

Minutes of Master Management Board Meeting,

July 15, 2010

Acting President Dan Glickman called the meeting to order at 9:33 a.m. on Thursday, July 15, 2010. In attendance were: Norman Bloom, Caryl Berner, Harry Chizeck, Anthony Falco, Dan Glickman, Bill Goddard, Jules Kesselman, Jack Kornfield and Mel Schmier. Via Telephone: Gene Goldman, Fred Rosenzweig, Ira Somerset, Dick Ciocca (later); Not Present: Bob Marcus and Alan Schachter. Guests Present: Executive Director, Al Smith; Office Manager, Donna Childrey; Business Manager, AJ Bock.

PLEASE NOTE: THESE MINUTES HAVE NOT YET BEEN APPROVED BY THE BOD.

(Viewers of this meeting on the internet, CVEDB.COM, can use the time points, below, as reference points.)

(9:33:30) Mr. Glickman discussed an item on the agenda "Approval of Agenda". He then asked the Board if anyone had any further items to be considered to add to the agenda. Jack Kornfield asked that the following motion be placed on the agenda. Mr. Kornfield moved for MM to immediately hire an attorney (for no more than \$15,000) with specific expertise in cable contracts to consolidate its complaints and seek remedies. Mel Schmier seconded. Mr. Glickman ruled the motion out of order. Jack appealed the ruling and Mel Schmier seconded the appeal. After a detailed discussion and a roll call vote, the ruling of the chair failed 5-7. (Yes: Ira, Dan, Harry, Gene, Fred; No: Norm, Caryl, Anthony, Bill, Jules, Jack, Mel). The Board then spoke about their disapproval of "Approval of Agenda." Mr. Glickman stated that this process will be eliminated and "Approval of Agenda" was removed from the agenda.

(9:50:45) Mr. Smith introduced Todd Barhydt, the District Manager with Aquatic Systems. Mr. Barhydt distributed to the BOD a monthly report which was used for discussion purposes. Aquatic Systems has been taking care of the lakes/waterways, using contact herbicides at CV for the last 20+ years. They have been spraying chemicals on the waterways 2x per month to control the aquatic weed and algae. There are approximately 10 miles of perimeter lakes and they spend about 4-5 hours 2-3 times per month treating the lakes. The problem with Hygrophila is that as it spreads, they treat it, it breaks up, floats to the top and then decomposes which is what you see now. The odor is coming from the treatment and the chemical decomposing process. Currently you are in the cycle and in the next 30-45 days the canals will look clean and by Feb/April you will see the same thing again - it is a cycle. You can add another visit to the contract. We would then be out here about 3-4 times/months to try and speed up the process. There are removal boats out there that remove the Hygrophila which cost upwards of \$100,000. The cost to do the removal

process costs approximately \$1,000/day, which is for 8 workers, and would take about 7 or 8 workdays. We have been in business for 34 years and don't own a removable boat because we cannot guarantee that it will not be back in 3-4 months. Removal of Hygrophila will help with aesthetics but it is not a long term solution and we do not recommend this process. We will be adding a 3rd visit during the summer, at no charge, to show you that it does work. Regarding the insects that come from the lake, the chemicals we use for the algae is also good for midge flies and mosquito larvae. There is live bacteria larvacide that can be sprayed for mosquito larvae but it is not recommended. Adult mosquitoes must be treated with pesticide, which Aquatic Systems, a lake management company, does not do.

(10:24:00)**Open Mike:**

Roslyn Nehls: Has written several letters and has not received any response from the Transportation Committee and has also requested a breakdown of the cost to make the transportation changes requested at the last meeting.

Ruth Porter: Asked the Board to consider putting a higher wall or fence around the Village. Since the removal of bushes and barbed wire there are many people climbing over the fence.

Rita Pikar: The Newport area lake has not looked good in over a year. Also are there any grants available in the Florida area for cleaning up the waterways?

Rhonda Pittone: Would like the Towne Center, East Route on Saturday extended to 5pm and for the busses to stop at the Muddy Waters shopping center.

Fred Sherman: Stated his displeasure with the missing History Channel and they are in breach of contract for removing the channel without telling us.

Minutes:

Bill Goddard moved to waive the reading of the Minutes from the MM BOD meeting on June 10, 2010. Jack Kornfield seconded. Ms. Berner asked why the minutes are published in the newsletter prior to being approved. Ms. Berner also suggested that the next to last two paragraphs prior to adjourning be reversed. Mr. Goddard moved to accept the minutes with the proposed changes. Mr. Bloom seconded. Motion passed unanimously.

