

Holley by the Sea
Special Meeting of the Board of Directors
May 14, 2007
6:00 PM

Minutes

Role Call

Ms. Limousin, Mr. Tierney, Mr. Rogers, Mr. Parker, Ms. Huckestein were present.

Confirmation of Notice

The notice was properly posted.

Election of Officers

Mr. Rogers moved to assign Mr. Tierney and Ms. Limousin to the seats previously held by Mr. Harrington and Ms. Gardner and to assign Mr. Parker and Ms. Huckestein to the seats previously held by Ms. Reilly and Ms. Gallup.

The motion passed 5-0.

Mr. Parker moved to have all offices vacated.

The motion passed 5-0.

Mr. Parker moved to nominate Neal Rogers as President of the Holley by the Sea.

The motion passed 5-0.

Ms. Huckestein moved to nominate Priestly Parker as Internal Vice President of Holley by the Sea.

The motion passed 5-0.

Mr. Parker moved to nominate James Tierney as External Vice President of Holley by the Sea.

The motion passed 5-0.

Mr. Parker moved to nominate Leigh Anne Limousin as Treasurer of Holley by the Sea.

The motion passed by a vote of 5-0.

Mr. Parker moved to nominate Cathy Huckestein as Secretary of Holley by the Sea.

The motion passed by a vote of 5-0.

Dissolution of Committees

1 Architectural

- Mr. Rogers requested that the committee present any pending business before the Board.
- The Committee presented 5 variances for consideration.
 - Robert Lekanisis of 7382 Manatee requested a variance to install a retaining wall along the side of his property.
 - Mr. Parker moved to approve the variance.
 - The variance was approved 5-0.
 - Michael Gavitt 2482 Houston Circle requested a variance to construct a concrete pad within the 10' side yard setback.
 - Mr. Tierney moved to approve the variance.
 - The variance was approved by a vote of 5-0.
 - Christopher & Vickie Caile requested a variance to construct a concrete pad within the 10' side yard setback.
 - Mr. Tierney moved to approve the variance.
 - The variance was approved by a vote of 5-0
 - Clark Cameron 2094 Bahama Dr. requested a variance to construct a concrete drive extension within 4' of the property line.
 - Mr. Tierney moved to deny the variance until such time as the owner would construct a privacy fence to enclose the proposed paved area.
 - The motion passed 5-0
 - James Lucas of 2395 Tumbleweed Drive requested a variance to construct a concrete boat pad within 4' of the property line.
 - Mr. Tierney moved to deny the variance until such time as the owner would construct a privacy fence to enclose the proposed paved area.
 - Mrs. Huckestein also added that it needed to be determined how many trees in the buffer area between the proposed structure and the adjacent property would be removed.
 - Motion passed the 5-0
- Mr. Parker moved to dissolve the architectural committee.

- The motion passed 5-0.

2 Nominating

- Mr. Rogers called for any pending business from the nominating committee.
- Ms. Kemp stated that she did not have any business to present.
- Mr. Parker moved to dissolve the nominating committee.
- The motion passed 5-0.

3 Stormwater

- Mr. Rogers noted that the Stormwater Committee had done good work identifying Stormwater issues and coordinating projects with the County. Mr. Rogers stated that it was time for new leadership to refocus those efforts.
- Mr. Parker moved to dissolve the Stormwater Task Force Committee.
- The motion passed 5-0.

4 Planning

- Mr. Parker moved to dissolve the Planning Committee.
- The motion passed 5-0.

5 Events

- Mr. Parker moved to dissolve the social committee.
- The motion passed 5-0.

Review of Pending Legal Cases

Mr. Rogers tabled discussion of pending legal cases.

Stop Work on Contracts

- 1 Becker and Poliakoff (Legal)
 - Mr. Rogers announced that he had received a letter of resignation from Becker and Poliakoff.
- 2 Gulf Coast Arbor Care (Landscaping)
 - Mr. Rogers tabled consideration of the Gulf Coast Arbor Care Contract pending legal counsel review.

Hiring and Spending Freeze

Mr. Parker moved to impose a spending and hiring freeze on HBTS Imp Assn., Inc.

Further move that all spending for non-budgeted items must be reviewed and approved by the Board before the fact. Spending on budgeted items must be reviewed and approved by the Board President before the fact. All new hires must be approved by the Board before the fact.

The motion passed 5-0.

General Manager Replacement

Mr. Tierney moved to authorize the Board to act as general manager for HBTS IMP Assn. Inc.

The motion passed 5-0.

Mr. Parker moved to authorize Board President to work with Mr. Robert Fowner to recruit a replacement General Manager.

The motion passed 5-0.

Internal Audit of 2007 Expenses and Revenue to Date

Ms. Hoeflich presented the financial data. See Attached.

Projection of Revenue and Expenses through January 2008

Ms. Hoeflich presented the financial data. See Attached.

