

Beau Chene Homeowners Association, Inc.
Board of Directors Meeting
May 10, 2013
8:30 a.m.
Beau Chene Country Club

Call to Order

President Gareth Reardon called the meeting to order.

Roll Call

Board members present were: Susan Bonnett, Leslie Boudreaux, Jay Capouch, Marty Hennegan, Gareth Reardon, and Floyd Simeon. Chuck Turner was out of town. Board members Kelly Commander, Chris Inman (non-voting member), and Doug Tate were absent at the beginning and came in later. Staff members present were Bill Maier and Dave Vinson. Consultant/CAO Scott Day was present also. Attorney Craig Robichaux came in later also.

Appearance of Tiffany Turner with "Our Beautiful Oak" Magazine

Ms. Turner said her magazine's company targeted affluent neighborhoods throughout the country; her publication was not the only one as there are now some 275 across the country; the company had grown so fast it's going to print with a new publication every other day; she noted Ms. Boudreaux said the Board had concerns about signing a contract; the contract was to protect her from other competitors; right now there were a couple of companies trying to do what they do, but not exactly the same; her magazine hosts social events because their main goal is to take a neighborhood and turn it into a community; she said she wanted nothing negative to go into the magazine; she steers clear of Facebook and on-line things because she didn't want people to be able to get on and post things; she understood one concern was being able to control content; she said she would never put anything in that could cause controversy; (Mr. Inman came in the meeting at this point.) for example, she refused to put a political ad in the magazine; she said it would be difficult for the Association to review the magazine before it went to print as the timelines are tight; but as far as any kind of articles the Association wanted to submit, for the purpose of checks and balances it would be good to have the same person always submit to her; she asked if there was anything the members had seen in the magazine thus far that would be a problem.

Mr. Simeon asked if the Board had a liaison with her, and the Board along with the liaison, decided to publish certain articles, if she would accept the full content or edit it. Ms. Turner replied she would take it as printed, including grammatical errors. (Mr. Tate came in the meeting at this point.); she noted one neighborhood has no contract but submits content every month, whereas Country Club of LA had a contract; there was not a huge difference between having a contract or not; the contract was more to protect her; it didn't really matter because the more she built relationships with the neighborhood residents, the magazine would be successful

as she established its value to the community. Ms. Boudreaux noted it was counterproductive to put anything controversial in the magazine because if the Association wasn't in the magazine it wasn't as attractive to the advertisers; she also noted she had 2 different letters of recommendations in the meeting packets, who dealt with often magazine reps than Ms. Turner, and said they were entirely pleased; if there was no contract, the Association could get out and back to what it was doing.