Mr. Goddard stated that perhaps when we submit the minutes to the *Reporter*, we state that the minutes have not yet been approved.

(10:38:07) **Financial Report – Norman Bloom, Treasurer**

The CVE Master Management Financial Report, prepared by Donna Childrey, was distributed to all Board members and discussed in detail. For the month of June 2010 the

Total Income was \$899,386; Total Expenses were \$736,908; Net Income was \$162,478. YTD Total Income is \$5,400,719. Total Expenses are \$4,793,763; Net Income is \$606,956. Total Assets are \$2,324,794; Total Liabilities are \$959,122 and Total Equity is \$1,365,672. Cash on Hand is \$1,548,099; Prepaid Dollars are \$433,816; Overdue accounts receivable from unit owners is \$388,097 representing 512 unit owners.

Mel Schmier stated that it would be beneficial for us to have a six month review of the budget in detail so that we can better understand where we are. Ms. Berner also requested a workshop to understand the six month budget performance and financials better.

Jack Kornfield moved to accept the Financial Report; Mel Schmier seconded. Motion passed unanimously.

(10:52:40) Acting Presidents Report – Dan Glickman

The recording of this videotape is on high definition video with a greater resolution and quality.

Regarding irrigation, on July 22 we will be at the 50% document stage and then have eight days to review the documents and proceed forward and will be at the 100% stage around the end of September. There was an offer to continue the promotional offer by Comcast but not for those who have returned their boxes. The main concern with Comcast is breach of contract and will continue through our legal counsel to address this issue. Comcast has changed the History Channel without consulting us – the remedy is to call Comcast and state to them you want to view the History Channel, and they will give you the adapter free for six months. Because of difficulties with our internet connection, we have not yet received the status report from Mr. Murphy. Once it is received board members will receive a copy. Ms. Berner stated that it was very remiss of the Board not to make the recent offer from Comcast public knowledge prior to the return date. Mr. Kornfield asked the Chair to obtain a code number from Comcast in order to receive credit from Comcast billing department for the box.

(11:12:25) Executive Director's Report – Al Smith

Mr. Smith discussed the feasibility of posting the audio recordings of meetings on the CVE website. We already have the MM management meeting on the website; this was for the other Board meetings. The cost is \$10/month per meeting. After a discussion, Mr. Kornfield spoke about using services such as You Send It for sharing video/audio recordings. Mr. Ciocca moved not to start the audio recording since we already have the

video recording and they can be listened to. Bill Goddard seconded. Motion passed. No vote: Jack Kornfield

(11:18:45) Mr. Smith asked for clarification on the 6/10/2010 motion by Gene Goldman, “cancel the current contract with Tropical Growers and proceed with a full analysis and specification and go to bid on that”. Mr. Smith stated that he would go out for prices and break it down into, at least, four phases. Mr. Goldman clarified that he would like Al Smith to look into the issue and to provide the Board with his recommendation. My recommendation is to take the worst first (10th Street), and remove those sections and replace them with cocoa plum and do it in sections as we can afford to do it. I chose 10th Street first as the City has grant money for a sidewalk and they are landscaping the area as well.

Mr. Smith also mentioned that he has met with all but three Board members to get a handle of the priorities that the Board members have.

(11:32:30) Mr. Smith discussed the past due collections procedure that is currently in place and working well. We are currently deactivating barcodes to residents who are behind more than \$300. There are three different letters that will be distributed; letter from MM, letter from Cen-Deer and a letter which Security will distribute when the barcode is deactivated. We are not denying access, it is just an inconvenience. Mr. Somerset stated that it should not be up to Security to inform residents that their barcode is deactivated due to non-payment. The Board had a lengthy discussion on the point of collection. This will continue to be the procedure.

(11:47:00) Mr. Smith discussed with the Board, the Policy for Real Property Ownership, Liens and Foreclosures. He would like to make the recommendation to refer to the Real Estate committee to refine it a little more. Mel Schmier moved to refer to the Real Estate committee to discuss the policy with Al Smith and come back with a recommendation. Bill Goddard seconded. Mr. Glickman referred the policy to the Real Estate committee. The Real Estate committee is Anthony Falco; Chairman, Harry Chizeck and Mel Schmier. The next meeting of the Real Estate committee is on Thursday, July 22 at 1 p.m.

