A regular meeting of the Hot Springs Village Property Owners’ Association Board of Directors was held at 9:00 a.m., Wednesday, August 15, 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; Shawnee Cooper, Dir. of Human Resources; Renee Haugen, Dir. of Land Acquisitions; Kevin Sexton, Dir. of Tourism & Community Affairs; Charles Brown, Lifestyle and Outdoor Recreation Mgr; Mike Sykora, Sup. Buildings & Grounds; Kate Chagnon, Communications Mgr.; and Ella Scotty, Executive Assistant.

Also attending: Lewis Delavan, Village Voice and Pamela Rae, KVRE.

Approximately 90 people were in the audience.

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

Prayer/Pledge of Allegiance: Director Luehring gave the prayer, and the pledge of allegiance was led by Director Erickson.

Proclamation - Constitution Week: Chairman Weiss presented a Proclamation declaring September 17 – 23, 2018 as Constitution Week to Peggy Cara, Regent, Daughters of the American Revolution Akansa Chapter Hot Springs Village


Introduction of Guests: Melissa Spears, Superintendent- Jessieville School District; Dr. Michael Murphy, Superintendent Fountain Lake School District; Patrick Travers, Arkansas Department Environmental Quality

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 07-18-18 regular meeting; Standing Committee Minutes: ACC 07-05-18 and 07-19-18; Golf 07-19-18; GAC 07-17-18; Lakes 07-11-18; Recreation 07-16-18; Trails 07-17-18; appointment of Bert Cueva to the Public Works/Public Utilities Committee; As no objections were heard, the Consent Agenda was ADOPTED.

Chairman’s Comments: Chairman Weiss read an article on the rules of decorum for Board meetings (attached). He also requested that the three new board members be given a copy of the HSVPOA Emergency Action Plan.
Minutes of August 15, 2018 Board Meeting

Questions & Comments for the Audience Concerning Agenda items:

A member commented about the Jessieville/Fountain lake School District wastewater proposal.

CEO/Financial Report:

Lesley Nalley, CEO presented the CEO report and the July Financials. The July financials underscore our focus on deferred maintenance projects, service improvements and metric tracking. Highlights include:

- $1.8mil (of the $4.6mil budgeted/carried forward) in capital spending YTD, the majority relating to water and waste water projects, fleet purchases, and the pickleball project
- Annual depreciation totals $2mil, pointing to end of life assets driving the “protecting current value” CMP pillar
- 784k added to reserves since July 2017
- $353k in net new debt added, as a result of the ladder truck purchase, offset by $55k in principal paid off for the DeSoto Club loan and waste water bond
- Workers compensation spending per employee reflected a 62% improvement from 2017
- Golf revenue is $154k ahead of 2017
- Food & Beverage Division expenses/revenues remains a focus.

Real Estate & Discovery Packages:

- 40 new home permits approved YTD
- 17 Discovery Packages YTD
- Groundbreaking ceremony for 3rd Builders Build Member
- Zillow reports HSV property values up 4.1% as of July

Community Engagement:

- Forward Together Forums held at Lake Cortez, Balboa G.C. & Clubhouse, and upcoming with Lake Balboa Shoreliners

Declaration & Articles of Incorporation Vote

- Nalley thanked the Board, staff, property owners, and community partners for participating in the August 7th townhall meeting. The next townhall and mailer will focus on the proxy and ballot formats, as well as answering remaining questions.

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 Lakes Department update.

Gates Update:

Liz Mathis, Controller gave an update on the gates project. RFPs out for bid. Three vendors completed site tours last week. Bids are due August 24, 2018 and will be reviewed staff and members of the Citizens Police Academy.

Pickleball Project Update:

Charlie Brown, Lifestyle and Outdoor Recreation Manager gave an
update on the Pickleball project. The project is on target for completion on August 31 and is under budget.

**RV Park Update:**
Stacy Hoover, Director of Recreation gave an update of the 2018 budgeted RV Park renovation. The Recreation subcommittee has determined priorities for a full-service RV park, add 10 back-in sites, road improvements, ingress/egress improvements, and provisions for future bath house and site expansion. Plans are in development and will be submitted to the Department of Health and Architectural Control Committee.

**Pool Update:**
Stacy Hoover, Director of Recreation gave an update on the outdoor pool. Identified planning documents required for ACC approval, identified utility needs, contracted for topographic surveys, and geographical report. A draft contract is in the review process. Next steps plans, ACC approvals and submittal for Board approval.

