



OCEAN PINES ASSOCIATION, INC.
BOARD OF DIRECTORS'
REGULAR MEETING
Thursday, May 28, 2015
3:00 PM, Assateague Room, Community Center

Present-Dave Stevens, Marty Clarke, Pat Renaud, Tom Terry, Jack Collins, Sharyn O' Hare and Bill Cordwell. Also present: Bob Thompson, Teresa Travatello, and Michelle Bennett, 3 members of the press and 16 Association members.

Call to Order – Dave Stevens called the meeting to order at 3:00 pm with the Pledge of Allegiance.

Approval of Agenda

Mr. Cordwell added a Sandpiper discussion to Old Business.

Approval of Minutes

April 30, 2015 Regular Meeting- Mr. Clarke moved to approve, Mr. Collins seconded. Mr. Cordwell asked to make a change, under Controllers report, Golf "main" to "maintenance". Ms. O'Hare asked under President's Remarks change the "???" to "was not accurate". Minutes were approved, all in favor.

President's Remarks – Dave Stevens- Mr. Stevens shared the Board held a Special Meeting last week with the Facilities Usage Group about the Community Center usage. The Board is waiting on additional info from the GM. He also shared that Tom Cetola passed away. Ms. O'Hare added he was a legend in our Community; he was on this Board of Directors, served as President here; he was a County Commissioner; a local Realtor for years; he was on the first Board of Directors for the Veteran's memorial, being instrumental in getting it built; as well as numerous other civic organizations; he will be greatly missed; Thank You to his family, we appreciate having him as a member of our community.

General Manager's Report – Bob Thompson

Controller's Report- Mr. Clarke asked why there's -\$315 showing under member tennis dues? Mr. Thompson will check in to this. Mr. Clarke also asked for clarification on the -\$21,187 on golf maintenance. Mr. Thompson answered, as he did in his reply email to Mr. Clarke, it was an end of year inventory adjustment.

WH Boat ramp

Marina Fuel Pumps

S&R Pool

Tennis Resurfacing

Mumford Landing Pool- Ms. O'Hare looked at the pool today, it looks great, the staff also talked about how great the liner & Rubaroc are.

Goose management - Mr. Clarke commented Tom List did a head count last year and will do one again this year to track.

Tennis- Mr. Clarke asked if the current budget included the Dave Marshall contract. Mr. Thompson said we budget every year for Tennis management; the Racquet Committee strongly recommended self-management, which we decided to try this year.

Golf- Mr. Collins says the April weather was horrible, outside play is risky and we should build our membership base.

Yacht Club- Mr. Clarke said it's another giant loser, another \$35,000 loss, that's \$260,000 in 7 months; we can't make that up in volume. Mr. Stevens pointed out those were the worst 7 months to compare; he announced we have a new manager, he hopes for a meeting with Jerry Lewis to meet the Board.

Aquatics-

Splash Pad-discussion- Mr. Thompson explained the process up to this point. Mr. Clarke asked about the balance owed to the original Contractor, have we talked to our attorney. Mr. Thompson said he was confused, as during our weekly meeting Mr. Clarke stated the final product was not quality workmanship, we should fix it then let them sue us; he asked for clarification on what he was being directed to do. Mr. Clarke asked Mr. Thompson to talk to our attorney about the issue. Mr. Stevens said they have given us poor quality workmanship, we are retaining a portion of their payment, and we have to proceed to fix the pool. However, Mr. Stevens said he would not object to a call to Joe Moore.

Public Comments

Walt Lischak- 118 Park Side Circle- he thought there was going to be a discussion of Community Center fees? Mr. Stevens answered it was not on today's Agenda. Mr. Lischak then remarked the Boat Club consists of 400-500 members, you would be asking us to do 1200-2000 volunteer hours. Our members are 60-80 years old, will there be an insurance release form if someone gets hurt; shouldn't be paying extra fees for something we already pay for in our assessments. You have to give us ideas on how to get our members to volunteer and how we can compensate them for that. Our Club was never asked to participate on this Committee.

Bill Zawacki- 111 Tail of the Fox Dr.- love the new floor; the Board glossed through the financials, no numbers were discussed, the audience has no idea what was in the report. He then read from Resolution F-02- Monthly Reporting; nothing in the past several GM reports includes specific recommendations to eliminate negative variances. In the April/Year End financials, the GM Office is over budget by 12%; Public Relations, Tennis, Golf, etc. are all over budget with no explanation or plan. Hiring a new YC manager is not the answer to fixing the Yacht Club. Until the Board starts asking for the reports you're supposed to get, we'll keep sliding.