Mr. Chizeck moved to allow having up to three unit foreclosures without having the finished policy to enable us to write a policy more efficiently and to be managed by the Real Estate committee. Jules seconded. Caryl Berner moved to table the motion. Jack Kornfield seconded. Motion to table failed 3-10 (Yes: Dan, Caryl, Jack; No: Ira, Harry, Norm, Dick, Anthony, Gene, Bill, Jules, Fred, Mel). Ms. Berner stated that we should be

using a real-estate attorney and not our general counsel. After a discussion, Mr. Ciocca moved to make a friendly amendment to the motion to add “temporarily” as an exercise in setting policy. Harry and Gene accepted the amendment. The amended motion reads: Mr. Chizeck moved to temporarily allow up to three unit foreclosures without having the finished policy to enable us to write a policy more efficiently and to be managed by the Real Estate committee. Jules seconded. Motion passed 10-3 (Yes: Ira, Harry, Norm, Dick, Anthony, Gene, Bill, Jules, Fred, Mel; No: Dan, Caryl, Jack).

(12:08:15) Business Manager’s Report – AJ Bock

Contracted with Cool Team, Inc. to install pool heaters at Tilford pool and was completed on 7-2; Broken glass pane at LeClub replaced by A-Bob Glass Services; Termites treated at main guard house; Activity Center walls damaged by leaky windows have been repaired, irrigation pump #33 was replaced and pumps #29 and #38 were repaired; main gate and east gate replacing damaged plants due to cold weather – proposal signed 6-30; preserve area perimeter has been cleaned up by Seacrest at no charge. A sink hole developed behind Cambridge A – the City was notified and they are addressing the problem; Water line break was repaired and completed at Harwood B; signs were ordered for Prescott, Tilford and Ventnor; McKay construction has finished the bench pad project; we have one open permit which should be cleared up this week. Floyd fence should be finished this week; preparing scope of work for the replacement of audio system in the Activities Center; replacement bus stop decals have been ordered; revised scope of work on MM tree trimming responsibility; verification of all bus stop pads and chairs that will require maintenance; purchased vinyl lettering and address of MM/Activities Center/LeClub/COOCVE offices.

Committee Reports

(12:27:30) Transportation Committee – Dan Glickman

The Transportation Committee met on July 17 at 10 a.m. Mel Schmier, Al Schacter and Dan Glickman met with about 17 additional residents. Two items on the agenda – motion was made and passed unanimously changing the east route from 9-3p.m. to 10-4p.m. When the motion was made, an effective date was discussed, so we will have to come back before the BOD with an effective date. The Committee and Al Smith have a meeting scheduled for July 20 to discuss an effective relationship going forward between the Executive Director and the TC. Another item that was discussed was a potential route

change, but it was tabled. Ms. Berner asked about the cost to the routes that were changed. Mr. Glickman stated that the items under consideration had no cost.

(12:31:00) Irrigation Committee

Mr. Falco asked Mr. Smith why he was meeting with Masuen and not including the Irrigation Committee. Mr. Smith stated that he is meeting daily with Masuen on an on-going basis for project management. Mr. Smith stated that the Committee will be meeting when the 50% drawings are complete.

Unfinished Business – none.

(12:40:25) New Business

Mel Schmier read the following resolution:

Whereas the Executive Director has requested instruction from the Board of Directors regarding requests by individual Directors to have access to the documents and records of the Corporation, and Whereas none of the corporation's governing documents, including the Articles of Incorporation or Amendments thereto, the Bylaws or Amendments thereto, the Master Management Agreement or the Assignment and Assumption Agreement, place any restrictions on Director's rights of access thereto, and Whereas FS 617, which governs Not For Profit Corporations, places restrictions or conditions on such access only upon ordinary members and no such restrictions upon the Directors of the Corporation, and Whereas the Executive Director's Employment Agreement clearly contains the right of individual Directors of the Corporation to request such access, and Whereas the same Agreement clearly states that it may not in any way diminish the right or ability of Directors of the Corporation to exercise their due diligence and fiduciary responsibilities, and Whereas a fiduciary duty is the highest standard of care required of Directors at either law or equity.

It is therefore moved and the Executive Director is hereby advised, that in accordance with the Employment Agreement, individual Directors of the Corporation may request to view Documents and Records of the Corporation and shall have same made available in the Corporate Offices, without further approval of the Board, in a reasonable time frame. Directors are advised that such Documents and Records are not to be made public without the expressed approval of the Board of Directors pursuant to the restrictions of FS 617 and other governing documents. Directors are further advised that such requests should be as specific as possible, not overly broad, and as infrequent as possible so as not to place an undue burden on the staff. Should the Executive Director determine that access to certain

records may be excessive or violate individual privacy rights, he may request further direction from the Board.