**CURRENT BUSINESS**

**Protective Covenants Revision Policy:**
Director Erickson MOVED to:
1) Create a new policy entitled Chapter 8, Article 5: Protective Covenant Amendment Policy
2) Consider any Protective Covenant language that conflicts with this policy to be hereby superseded, including but not limited to Sections 3.4.2, 3.4.3, 3.5.2 and 3.8
3) Revoke chapter 5, Articles 1-3 - ACC Policies
4) Revoke Chapter 2, Article 7 – Common Property Policy
Director Roe SECONDED. Discussion followed and the MOTION was APPROVED 5-1 with Vice Chairman Cunningham, and Directors Erickson, Medica, Roe, Dixon voting in favor and Director Luehring voting against.

**Visitor/Future Property Owner Enterprise Goal:**
Vice Chairman Cunningham MOVED to add a fourth Enterprise goal that reads “Provide welcoming visitor experiences that encourage property ownership”. Director Erickson SECONDED. Discussion followed and the MOTION was APPROVED 5-1 with Vice Chairman Cunningham and Directors Erickson, Luehring, Roe and Dixon voting in favor and Director Medica voting against.

**NEW BUSINESS**

**Jessieville/Fountain lake School District Sewer Connection:**
Jason Temple, Director of Public Utilities discussed a draft agreement for the proposed connection of the Jessieville/Fountain Lake School District’s wastewater system to HSVPOA’s system. Melissa Spears, Superintendent of Jessieville Schools, Dr. Michael Murphy, Superintendent of Fountain Lake School District, and Patrick Travers of Arkansas Department of Environmental Quality also addressed the Board.

This item will be on the September 19, 2018 Agenda.
Adjournment:

Chairman Weiss adjourned the meeting at 10:53 a.m.

Board Member Comments:
Director Erickson is pleased with the Board meetings, appreciates board debates and critical thinking.
Director Luehring agreed with Director Erickson’s comment.
Director Roe complimented Liz Mathis, Charlie Brown, Stacy Hoover for their excellent presentations.

Comments & Questions from Audience:

- A member thanked the Board for their services and commented on the Forward together forums, discovery packages, ACC chair comments, Jessieville/Fountain Lake School District waste water treatment.
- A member commented on board minutes, bylaws, Robert’s Rules of order, and bylaws, employee classification salaries.
I really hate that I’m forced to read the following statement and I truly hope that future Board Chairs are not put in this position but events at recent meetings make it necessary.

Hot Springs Village Property Owners Association Bylaws, Article XIX, page 23 state: “The rules contained in the current edition of Robert’s Rules of Order shall govern in all cases to which they are applicable and in which they are not in conflict with the organization’s Bylaws or any special rule of order.”

Robert’s Rules of Order are a road map to aid in the efficiency and focus of a deliberative assembly of voting members who are entitled to full participation in its proceedings. Robert’s Rules of Order allow for free discussion as a means to get to an informed decision. It protects the rights of voting members and allows all voting members to be heard. The voting member has the right to attend meetings to make motions, to speak in debate and to vote.


**Principles Governing Discipline at Meetings**
A society has the right to determine who may be present at meetings and to control the hall while meetings are in progress, but all members (voting members) have the right to attend..... Nonmembers (non-voting members) or a particular nonmember or group of nonmembers can be excluded at any time from part or all of a meeting of a society, or from all its’ meeting. Such exclusions can be effected by a ruling of the chair in cases of disorder, or by the adoption of a rule on the subject or by an appropriate motion as the need arises.....

All persons present at a meeting have an obligation to obey the legitimate orders of the presiding officer. Members (voting members), however, can appeal the decision of the Chair and move to suspend the rules.

From the Chairman:

This board very much believes in conducting open meetings in order to build property owners trust and support. But everyone must understand that this is the Board Member’s meeting and nonmembers are here to observe the meeting and will be allowed to share their thoughts and concerns as long as they do so in a civil, respectful manner and do not strive to disrupt the meeting.

Everyone must remember that this meeting is a business meeting not a Town Hall meeting. There are many other opportunities for property owners to share their concerns, thoughts and ideas regarding how things might be done better in the Village. Our wish, as a board, is that more property owners would take advantage of these opportunities.

Tom Weiss
Chairman
HSVPOA Board of Directors