Mr. Maier said the Association guarded the privacy of its mailing list; he said he understood the magazine wouldn't need names but simply addressed the magazine to "Our neighbor at..." a given address. Ms. Turner said in the contract it said she would never share the mailings list. Mr. Inman asked if Ms. Turner understood she could not use the name Beau Chene or the logo. Ms. Turner said right. Mr. Inman said the magazine was very nice. Ms. Turner said thank you. Mr. Inman said he could see the 2 co-existing. He understood about \$1,400/year was spent on the Association newsletter, and a small amount in the overall scheme of things, and content was controlled. For example, the Association may want to run an article about kids driving golf carts month after month after month, whereas the magazine may say it's boring. Ms. Turner said CCL put something about it every month - which was fine as long as it wasn't a long article; a reminder was fine; she observed she wanted it read because people couldn't wait to see their face in the magazine - whereas the Association wanted it read because it wanted people to be informed. Mr. Reardon asked how the contract protected her from other companies. Ms. Turner said it says you are contracting the magazine to do its newsletter for 3 years, whereas the Association could not do another newsletter that had ads in it; it protected her in that no one else would be selling ads to the same community; she said she heard Yellowbook was trying to do something similar. Ms. Hennegan said with a contract they couldn't co-exist. Mr. Capouch said they could if the Association didn't sell advertising. Mr. Tate asked if anyone read the newsletter. Ms. Hennegan said a lot of people read them. Ms. Turner said without a contract they could co-exist. Mr. Maier said that could be done for a trial period. Mr. Simeon said Ms. Turner said she would accept from the Association what it wanted put in; so why would the Association want to publish its own. Mr. Reardon said if there was a point of contact, there wasn't enough time with a 24-hour window to review all the articles. Ms. Turner said if the Association gave her the articles which were put in and the proof came, she had 24 hours to review but she can't remove an article - as she is charged for that; a grammatical error or sentence could be removed; if the content came from the same person she would not accept it from anyone else. Ms. Bonnett said if the Association proofed content before it was submitted, the Association did not need to review the rest of the magazine. Mr. Day asked if Ms. Turner could work with existing advertisers. Mr. Maier said there were only 2 at present. Ms. Turner said the 2 options were for the BCHOA to refund their advertisers' money or to put the ads in her magazine for a month. Ms. Boudreaux said this was all in keeping with the decision to upgrade the community image. Ms. Turner said if the Board decided to use the magazine exclusively or not, she would need the Association list so it would go to everyone; also, an introduction with Board members on the cover could be done, saying this is going to be your new newsletter; and each month there could be a meet your Board member feature.

Mr. Inman asked who owned N2 Publishing. Ms. Turner said it was 2 men, Earl Seals and Dwayne Hickson; they went to bible college together, and it's a Christian owned company; it was 8 years old and would do \$32 million in business this year; it is located in Wilmington, NC.

Mr. Inman asked if it was a franchise or if Ms. Turner was an employee. Ms. Turner said no, the magazine was hers; she said she could sell it for a profit; the company had talked about franchising but they would lose too many good people; "they are more concerned about us than themselves; our mission statement says to build a company that honors God, strengthens the family, and is financially beneficial for all involved". Mr. Inman asked if they owned it or she did. Ms. Turner said they owned the company, she owns her magazine; if she was going to move, she could say the profit was this much a year, and sell it, and the profit was hers. Mr. Maier said so she was like a local independent representative. Ms. Turner said yes, they take 15% of the revenue, and do all the layout and design, for which she pays a monthly fee. Mr. Reardon thanked Ms. Turner for her time, and she left, after referring to an example of neighborhood information in a similar magazine.

Approval of the Minutes (March 15, 2013)

Mr. Reardon asked for approval of the minutes. Mr. Maier noted he had informed the Board after the initial distribution of the minutes that he had corrected 2 errors, noting Mr. Inman had actually not been present, as indicated by the roll call, and that there was a typo reference to Mr. Capouch as "Ms." at one point/ Mr. Capouch moved, seconded by Ms. Bonnett, to approve the minutes. Carried unanimously.

Committee Reports

Community Enhancement Committee

Ms. Boudreaux moved, seconded by Mr. Simeon, to put the Association newsletter into "Our Beautiful Oak" magazine, with the stipulation that the mailing list is protected and that no contract will be signed. Mr. Capouch said Mr. Day should be designated as the liaison to gather articles and approve content. Ms. Boudreaux, seconded by Mr. Simeon, amended her motion to do so. Ms. Hennegan suggested going a little slower with the 2 newsletters coexisting for a while, without moving forward with the magazine while not letting go of the existing newsletter. Mr. Reardon said that was accomplished by moving forward without a contract – it's a trial run with no risks. Mr. Simeon asked if there was ever any benefit to the Association to signing a contract, or does it get the exact same thing without a contract. Ms. Bonnett said there was no benefit – the Association got the exact same thing – but in 2 months Ms. Turner could say sign a contract or you're out. Mr. Tate asked what method would be used to determine whether it was successful or not; he said he didn't know anyone who read the newsletter; and he asked those members who did read it, how would it be known if the magazine was taking off and the newsletter was falling off. Mr. Capouch said homeowners would likely complain about getting the newsletter in addition to the magazine. Ms. Hennegan said feed back often came to Ashley in the front office. Ms. Bonnett said Mr. Day needed to report to the Board the feedback, anecdotally or not, the feedback received for the first couple of months at the office. Mr. Maier said he usually reviewed some feedback anyway, usually by email. Several agreed the change would be met with resistance by some. Mr. Capouch suggested that someone announce the change at the Annual Meeting. Ms. Boudreaux suggested the last newsletter announce the change. (Ms. Commander came in at this point.) Mr. Reardon said the motion said accept without a contract going to "Our Beautiful Oak", with Mr. Day being the handler of giving the

