

**Hammock Dunes Owners Association, Inc.
Board of Administrators Meeting
May 16, 2011**

Call to Order

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

Members Present: George Bagnall, Bruce Aiello, Kelli Jebbia, Dave Eckert, Phil Henderson, Cosmo DiPerna, Andy Furia, George DeGiovanni

Members Absent: Jay Furbay, David Jacobs, Tom Sharpe

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

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

Approval of the Minutes – April 18, 2011 Board of Administrators Meeting

ON MOTION BY Bruce Aiello seconded by Phil Henderson, with all in favor, the Board approved the minutes of the April 18, 2011 Board of Administrators meeting with the following amendments:

- On page 2, sentence 5, under Financials, the word “times” should be changed to “items”.
- On page 3, sentence 5, under Security and Emergency Response, the figure “\$28,000 should be changed to \$26,800.
- On page 4, sentence 2 under Avenue de la Mer Roadway—Casa Bella Neighborhood, the words “per day” should be added after the word “vehicle”.

Committee Reports:

Communications Committee

Mrs. Jebbia reported she inspected the notification board at the Casa Bella amenity center and it is exactly the style she has been seeking for a Hammock Dunes community bulletin board. The cost of the bulletin board is \$300-\$500. The installation of the board will be administered by the Maintenance Committee. The Communications Committee will control what is placed in the bulletin board.

ON MOTION BY Kelli Jebbia, seconded by Cosmo DiPerna, with all in favor, the Board approved purchase and installation of a community communications locked bulletin board at the Comfort Station not to exceed \$500.

Social Committee

Mr. Andy Furia advised the first community beach party has been scheduled for June 8, 2011 at 6:00 p.m. at the Hammock Dunes Club dune walkover. Mr. Furia is negotiating with a local acoustic musician to play during the party. The setup for the party will be on the walkover where the seating is located. Mr. Cosmo DiPerna advised he will give Mr. Furia the files and records for use in planning the Volunteer Recognition Dinner. Former Board member Janet Krolicki is available for assisting in the Volunteer Recognition Dinner as well.

Design Review Committee

Mr. DiPerna provided the Board with a copy of the final draft of the Lake Bank Restoration Treatment Options Design Review Manual. The document will be uploaded to the Association's website by the end of the week. Mr. Eckert stated the Board may need to amend the manual from time to time; however it's better for the Community to have something in place.

ON MOTION BY Cosmo DiPerna, seconded by George DeGovanni, with all in favor, the Board approved the final draft of the Lake Bank Restoration Treatment Options Design Review Manual.

Mr. DiPerna reported on the feud between the owners at 12 & 14 Corte del Mar. The shrubbery that was removed has not been replaced. The time limit provided by Association council expired. Mr. Bagnall stated the HDOA has spent too much money regarding this situation and both parties should be approached to settle the issue. Mr. DeGovanni stated he met with the Tarvers earlier in the morning. He said he can speak to Ms. Rasmussen and attempt to arbitrate the issues. He stated there appears to be fault on both sides. The Board agreed for another attempt at arbitration and designated the assignment to Mr. DeGovanni.

Financial Committee

Mr. Bruce Aiello reported last month a final summary judgment by the court for 160 Avenue de la Mer, unit 1901 has been delayed by the county and is now scheduled for August 9, 2011. The HDOA and Beach Club accepted an agreement with the first mortgagee for the lender to take possession of 85 Ave de la Mer, unit 502, and forego collection of late fees and legal fees as an alternative to foreclosing on the property. All delinquent money due from 110 Island Estates Parkway was also collected.

Following a summary judgment on 23 Montilla Place, Rudolph residence, the Association was advised that a public sale date has been set for the Association, bank, or third party to bid on the property. Mr. Aiello advised the Association does not want to be in the real estate business and purchase the property. The risk of having the sale is that a third party could bid less the amount due to the Association which means the Association receives nothing. Mr. Aiello stated the public sale should be cancelled if there is no indication from the bank they will take title to the property. Mr. Eckert stated the Association has wasted money if they decide to back out at the last minute. The Board discussed their options including the possibility of buying the property and leasing the property. Mr. Eckert asked if the Board can determine the mortgage. Mr. Bagnall stated he is opposed to making a deal with the homeowner or accepting the summary judgment from court. Mr. Aiello advised that if the Association is the successful bidder, the Association will receive nothing and the lease arrangement must cover the Villas assessment and HDOA assessment as well as pay down the money due to the Association.

Mr. Aiello reported on HDOA, Granada Estates, and Ocean Estates financials. He reviewed the total amount spent on the sea wall project. The sea wall expense was taken from the deferred maintenance account. Mr. Bagnall stated the financials should indicate where the money was taken and how much the credit is due to the deferred maintenance reserve. Mr. Aiello stated the changes will be made. Mr. Bagnall stated assessment write-off is documented in three different places and should be reclassified. Mr. Eckert stated it is hard to determine the rate of deterioration based on the current documents. The Board discussed options on funding bad debt and predicting future bad debt expenses based on current delinquencies. Mr. DeGovanni stated the bridge light fixtures reserve and the bridge repair/replacement reserve did not seem correct on the balance sheet. Mr. Aiello confirmed this is a mistake and will be corrected. Mr. Bagnall asked what the difference is between the Arezzo and Murano delinquencies.

Security & Emergency Response Committee

Mr. Aiello reported the Committee contacted the owner who complained about rental violations and invited her to a Security Committee meeting. The police report from the accident involving Mr. Dennis on Camino del Mar was not available yet; however the deputy sheriff stated he will deliver the report once it's complete. The gate officer on duty that night to did not follow correct post orders regarding the accident and was dismissed from his position.

