

PDPOA  
Annual Meeting  
October 14, 2006

Board Members: Ed Batten, Phil Burger, Rich Femano, Gloria Henley-Smith, Bob Houlihan, John Joseph, David Nelson, Phil Porter, Bill Thomas and Peg Weschke.

General Manager: Bob Sharp  
Asst. GM: Andrew Schumacher

President Phil Burger called the meeting to order at 4:00 pm. He announced that this is the first meeting of the members as the owners of the Palmetto Dunes Property Owners Association. Phil introduced the current Board members.

Rich Femano declared that a quorum exists and the meeting may continue.

The minutes of the previous annual meeting were approved.

Report on infrastructure improvements – Bob Sharp

The leisure path from the North gate to Sea Lane has been completed. It was a complex task trying to address both safety and tree preservation. Additional work will be done to improve and increase usage. The second part of the path, from the Mooring Buoy/Sea Lane intersection to the Mooring Buoy/Port Tack intersection will be completely off the road and stay on one side of the road. This section is near completion. The work for the completed path came in under budget.

Seven tide gates have been replaced at a cost of \$300,000 which is almost \$100,000 under budget.

The St. George pedestrian bridge was replaced.

701 mailboxes have been refurbished.

Upcoming projects include: paving of Topside, Full Sweep and Rum Row, drainage work by Ketch/Mooring Buoy, and the installation of the boat ramp. The cost of this work is approximately \$800,000.

Report on the development of the Resort – Joanne Dugle

Joanne introduced the members of the ARB Board and the ARB staff.

She explained the purpose and operation of the ARB.

She discussed the ban on Saturday work.

Joanne gave a summary of construction activity over the last year:

New construction	8
Pools	14
Demolitions	4
Docks & Bulkheads	5
Roofs	8
Tree removals	74
Painting	25
Renovations	75

Report on security operations – Allan Davis

Allan discussed his philosophy of operation and the structure of the security department. Security officer weapons have been upgraded. Staff training has been an area of great focus. The entire staff is certified in CPR.

Report on finances – Ed Batten

Ed gave an overview of the accounts receivable status. Four years ago 200 owners were a total of \$400,000 in arrears. Currently, 11 owners are a total of \$55,000 in arrears. Action is underway against each of these owners.

The income/expense projection is that PD will finish the year with a surplus of \$150,000 after taxes.

The budget process is underway for the upcoming year. It includes a \$700,000 capital budget. The property owner assessment for next year will increase by approximately \$40.

#### Election of Directors

Report of the Nominating Committee – David Nelson

The following people were nominated for membership on the Board:

Sharon Cheney, Robert McFadden, and Joseph Maggi.

David introduced the nominees.

Phil asked for a vote. The members voted unanimously to elect the above slate to the Board.

#### Proposed Amendments to the Covenants – Wes Warren

Wes explained the Community Enhancement Fee (CEF). The fee will initially be set at 1/4 of 1% of the total purchase price. The monies collected under this fee will be used for community improvements projects. The fee is paid at the time of property transfer. It will go into effect on January 1, 2007. Wes explained that a 25% quorum is required to vote on covenant amendments and that there was a sufficient quorum at the meeting.

Phil addressed several questions. He then took a vote. Two votes were in opposition, the majority voted in favor. The motion was passed.

#### Member questions

A resident asked if Yard Arm would be paved. Bob Sharp answered that it is in the plan.

A resident praised security for their work on the vandalism situation. He also asked when he would get restitution. He further asked when Midstream would be repaved. Allan Davis said he would address the repayment privately. Ed Batten said that Midstream repaving is in the 2007 capital plan.

A resident asked a question regarding the need for all the bike path stop signs, stating that they caused much confusion. Bob Sharp said the signage issue would be addressed.

A resident asked a question about bike safety. Dave Nelson said rules will be put in each rental unit and will include biking and walking rules.

A resident suggested there should be fines for bike violations.

A resident asked how many complaints have to be made before a fine is levied. Dave Nelson and Beth McDowell explained the fine system and process.

A resident spoke favorably about receiving responses from the email system.

A resident asked a question about the possibility of a community center. Phil stated that there is a strong desire for one and that the funds from the CEF could be used for this purpose.

A resident asked a question about the maintenance of lakes. Bob Sharp said the lakes are inspected monthly and treated as required. John Joseph said the lagoon committee will include the lakes in its inspection operations.

A resident asked a question about providing resident parking by the Dunes House. It was explained that the parking is limited and there is no space to provide for additional parking. The Dunes Buggy was put in place to try to address this situation. Its usage was quite heavy this year. Year-round service is being evaluated.

Phil Porter made a presentation in appreciation of their service to: Phil Burger, Rich Femano, and Bill Thomas.

The meeting was adjourned at 5:15 p.m.