magazine content, and monitoring feedback through the front desk. (See full motion above.) The motion carried unanimously. Ms. Boudreaux suggested saying, in any print the Board wanted, "includes the official newsletter of the Beau Chene Homeowners Association". Mr. Capouch said as long as it doesn't say official publication thereof. Ms. Boudreaux asked if the Board wanted her to announce the change at the Annual Meeting. The consensus was for her to do so.

Response to Requests for Proposals for Master Plan

Ms. Boudreaux referred to the RFP, which was in the meeting packets. She said it had been sent to about 200 people, landscapers and landscape architects; she had also sent it to some individuals that were landscapers; she said Ms. Bonnett had sent it to "3 urban groups" she knew; she asked Mr. Day if she got his email about the Society of LA Landscapers. Mr. Day said the due date was too close. He suggested a revised due date and RFP. Ms. Bonnett said the first was the draft that didn't have Mr. Day's phone number and had the early date; it was revised to contain the contact information and June 1st date; since there was no emergency for this, she suggested putting revised request for proposals on it and a further date. Mr. Reardon asked if 30 days was enough; and he asked if any ideas those responding had would be theirs. Ms. Boudreaux said the companies wanted to make sure their work product was protected, so parts could not be taken from different plans and they not be reimbursed; it was decided to allow the companies to put language in their responses that they wanted. Ms. Bonnett said they were skipping a step, as the proposals weren't to include their plans for solutions, but how they would come about their solutions; there's nothing proprietary in the RFP, but just here's our process and here's what it will cost; once selected, it becomes more proprietary as it's their ideas; there doesn't have to be a requirement in the initial response because they're not putting anything proprietary in the response; she felt 30 days was plenty but it needs to be done right, not fast, the Committee and the Board need to feel this got out to the right people before any triggers are pulled – why make a decision based on limited information. Mr. Reardon asked if there was sufficient coverage. Ms. Bonnett said there was confused coverage; all Board members needed to see it and forward it to those they knew; there was networking that hadn't been used, whether landscape architects or not; the Committee needed to be more aggressive in getting it out. Ms. Boudreaux said she talked to Thomas Bassett, the Metro New Orleans representative for the LA Chapter of the Landscape Architect Society; he had said once there is an RFP, he will post it on their website. Mr. Simeon said he had a call from one company's owner asking if the Association was serious. Mr. Simeon said he replied yes. He said the owner said the ways it was written initially, it didn't have all the specifics needed for a proper proposal. Mr. Simeon said he understood submitting something like this took a lot of effort on behalf of each company; he said he sympathized with Ms. Bonnett, but he didn't want this to linger too long as had happened with other proprietors because it will upset potential vendors; he suggested modifying as necessary, getting deadline dates down, and moving forward; he felt some high-powered companies would come in. Ms. Boudreaux asked Mr. Day what date he recommended – June 15th, maybe July 1st. Ms. Bonnett noted the 15th was a Saturday, so June 14th would be better or July 1st. After discussion it was decided to use June 28th, and Mr. Reardon noted the responses should include the proposal process, a timeline, estimated budget, including fee and capital expenses; a lump sum was fine, but allocation where needed for the different recommended enhancements; the resumes with references was also a good idea. Ms. Boudreaux noted 3 people on the Committee were experienced in writing RFPs, including Ms. Bonnett, Ms. Jacobson, and