Mr. Furia asked if a club member leasing their membership must come thru the vendor lane to access the golf course. Mr. Aiello stated if they are not property owners, thus HDOA members, all visitors without a smartpass must come thru the vendor/visitor side and show identification.

Long Range Planning Committee

Mr. Eckert distributed a worksheet outlining a potential approach to build a long range planning database. Included with the worksheet is a potential example of what a page/tab would resemble. Much of the information can be accessed thru the county records and current account information on file with Southern States Management. The Board discussed the format for the database, specifically Excel v. Access. Mr. Furia asked if marital status should be included with the information. Mr. Eckert stated the Committee will need up to \$7,500 to begin the construction of the database and he will be ready to begin the project by the June meeting. Mr. DeGovanni stated the HD Club should share in the expense on constructing the database since they will benefit from the database as well. Mrs. Jebbia agreed it should be a combined approach. Mr. Aiello stated one of his concerns with the database is that it will show that the community is getting older and has less asset value. The Board discussed Hammock Dunes marketing strategy versus Ocean Hammock and Hammock Beach. Mr. Eckert stated if the vacant lots continue to remain undeveloped, the Community will continue to deteriorate. Mr. Eckert indicated the newsletter might be a good resource to inform the community about real estate and marketing issues. Mrs. Jebbia expressed concerns about using the newsletter as a vehicle for this information since it may give private information to the competition. Mr. DiPerna stated the Board should consider hiring an outside consultant to review these important issues and offer suggestions on how the Association should proceed in the future. Mr. Eckert stated the Association must decide if they want to take over the Declarant responsibilities. If the Association does not want to take on the responsibility, then they need to help HD Associates sell the Declarant rights. Mr. Don Finch updated the Board on the Club's meeting with HD Associates in Dallas, TX. An attorney has been hired by the Club to review their documents and determine how to proceed. Also, they are reviewing proposals from consulting firms to advise on the current market price for an equity membership. Mr. Finch's stated since HD Associates abandoned a marketing strategy for the Club, Club members are prepared to proceed with developing their own marketing plan with or without HD Associates. Mr. DeGovanni suggested the Club and Association join in their pursuit of HD Associates. Mr. Bagnall stated the Club has indicated they believe they are better off in pursuing HD Associates alone. Mr. Eckert indicated he will bring up policing motions from the HDOA against the Club for not involving the HDOA on these decisions. Mr. Bagnall stated the HDOA should get legal opinions on if the HDOA can buy assets and if certain paragraphs in Association documents, regarding legal action against the Declarant, are legal.

ON MOTION BY George Bagnall, seconded by Cosmo DiPerna with all in favor, the Board approved up to \$10,000 to hire the Hammock Dunes Club attorney to review Association documents and offer an opinion on the legality of the documents as it pertains to purchasing assets and pursuing HD Associates.

Maintenance Committee

Mr. DeGovanni reviewed the Maintenance Committee project list. Included with the list are descriptions and status updates. In the agenda package was the new roster of Committee members including contact information. Mr. DeGovanni said the Committee had their first meeting and was pleased with the progress. The Committee will be comprised of sub-committees specializing in infrastructure, technology, and landscape. Each sub-committee will be assigned a responsibility once the Committee filters through the back log list. Mr. DeGovanni reported the Committee is currently addressing the coquina project along Cordoba Court, the fence relocation around the billboard on A1A and the bridge decking refurbishment. He stated the Committee is reviewing if Camino del Mar should be paved before installing the pavers and indicated the Committee will offer a recommendation by the June meeting.

Association Updates/Discussion:

Chardani Remodeling, Inc. Violation

Mr. Bagnall reported the owners of Chardani Remodeling (and current HD residents) Brygitte and Charlie Lusinski, have been parking their commercial trucks overnight at their home on Valencia Court. Also, it appears they have been running their construction business from their home. They have been contacted numerous times regarding the violations; however the violations continue. Association council contacted the Lusinskis with a demand letter and subsequently their attorney sent a rebuttal letter, which is included in the agenda package. Mrs. Jebbia stated many HD residents are running businesses from their home and that should not be a violation the Board should pursue. The letter from the attorney indicated Chardani Remodeling established an office outside Hammock Dunes; and the trucks have stopped parking overnight at the residence. The Board agreed the address provided was acceptable; however Granada Estates documents state no trucks or commercial vehicles may be parked on the paved portion of a lot unless it is in an enclosed garage. Mr. Furia stated commercial vehicles park at residences everyday when providing their services. Mr. Bagnall stated the trucks eventually leave and do not park their continuously everyday. He stated he continues to receive complaints about the vehicles. Mr. Eckert stated the Board should support the Granada Estates representative regarding this issue. The Board agreed to send a letter to the Lusinskis thanking them for establishing an office outside Hammock Dunes; however commercial trucks can not continue to park at the residence regardless of the reason.

New Business:

I Contact

Mrs. Jebbia reported she has a meeting with Richard Hamilton regarding the icontact program. The Island Estates Board has requested access to Association email addresses and contact information through icontact. The Board discussed if Island Estates should be allowed access to this information thru the email server.

ON MOTION BY Bruce Aiello, seconded by Kelli Jebbia, with Messrs. Bagnall, Aiello, Eckert, DiPerna, Henderson, DeGovanni, Mrs. Jebbia in favor and Mr. Furia opposed, the Board approved providing Island Estates access. The motion carries.

Audience Comments:

Audience comments were addressed during the meeting

Adjournment

ON MOTION BY Bruce Aiello, seconded by Kelli Jebbia, with all in favor, the meeting was adjourned at 2:25 p.m.