A regular meeting of the Hot Springs Village Property Owners’ Association Board of Directors was held at 9:00 a.m., Wednesday, July 18, 2018 at the Ouachita Building of the Ponce de Leon Center.

Board members attending were: Chairman Tom Weiss, Vice Chairman Bob Cunningham, Directors Buddy Dixon, Cindi Erickson, Nancy Luehring, Mike Medica, Bill Roe Jr., Lesley Nalley, CEO; and Linda Mayhood, COO.

Attending from staff were: Rick Middleton, Police Chief; Jason Miller, Fire Chief; Stephanie Heffer, Dir. of Placemaking & Development; Liz Mathis, Controller; Cheryl Dunson, Dir. of Sales; Tom Heffer, Dir. of Golf; Magdy Hussein, Dir. of Food & Beverage; Jason Temple, Dir. of Public Utilities; Stacy Hoover, Dir. of Recreation; Tony Rather, Fleet Mgr; Alan Ault, Sup. Streets & Sanitation; Shawnee Cooper, Dir. of Human Resources; Renee Haugen, Dir. of Real Estate Acquisition & Member Services; Kevin Sexton, Dir. of Tourism & Community Affairs; Charles Brown, Lifestyle and Outdoor Recreation Mgr; Mike Sykora, Sup. Buildings & Grounds; Kate Chagnon, Communications Mgr.; Susan Fuecht, Discovery Center Manager, Eric Hefley, IT Manager; and Ella Scotty, Executive Assistant.

Also attending: Lewis Delavan, Village Voice.

Approximately 95 people were in the audience.

Call to Order: Chairman Weiss called the meeting to order at 9 a.m.

Prayer/Pledge of Allegiance: Chairman Weiss gave the prayer, and the pledge of allegiance was led by Bill Roe.

Introduction of Guests: Jodi Latham, CCI; Kathleen McComber.

Approval of Order of Business: Chairman Weiss asked if the Board would like to make any changes to the agenda. As there were none, the Order of Business was APPROVED.

Consent Agenda: Chairman Weiss presented the Consent Agenda items consisting of: Ratification of Minutes of the 06-20-18 regular meeting, and 06-12-18, 06-20-18, 6-26-18 executive session; Standing Committee Minutes: ACC 06-07-18 and 06-21-18; Golf 06-21-18; GAC 06-01-18; Lakes 06-13-18; Recreation 06-11-18; Trails 06-19-18; appointment of George Parker to the Architectural Control Committee; Appointment of Julia Milano to the Community History Committee. As no objections were heard, the Consent Agenda was ADOPTED.

Questions & Comments for the Audience Concerning Agenda items: A member commented on the IT server replacement project.

This month’s financials include quarterly departmental details (pages 13 and 14). Key highlights from the 75 departments are found on pages 4 and 5 of the financial packet. Overall, Cash and Member Equity continue their strong position. We are 50% into the year and have earned 45% of budgeted total revenue and spent 47% of budgeted total expense.

Real Estate Sales: Through the end of June 2018, 36 new home permits have been approved; 46 homes sold.

Builders Guild: The third spec home is under construction and a third builder has joined the guild.

Gate Software Project: the project with ISN was terminated due to their failure to timely complete the project specifications. A new RFP will go out this week to bring this project to completion.

Declaration & Articles of Incorporation Vote: A white paper containing specific language being proposed and goals of each amendment will be in mail boxes next week. From August to November townhall meetings, out of state non-resident meetings, and small group presentations will be held.

COO Report: Linda Mayhood, COO presented the COO report. Highlights included updates on the South Barcelona Road repair; emergency Action Plan for Lakes DeSoto, Cortez and Balboa; Water Tank Rehab and Wastewater Treatment Improvement projects, and streets maintenance updates.

Pickleball Project Update: Charlie Brown, Lifestyle and Outdoor Recreation Manager, and pickleball project manager, updated the board on the progress of the project.

Jessieville/Fountain Lake School District Sewer Connection Discussion: Jason Temple, Director of Public Utilities updated the Board on the proposed Jessieville/Fountain Lake School District Sewer Connection project.

CURRENT BUSINESS

Budgeted items:
Tennis Court 7-10 Irrigation Renovation Project: Director Luehring MOVED to accept the bid from Australian Court Works, of Brandon, Mississippi, in the amount of $179,400 for the installation of HydroCourt for clay tennis courts 7 – 10. Director Medica SECONDED. Discussion followed and the MOTION was unanimously APPROVED.

POA IT Server Replacement: Director Medica MOVED to approved the total project costs of $216,689.71 to replace the existing server for Hot Springs Village. This project includes:

- a bid from Bidder 2, Zones, in the amount of $179,312.17 for the purchase of a Four Node VX Rail Server System with associated switches, software & support.
- Additional onboarding, system monitoring services and training provided by a third party totaling $18,730.
The project funding includes:

- Leasing the equipment (hardware only) through a 60-month lease agreement with a $1 buyout through Regions Bank at a fixed interest rate of 4.71%. The total amount to be financed is $149,998.66 with total costs of $168,646.20 over 60 months.
- Software and support agreements, sales tax, shipping, training will be paid for in cash and expensed over the same 60-month (5 year) period. Total cash for this project over the five years is $48,043.51

Director Roe SECONDED. Discussion followed and the MOTION was unanimously APPROVED.

**NEW BUSINESS**

**Governing Documents Review of POA’s common property projects:**

Director Erickson discussed governing documents review of POA’s common property projects including:

- Define proposed process to update Protective Covenants and related documents
- Establish Protective Covenant Review Committee and make initial assignments
  - Clarify/Add Protective Covenants for Common Property, pool, fishing piers
  - Integrate Chapter 5, articles 1-3 (ACC)
  - Integrate Chapter 2, Article 7 (Common Property)
  - Update table 4.1-1
- ACC Charter Revisions

**Visitor/Future Property Owner Enterprise Goal:**

Lesley Nalley discussed establishing a Visitor/Future Property Owner Enterprise Goal.

These items will be on the August 15, 2018 Agenda.

**Board Member Comments:**

Director Dixon recognized and thanked veterans in the audience for their service.

Director Medica commented that AR Highway Department will send requests for bids for a one-year work project to repair two areas on Danville Road.

Vice Chairman Cunningham commented that today’s Board meeting was interesting and informative and shows transparency.

Director Luehring commented that debate at the Board meeting is very useful.

**Comments & Questions from Audience:**

A member commented on the tennis court Hydrocourt project.

A member commented on financials.
A member commented on the gate system and CMP.

A member commented on point of order.

Adjournment: Chairman Weiss MOVED to adjourn, Director Medica SECONDED, and the MOTION was unanimously APPROVED. The meeting was adjourned at 11:10 a.m.

__________________________________ ___________________________________
Chairman    Secretary