposal. The motion was approved 5 to 0.

6. CONSIDER PROPOSAL TO PARTNER WITH THE SPRUCE CREEK COUNTRY CLUB IN THE PURCHASE OF A CASE 580K BACKHOE FOR PUBLIC WORKS PROJECTS. In response to questions, Slayback reported that the unit will be inspected by a Case dealer for a cost of \$200.00 prior to the purchase. The cost to the POA will be \$8,850.00 which represents 50% of the cost. The Spruce Creek Country Club will pay the other half of the cost. The money will come from unused money in the Capital Account from the line item for repair of the sidewalk at South Creek, and the remainder from the Capital Account line item for providing enhanced electrical service to the Public Works maintenance shop (an agreement has been made with the SCCC to get the electrical service we need at the shop without upgrading the electrical service.) An agreement has been reached with the Country Club that they will provide the labor necessary for repairs and that the SCPOA and the Country Club will split costs for parts that may be needed.

Mr. Love requested a justification of the cost for this equipment. Mr. Fallor informed him that so far this year Public Works has had to rent this type equipment, at a combined cost of some \$6,000.

A **motion** was made by Dr. Hay, second by Mr. Probst, to approve the joint purchase with the Spruce Creek Country Club of the backhoe, subject to a split of the costs for parts and contingent on a favorable report from the Case dealer on the inspection of the equipment. The motion was approved by a vote of 3 in favor and 2 opposed (Mr. Love, Dr. Kihm).

Mr. Love requested the following two items be added to the agenda:

1. Mr. Love requested a vote on the change of the venue of Board meetings to the POA Hangar. There was no interest by any other board members in this matter and no action was taken.
2. Mr. Love made a motion to support the dedication of the William P. Lear Bridge to be held on May 24, 2008 at 11:00 a.m., to last for 1 minute. The motion was approved 5 to 0.

9. ADJOURN: With no further business to come before the board, on motion made and seconded, with no dissent, the meeting was adjourned at 9:13 p.m.

Mike Hay, Secretary