Mel Schmier moved to adopt the above resolution to direct the Executive Director to make available, within limits, the documents and records of the corporation to individual Directors. The Executive Director may seek Board direction as needed. Caryl Berner seconded. Motion passed 7:2 with 1 abstention (Yes: Dan, Norm, Caryl, Anthony, Gene, Jack, Mel; No: Ira, Fred; Abstain: Jules).

(12:56:10) Caryl Berner read the following resolution:

Whereas I was asked by our Executive Director what the difference is between management, administration, and policy and Whereas I wasn't sure and whereas I have made inquiry of a person who holds title of both President and CEO and he said he wasn't sure but he'd be looking into it, and Whereas I have gotten books on management since, that talks about Boards, their purpose, the fact that all Boards face the same problems with reference to Board Members not knowing their responsibilities etc, and Whereas I have been to the City of DB Visioning Conference which was facilitated by a professional (the public was invited to attend but did not speak) and Whereas I'll be engaged at the end of the month in a Strategic Planning Session which will be conducted by a professional facilitator for the DBHA, (Therefore) I move that with the money budgeted in the Executive Director line item months of which we didn't have an Executive Director, which is the same budget item that was used to hire a Management Advisor and since there is a portion of money still in this line that could be appropriated for this purpose, I move that we either hire a local professional facilitator and/or look to SCORE wherein retired executives may come and speak with us about the role of a strong governing Board and how one works versus a rubber stamp Board and that will enable us to work with a Strong Executive Director and make this a better community for all and put an end to the bickering and the trivial issue's that beseech this Board among other issues we have.

Ms. Berner moved to adopt this resolution. Mel Schmier seconded. After a discussion, Fred Rosenzweig moved to table the motion. Gene Goldman seconded. Motion passed 6-4. (Yes: Ira, Dan, Norm, Gene, Fred, Mel; No: Caryl, Anthony, Jules, Jack). The Chair asked Ms. Berner to change the wording as best as possible so it is clear to everyone what they are voting on. It will come back on the agenda next month under unfinished business.

(1:08:35) Jack Kornfield moved for MM to immediately hire an attorney (for no more than \$15,000) with specific expertise in cable contracts to consolidate its complaints and seek remedies. Anthony Falco seconded. Dan Glickman moved to table the motion. Mr. Glickman withdrew his motion to table. Mr. Glickman stated that Mr. Murphy has been consulting with Jay Abbazia who has over 15 years experience in cable matters. After a detailed discussion, the motion passed 5-3 with 2 abstentions (Yes: Caryl, Anthony, Jules, Jack, Mel; No: Ira, Gene, Fred; Abstention: Norm, Dan).

(1:28:48) Jules Kesselman moved that we revisit having BSO come into the village. Mel Schmier seconded. Fred Rosenzveig made a friendly amendment to include costs, pros and cons. He then withdrew his amendment. Motion passed 9-0 with 1 abstention (abstention: Caryl).

(1:36:15) **Members' Comments**

Ms. Berner stated that Code Red is in effect in the City of Deerfield Beach and to go to the Deerfield-beach.com website to register.

Mr. Falco asked that a committee list be printed so that we all know who is on what committee and so that each member is recognized for their effort.

Mr. Kornfield stated that in the Staff Office there are forms available for those to sign up for Code Red. He also spoke about getting information on legal matters on a timelier basis. For example, we made a motion in February for our attorney to provide us with an Ethics affidavit and it was brought up again in April to Mr. Somerset. We need to get communications that go out to our attorney as well as receive information coming in.

Mr. Kesselman stated that there was a recent meeting with Comcast and the Comcast Committee was not aware of it. Mr. Glickman stated that two members of Comcast requested to speak with Mr. Smith approximately 10 days ago. Mr. Glickman was at the meeting as well as Ms. Childrey.

Gene Goldman thanked Al Smith for his work thus far.

Fred Rosenzveig also thanked Al Smith for his efforts and appreciates the time he took to speak to the Board members individually as well as looking at longer term plans and putting out all these fires.

Dan Glickman stated that Al Smith has been a tremendous help and thanked him as well.

Ms. Berner stated that Mr. Smith is not supposed to meet with us individually, so since two individuals from Comcast asked to meet with him, can I get another Board member to meet with him individually?

Jack Kornfield moved to adjourn at 1:50p.m. Anthony Falco seconded.
Motion passed unanimously.

Respectfully submitted,

Dan Glickman