Tom Janasek- 17 Lookout Pt. - every month we talk about the Yacht Club. He suggests having the new manager come to next meeting to explain what he has found wrong, he will have had over a month to figure out some things.

Bob Kessler- 9 Dockside Ct. - Golf had a good year; we need to increase revenue, to do that we should be just a regular public course. We reduced expenses to offset the revenue losses. Savings are up 700%, but are not reflected in next year's budget. If these savings are real we should see them in future budgets.

Board Actions from GM Report-

S&R Splash Pad- Ms. O'Hare moved to grant the contract to Pools & Spas for \$9,180. Mr. Terry seconded. Mr. Clarke would like Mr. Thompson to contact our attorney. Mr. Thompson will call immediately after the meeting. Motion passed, all in favor.

CPI-

78 Quarter Staff Pl. - Ms. O'Hare spoke to the homeowner who said she was unaware of the violations & would take care of this immediately. Ms. O'Hare would like to table until the next meeting; have CPI go by in 2 weeks to follow up. Mr. Terry moved to table, Mr. Clarke seconded. Motion passed, all in favor.

Old Business

Motion- Second Reading of Resolution F-01 Investment Guidelines- Jack Collins- To withdraw submitted F-01 revision before 2nd reading and refer same back to the B&F for refinement and additional information. Ms. O'Hare seconded, motion passed, all in favor.

Revised Policy on Distributing and Receiving Quorum Proxies- Pat Renaud- removed by Mr. Renaud.

Discussion on Status of Sandpiper Negotiations- Bill Cordwell- Mr. Cordwell asked if there's been any progress. Mr. Stevens said no, Sandpiper has not gotten back to us since the last changes we submitted to them; we are open to renewing the discussions. Mr. Cordwell stated our residents are paying these super high fees. In December, we asked the GM to negotiate the contract and he was making progress until the Board got involved again. Mr. Cordwell would like to give the GM the authority to negotiate the contract alone. Mr. Collins doesn't believe Mr. Cordwell's comments that the Board has bogged the process down, let's put together a Committee including the GM to negotiate, he agrees we need to move it forward; Mr. Thompson is one of our best resources, he should have at least one Board member to work with him. Mr. Clarke said we have a team in place; we don't have a gas product problem, we have a gas company problem; the residents don't realize they are being gouged. Mr. Terry commented, being part of that Committee, doesn't think putting the same group out there will get results; allowing Mr. Thompson to reach out to them and see if they want to move forward is a very good next step. Mr. Stevens stated we have already tried this, he believes the Board needs to have a discussion obviously in a closed forum to discuss how to move forward. Mr. Stevens asked for Board feedback on available dates for a Closed Session. Mr. Cordwell doesn't agree with a closed session. Others stated it is a contractual discussion therefore should be closed. Wednesday, June 3rd at 1:30 pm works for all. Mr. Stevens will work on an Agenda, he also thanked Mr. Cordwell for bringing this up. Mr. Terry asked if legal counsel should be present. Mr. Thompson pointed out we have already spent over \$70,000 in legal fees. Mr. Stevens said we will not ask for the attorney's presence yet.

New Business- None

Pending Actions

Facility Usage-Mr. Thompson does not have info ready yet.

Liaison reports

Golf Counsel Minutes- Jack Collins- the last set of minutes are included in your Board packet; he pointed out the Sunday socials and asked for Community support.

Appointments – Dave Stevens

Cheryll Bissell- 2nd Term- Elections

Frank Daly- 1st Term- Comprehensive Plan

Thomas Beery- 1st Term- Budget & Finance

The above nominations were approved unanimously.

Media Questions-

Tom Stauss- asked if the Sandpiper meeting will be Closed? Mr. Stevens replied yes. Tom asked if the Board will changing strategies. Mr. Stevens said we don't know.

Joe Reynolds- he stated, based on comments here, does the Board believe there will be significant savings in natural gas? Mr. Clarke said in 3 years, no, in 20 years, yes. Mr. Stevens agreed and added Berlin & OC are paying the same rates for natural gas as we are for propane. Mr. Terry explained the process of migrating a product into a regulated product, in a small defense of Sandpiper; their competitors have an advantage; the savings promised with natural gas will be over a period of time; he believes Sandpiper wants to serve OP with natural gas.

Adjournment

The meeting was adjourned unanimously at 4:30 pm.

Respectfully submitted:
Pat Renaud, Secretary