Ballots for 2007 Election of New Board Members

Mr. Parker moved to form a nominating committee comprised of the following people Ms. Verna Joyce, Mr. Harold Kruger, and Mr. Andy Fraysee.

The Motion passed 5-0.

Mr. Parker moved to direct the Nominating committee to review candidate information, conduct candidate interviews, and report to the Board with a recommendation no later than May 22, 2007 at 6:00 pm.

The motion passed 5-0.

June Edition of HBTS Newsletter

Mr. Rogers reminded the Board that articles for the newsletter were due by Wednesday, May 15.

Initiate Disciplinary Action Against Recalled Board Members

Mr. Rogers read the following statement.

June 8, 2006, Mr. Harrington, as Treasurer, without authorization of the Board, executed a contract with Biggs and Green Construction Services for the preparation of a design and

plans for an all purpose Beach House. This act was done so outside of his authority as provided by Article IV, Section 5, By-Laws of Holley by the Sea Improvement Association, Inc. (BLHBTSIAI)

January 29, 2007, Mr. Harrington, Ms. Gallup, Ms. Reilly, Ms. Gardner voted to suspend the voting rights of 562 rightful owners of Holley by the Sea for having failed to pay their annual assessments for 2007 as January 22, 2007. The instructions that were sent with the assessment provided no notice to the owners of this pending action. Pursuant to Article III Section 4(b), BLHBTSIAI, voting rights may only be suspended if an owner is in default of payment. Since the invoice and instructions did not provide notice of such action, the action was done so outside of the provisions of the association by-laws. Further, ballots may only be rejected by the Board Secretary once it has been determined that the assessments that are more than 90 days past due, according to Article III, Section 4(f), BLHBTSIAI.

January 31, 2007, Mr. Harrington, submitted an affidavit to the State of Florida Department of Business and Professional Regulation certifying the minutes of the January 22, 2007 Board meeting where the Board Acted to not certify the recall of the Board of Directors having been served on them January 22, 2007. Mr. Harrington, as President may not also be Secretary as provide by Article IV, Section 1 of the BLHBTSIAI. Preparation and certification of the minutes is reserved for the Board Secretary pursuant to Article IV, Section 4 BLHBTSIAI.

February 2, 2007, Mr. Rogers acting as Board Secretary, by letter, advised the Association Attorney and the Board that the authority to reject ballots is specially reserved for the Board Secretary according to Article III, Section 4(f), BLHBTSIAI, and of the 2510 only 34 ballots were rejected and thus the 4 Board Members, Harrington, Gallop, Reilly and Gardner had been recalled. This notice was disregarded in contravention of Articles III, Section 4(f) and IV, Section 4, BLHBTSIAI.

March 1, 2007 through May 10, 2007, Mr. Harrington and Ms. Gallup authorized several contracts and changes to contracts without authorization from the Board. These acts were in contravention to Article II, Section 4 and Section 5 and Article IV, Section 2 and Section 3 BLHBTSIAI.

Where as Article III, Section 4(b) also provides that the Board may suspend such rights after notice and hearing before the Board of Directors with the length of the suspension being determined at the discretion of the Board for infractions of the published rules and regulations other than non payment of assessment levied by the Association.

Where as Section 720.303(1), FS states, "Each member and the member's tenants, guests, and invitees, and each association, are governed by, and must comply with, this chapter, the governing documents of the community, **and the rules of the association.**"

Where as Section 720.303 (2), FS, States, (2) If the governing documents so provide, an association may suspend, for a reasonable period of time, the rights of a member or a member's tenants, guests, or invitees, or both, to use common areas and facilities and may levy reasonable fines, not to exceed \$100 per violation, against any member or any tenant, guest, or invitee. A fine may be levied on the basis of each day of a continuing

violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000 in the aggregate unless otherwise provided in the governing documents. A fine shall not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the nonprevailing party as determined by the court.

(a) A fine or suspension may not be imposed without notice of at least 14 days to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine or suspension, it may not be imposed.

Mr. Parker moved to form a disciplinary committee to consider alleged infractions of the association covenants and by-laws by Mr. Harrington, Ms. Gallup, Ms. Gardner, and Ms. Reilly. The committee will consist of the following people, George Rogers, Cary Manning and Cary Whitfill.

The motion passed 5-0.

Motion – Move to authorize the Board President to issue written notices to Mr. Harrington, Ms. Gallup, Ms. Gardner, and Ms. Reilly advising them of the charges and offering the opportunity to appear before the committee to be heard.

The motion passed 5-0.

Motion – Move that the Committee hold such hearing no later than the close of business on June, 8, 2007, and that the committee report back to the Board with their findings and conclusions at the regular Board of Directors Meeting to be held on June 12, 2007.

The motion passed 5-0.

Adjournment

Sincerely

Cathy D. Huckestein

Cathy D. Huckestein

Board Secretary

Holley by the Sea