Ms. Pence. Ms. Bonnett said she didn't remember putting capital expenses in, commenting that the proposal someone was submitting is what they would do and how much it would cost them to do; capital expenses would be part of the plan once they are engaged; she said what was being asked for was proposals from companies interested in the Association engaging them to do the plan – there is no capital expenses in what they are asked to do by June 28th; essentially it was here's the process to come up with the product and here's the cost to do so. Mr. Reardon said so, for example, the response is these things can be done for 1,000 hours at \$200/hour. Ms. Bonnett said the plan would at the end contain a capital budget; only the responder's fee was needed; also, she recommended not putting a budget in the RFP as the responses then always came back at that amount. Ms. Commander said so the proposal was to select who would be used without seeing what their proposals might look like. Ms. Bonnett said the proposals would say here's the process that would be gone through, here's our qualifications to create a plan for you and here's how much creating the plan will cost; they are being asked to engage the community, assess existing architecture and landscaping; the decision will be based on their credentials, experience, and price, she suggested leaving the RFP as is, changing the date, and taking out capital expenses. Mr. Capouch suggested saying revised as per a certain date. Ms. Bonnett asked Mr. Day to distribute it to the entire Board and Committee.

Security Committee

Mr. Simeon said the Committee met 2 weeks ago and continued to take under advisement the Board's requests. He noted he had met with Mr. Maier and Kenny from Vinson (Guard Service). Mr. Maier said Kenny was the branch manager. Mr. Simeon said the guards' lack of professionalism was discussed; as he had looked at other communities he noted in most communities the guards were standing and greeting people as they came in; the discussion was to have our guards take a more active role with the intent of them looking more professional; the desire was to have them more accepted by the residents as opposed to complaining about their lack of effort; so he said Mr. Maier sent out a post order; the results, Mr. Simeon said was that the improved performance for some curtailed after a few days; but overall there was an improvement in the appearance of the guards; he said Mr. Maier was working with Vinson to insist they perform in a more professional manner, the post orders were now that they stand and acknowledge each visitor as they come in, and to try to recognize visitors in the right lane and attempt to get them to stop; Mr. Simeon said he appreciated Mr. Maier's efforts in the matter. Mr. Maier said several guards had been terminated for lack of effort, with considerable turnover in recent months. Mr. Simeon said he noticed some really making an effort, some acting half heartedly, and some had simply refused. Ms. Boudreaux asked for Mr. Simeon to note there was a new committee member. Mr. Simeon said current member Bill McInnis, who had been an excellent member because of his background in law enforcement and security systems, was moving out-of-state; he noted Mark Bonner was recommended as he had a background in security systems and he had attended the meeting. Mr. Simeon moved, seconded by Ms. Boudreaux for Mr. Bonner to serve on the Committee. Ms. Boudreaux said he was security director for Ronnie LaMarque's business and home. The motion carried unanimously.

Mr. Simeon said the Committee had been working on the project for 2 years, and a number of members, both on and off the Board "have been getting leery of their efforts and where they stand"; the Committee felt it had looked at every possibility with the system and

