

OPEN POA BOARD MEETING

Thursday, April 3, 2014

Call to Order – President M. Kyger called the meeting to order at 4:32pm in the Diamondhead Country Club in accordance with the Bylaws, Sections 5.5 and 5.7.

Roll Call - Board members present: President M. Kyger, V. President J. Yarbrough, Secretary N. Sislow, Treasurer B. Marshall and Directors: D. Crosby, K. Johnson, J. Menker, J. Peppenger, C. Perry, and Ex-Officio M. Feola. Also present were S. Irwin, K. Allen, M. Boyd, and D. Kinchen. Approximately 36 POA members were present.

Minutes – N. Sislow reported the minutes from the March 21, 2014 were approved by e-mail, and will be available in the May Diamondhead News and Diamondhead POA website.

Opening Remarks –President M. Kyger reported that the candidate for POA Board positions was April 1, 2014 with a robust slate. Pictures and information about each candidate will be in the May Diamondhead News.

General Manager Report – S. Irwin provided the monthly GM report which was published in the Diamondhead News and Diamondhead POA website.

Financial Report - K. Allen gave the financial report as of February 28, 2014 which was published in the Diamondhead News and Diamondhead POA website.

Old Business - None

New Business – Current actions taken by the Board prior to this meeting included:

1. *Golf Cart Purchase* – A motion to approve \$80,309.84 for purchase of new golf carts, offering 18 to membership and returning unsold to EZ Go was made by J. Menker and seconded by D. Crosby. The motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving.

2. *Resident Proposals for June Ballot* –

a. *Article V - DIRECTORS, Section 5.5 - Meetings* – A motion to not approve proposal to limit Ex-Officio vote was made by J. Yarbrough and seconded by J. Peppenger. Motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger and Perry in favor and M. Feola opposed.

b. *Article V - DIRECTORS, Section 5.5 - Number and Qualifications* - A motion to not approve proposal to follow open meeting laws was made by J. Yarbrough and seconded by J. Peppenger. Motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Peppenger, Perry and Feola in favor and Menker abstained.

c. *Article V - DIRECTORS, Section 5.4 - Duties and Powers* - A motion to not approve proposal to require member vote on purchases was made by J. Yarbrough and seconded by J. Peppenger. Motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola in favor.

3. *Postage Machine Contract* – A motion to approve the new postage machine contract was made by J. Peppenger and seconded by J. Yarbrough. The motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving.

4. *HMS Incentive Payment Recommendation* – A motion to accept the recommendation of \$17,543 incentive payment out of a maximum of \$35K to HMS for 2013 performance was made by B.

Marshall and seconded by J. Peppenger. The motion carried with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving.

Member Questions –

1. East Rec Ball fields– M. Kyger reported that some recent drawings of the new club show impact on activity fields, but those are future ideas that could only be implemented with relocation of spaces to another site. Earlier a motion to approve the expenditure of \$8600 to slope and level the small ball field and sprig the practice field was made by J. Menker and seconded by M. Feola. The motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving.

2. ACLU Court Order – J. Yarbrough explained his current understanding of the impact of the ACLU injunction. M. Kyger discussed the trial date and the recent motion to communicate a Board resolution to candidates requesting candidate and supporters to voluntarily refrain from solicitation and signs with final approval by e-mail of wording made by J. Yarbrough and seconded by J. Peppenger. The motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving.

3. Town Hall meeting – Club House changes –M. Kyger stated no plans yet, may be late summer for meeting.

4. Cost to POA for member lawsuits – B. Marshall explained his concern for legal fees.

5. Flooding from Golf Course – M. Boyd will explore role POA has and determine POA vs. city responsibility. He will report to Board and provide resolution.

6. Club House theft – S. Irwin reported \$3K stolen 12/5/13 and investigation is ongoing with recent change in investigator. No one charged at present, with suspicions in process.

7. Chair of GM Search Committee – N. Sislow was chair of committee and background check was completed as part of routine hiring process. Only GM was offered position at time of hiring.

8. Letters to Candidates –M. Kyger referred to earlier discussion of ACLU.

9. Fore Front Construction contract – M. Kyger explained that initial bid for golf course was competitive, Fore Front had low bid by \$135K, record has been quality work within budget, and consistency is important. There is no relationship to HMS at present – company sold to Fore Front in 2008. Board sees no ethical conflict.

10. Ballot Security – M. Kyger explained the use of independent accounting firm for receipt of ballots, locked boxes, and independent counting by the firm. Also earlier a motion to appoint J. Menker as Election Chairperson was made by M. Kyger and seconded by M. Feola. The motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving.

11. Why Executive Board sessions – M. Kyger described the length of meetings, extensive discussions, every motion recorded and reported in published minutes

12. Compliance with ACLU injunction – M. Kyger referred to earlier discussion of ACLU.

13. Board Member role/meeting time – Board members available to answer questions: meeting times based on tradition with March/October meetings at 6pm and June meeting at 9am.

14. Open Meeting - M. Kyger explained By-Laws allow member presentation to Board with pre-planning, that member input encouraged in March, June and October meetings. Board available by phone and e-mail at all times. M. Kyger apologized for any implication of rudeness in responses.

15. Missing June 2012 Minutes – Minutes completed by previous secretary. N. Sislow to attempt to locate and provide. Minutes are open to members in News and website.

16. PIE Charts and golf numbers – K. Allen to determine why missing. Golf rounds are provided to employees and members who work at course free.

17. Town Hall meetings – April 25, 2014 is the target date for the Swim and Racquet Club Town Hall meeting. An earlier motion to approve a letter of intent as approved by legal counsel with More Than a Carpenter to be signed by 4/10/14 was made by J. Peppenger and seconded by J. Yarbrough. The motion passed with Kyger, Yarbrough, Marshall, Sislow, Crosby, Johnson, Menker, Peppenger, Perry and Feola approving. Mid-to-late summer there will be a town hall meeting about club renovation.

18. Youth Sports – POA provides facilities, but does not manage sports programs, but will post announcements on LED signs. Sports groups invited to meet with POA staff to facilitate activities. No plan to transfer youth sports to city – POA is de facto Parks and Recreation at present.

19. By-Laws re: yard maintenance – A&E monitors compliance, contacts owners with problems. Have problem with bank-owned and rental property.

20. POA and City meetings – Both are independent entities with separate functions – POA manages amenities, City manages infrastructure. Communicate as needed.

21. ANCHOR QEA for dredging – M. Boyd explained history with member B. Iglesias proposal which included survey and permits being obtained by Anchor QEA. Anchor paid for permitting from general POA funds with plans to submit project for DMR grant funding.

22. Selection and payment of Watters – Started with a pro bono architect, sought RFI, Watters chosen based on references. Currently has been paid \$15K for work done.

23. Plan to transition POA to city – No plans at his time. No service duplication – Security manages POA property only; permit department manages A&E covenants. POA has no knowledge of casino plans despite the financial impact it could have.

24. A&E violations – D. Kinchen has names of owners only; may place sign on item out of compliance, member passes available. POA charges city for rental of space in maintenance yard only. City cannot prohibit signs, only regulate signs. Covenants are attached to property purchase. City is working out ways to enforce their regulations with POA trying to assist. There is no duplication of services.

Adjournment –

A motion to adjourn was made by J. Yarbrough and seconded by B. Marshall. The motion was passed unanimously by all Board members present. Meeting adjourned at 5:41pm.

Respectfully submitted,

Nancy Sislow
POA Secretary