every concern the Board presented over the last 2 years; input had been gotten from the community, with a 50-50 split among the 500 who submitted the survey; there were 1000 who submitted nothing and were probably saying whatever you do is okay with us; the Committee was recommending the following proposal, but Mr. Simeon said, just he had said when the Committee met after the Town Hall meeting, it had looked at all the issues presented by as many people as possible at the Town Hall meeting and attempted to satisfy everyone's concerns; the most predominant issue expressed included concern for traffic backups on Hwy 22; is there really a security problem – is it internal or external; the guards are ineffective; there has been an increase in robberies – at least some feel that way – whether from inside or outside; there is a need for new decals; some feel there is a security problem and there is a desire for more security and the gates, and the gates will increase property values, whereas some feel they will not. Mr. Simeon said the Committee looked at the original proposal expressed over a year ago and tried to come up with a recommendation satisfying every concern. Mr. Simeon passed out a limited number of the proposal, saying his printer was starting not to function (none was received for the minutes). He noted the Committee looked at 3 options for the Marina gate. He said the proposal includes the costs for the proposal; the first was for the Main gate and the administration; all gates would have the drivers license scanner; the work station at the Main gate would include a computer to accept the information from the scanners; the data base administration would go in Mr. Maier's office or whoever down the road becomes the security consultant; the Main gate would initially have no gate arms as it was where most people expressed concern about traffic backups; to keep out gate runners and to make sure people registered with the guards, a 2nd guard would be in the middle of the lane, similar to what is done now part-time; if a person attempted to enter the right lane without a decal that person would be stopped and asked where they were going; it was believed by putting 2 guards there, people would go in their proper lanes; it was important to realize gate arms could eventually be put there. Ms. Boudreaux said if the gate arms were put in later, there might be time to work with DOTD to get the turn lane put back in. Mr. Capouch asked if the driver license scanners had a method for a repeat person, so it doesn't have to keep scanning the license as it's already recorded, and they move through because they are recognized as being in the system. Mr. Simeon said the data can be kept as long as wanted; ISN said most communities kept it for 30 days. Ms. Boudreaux noted every time one went into Tchefuncte, their license was scanned. Mr. Simeon agreed. Mr. Capouch said Tchefuncte had a long entry road with room for long backups; but at the Main gate there would be the same backup problem as licenses were scanned. Ms. Boudreaux said they were being stopped anyway. Mr. Capouch said the scanners were being added. Ms. Boudreaux said nothing was being written. Mr. Capouch said there was potential for problems, and it was better if it was speeded up. Ms. Commander said there was already a problem because of the time it took to write; she felt the system was faster. Mr. Capouch said if the data was stored, you wouldn't have to keep scanning if it recognized the data was there and let them through. Ms. Boudreaux said but there was no record of who came through. Mr. Capouch said okay. Mr. Simeon said the proposed scanner was the most expensive and scanned more rapidly than others; it takes a picture, some scanners just read the tag on the license. Ms. Boudreaux said signage would say, like at Tchefuncte, "photo ID must be shown"; some might not want to give their drivers license. Ms. Hennegan said a lot of bars use scanners and people are used to them. Mr. Reardon said it may take longer to get out the license, hand it over, and get it back. Mr. Simeon said initially it make take time; this is why signage is necessary; people will get used to it; a person will pull up, the guard will ask for the ID, a person will pull it out, it will be scanned and given back; how much

time will that take compared to now – where the guard asked where you are going and asked to copy down the drivers license (note-the drivers license is not now copied down; what was meant was the license plate); it is clear this is a faster system initially and as time goes on, it will get faster. Mr. Reardon said he understood at the Main gate there will be a computer/scanner for the guest lane, and make guests in the guest lane turn in their drivers' license. Mr. Simeon said also they would say where they are going. Mr. Reardon said a guard would be in the middle to make sure it was decals only. Mr. Simeon said yes. Mr. Maier said the Vinson manager was familiar with the scanners since Vinson handled Tchefuncte. Mr. Simeon said there was a minimum of 3,000 RFIDs to be purchased to get the discount, but he put the number the Finance Committee had recommended. Ms. Boudreaux asked RFIDs were necessary, noting they were irrelevant at the Main gate. Mr. Simeon said they were relevant because they took the place of the decals ; he noted at the East gate there would be 2 gate arms, with a RFID reader in the right lane for residents; the gate arm would go up in 1.5 seconds; there would be a loop detector; there would be a second gate arm (on the visitor lane) that worked only manually; initially, the entire ISN system with data base and computers was not being proposed; he referred to the page showing cost of the reader, the linex panel, the update panel logs, the mount reader on the pole, and installation; there is still a \$2,000 cost for purchasing additional tags card also in the hope of purchasing the entire system down the road; the cost of the drivers license scanner and arms was also shown. Mr. Capouch asked if there were cars coming in right behind the other would the gate arms stay up, or did it have to come back down and then go back up. Mr. Simeon said the arm stays up as long as the car presses forward. Mr. Capouch asked about the second car. Mr. Simeon said once the 1st car left the loop detector, the gate came down, if the 2nd is close enough, the arm would start down, then go back up. Mr. Reardon said the loop is essentially a big magnet that recognizes metal on-top of it and it goes up. Mr. Simeon said if a car is close enough to the reader, the arm starts to come down and will then go back up. Mr. Reardon asked if these were stand alone or was there a central computer. Mr. Simeon said the information was available to ISN, so if anything was amiss they can read it in Florida. Mr. Reardon said his point was, was it managed through current phone lines or were ones being added, and were there maintenance fees. Mr. Simeon said this was the exact same system that was with the entire system proposal – the same warranty and service costs, but data wasn't being collected as with the entire system. Mr. Reardon said so owners weren't logging in guests. Mr. Simeon said no, that was a future option; he said at the Marina gate there would be 1 gate arm at the residential lane; there would be none in the visitor's lane – to see how it worked with just the guard; residents would come in the right (RFID) lane; visitors would come in the left and stop for the guard. Mr. Day said so the difference from the Main gate would be there would be no second guard (and the RFID reader in the right lane). Mr. Capouch said this was at the East gate. Mr. Simeon said except there was no arm on the inner lane; the plan was an attempt to accomplish the original goals and objectives, while satisfying all residents' concerns and implementing a system that can be added to at any time; for example, a gate arm could later be added at the Marina gate; he encouraged the Board to understand what the plan was attempting to do; 4,575 RFIDs were included \$7.33 each as the Finance Committee had recommended, so the cost was \$33,500; the cost of the rest of the ISN system was 20,000; so the total ISN system was \$53,671, which was \$35,000 less than installing the entire system initially. Mr. Simeon said regarding J.L. Roberts, their representative said he could no longer provide the particular electro-magnetic gate arm with power backup; the gate arms he currently had will do everything as the previous ones, but a battery pack would have to be bought in addition for each arm at a cost of \$1,000; Mr. Simeon said he told the representative

that was a bit expensive, and he replied if the Association had not cancelled the contract last year it would have the gate arms. Mr. Reardon said how relevant was this, since it was already 9:30. Mr. Simeon said it was relevant to understand the difficulties it had and the reason for the increased price; to continue with the company would cost an additional \$3,000 to make it function the way desired; the price was \$13,000 for 3 arms, including installation, without backup; the total price of this system was \$66,671.27. Mr. Reardon asked what the J.L. Roberts' price was again. Mr. Simeon said \$13,000 for 3 arms, furnished and installed. Ms. Commander said that was without the battery packs. Mr. Simeon said that was without battery packs; to go with J.L. Roberts, add another \$9,000; rather than \$66,671 it would be \$75,671. Mr. Simeon said the good news was he got online and on the telephone, and found several companies who could provide all at less than the original J.L. Roberts price; he was still working on the matter, but one company call York King would be \$7,500 v J.L. Roberts \$13,000, plus installation; the bottom line was the cost would be in the neighborhood of \$65,000 to install the entire thing; the Committee's recommendation was to accept a lesser price from a vendor other than J.L. Roberts. Mr. Reardon said the power supply was stable. Mr. Inman said except for hurricanes. Mr. Reardon said it didn't matter how many batteries there were – they would not work for 3 days. Mr. Inman said most arms can be raised manually. Mr. Simeon agreed; the reason for the automatic raising was because of people saying what happens if the power goes out, then there will be backups; but that Mr. Inman was right – the guard can manually raise them; to conclude the presentation, the total cost of \$66,671 was about 60-70% of what the Finance Committee had recognized. Mr. Capouch said it was \$52,000 less. Mr. Simeon said ISN had worked with the Association, and was comfortable in installing in parts, and add-ons could be done at any time; he said the Committee had said it worked on this for a long time and it was overdue to move forward; and he said the acceptance of the gate arm system was on the books, Mr. Simeon said the Committee wanted him to propose a motion, which was to poll the Board to either reject or accept the proposed legislation – to implement the system before the Board now. Ms. Boudreaux seconded the motion.

Mr. Capouch said he would be strongly in favor of this over what was originally approved, simply because it solved several problems addressed by the members; he said his only drawback was this had been such a volatile issue in the community and given the fact that a new Board was being elected next week, to solve any issues in the community it would be better to let the new Board approve this policy, rather than the old Board approve the policy and people say you rammed it through just before an election; the politics of that override the money and security here; even the new Board would look at this and say it solved a lot of problems, and it should go forward. Ms. Boudreaux said the Board had been doing this for more like 3 years, and it was a Board vote that the community have this system and that was still valid; it was accepted by a previous Board; and whatever the new Board comprised of, whoever is on the new Board, they can get rid of it anyway. Ms. Hennegan said as a member of the Committee – noting she had missed the meeting – she wanted to laud the presentation; she said she was sorry the Committee didn't approach Vinson at its inception, since it was important to stay on them, and she saw a difference; but she said she concurred with Mr. Capouch – the new Board would have to manage it and would be smart to defer the decision until the next Board meeting; she said she liked a lot in presentation, though she was not big on gate arms. Mr. Reardon said the plan was spending less and the Association was getting less; at the front gate there was a card reader and a guard in the middle, so it would look the same, along with the scanner. Mr. Simeon said it would

look different with 2 guards there all the time. Mr. Reardon asked where the 2nd man was coming from. Mr. Simeon said from Vinson. Mr. Reardon asked if a man was being added to sit in the middle. Mr. Simeon said the recommendation would have to be worked out with Mr. Maier; there is currently a floater working for 8 hours; Mr. Simeon said his suggestions was to work one guard from 9am to 5pm, and have 2 extra hours for the floater to float; that would keep down any additional costs. Mr. Reardon asked if this is a guy already on duty. Mr. Simeon said yes, but he had some other obligations – 6 of his 8 hours could be used and another 2 hours added. Mr. Maier said the floater currently had shift assignment duties, was required to organize and fax reports to Vinson, and what Mr. Simeon was saying was rather than spending time at the East and Main gates, and also going over to the Marina gate – Mr. Reardon interrupted to ask if this was the cruiser. Mr. Maier said yes. Mr. Simeon said the patrol was at night. Mr. Maier said this was the guard who could go out on call during the day. Mr. Reardon said essentially for this to work one guy or a part of a guy would have to be added. Mr. Simeon said yes, to work with Mr. Maier to add a guy for 2-4 hours at \$14/hour. Mr. Maier said there was likely a 4 hour minimum. Mr. Reardon said so at the Main gate a half a man would be added while the other ran around, and there was a computer plugged into a telephone line, and a 4th computer sat at Mr. Maier's office. Mr. Simeon said the work station on the 1st page was the computer at Mr. Maier's office; he added the best way to do this at the Main gate was an arm for the residents, but because of concern for the residents about traffic backups, that wasn't being done now; but after the residents see how smoothly it works, a barrier arm could be put up and the extra guard eliminated; it would result in a savings to get rid of the floater, or a plus to the community where the floater could go around and patrol during the day. Mr. Reardon said so at the main gate there was a computer with ID scanner; the resident lane was open; a man in the middle; at the East gate, there would be 2 arms and an ID scanner – no data collection, owners check visitors in, etc.; at the Marina gate, the visitors lane is open with a work station with ID scanner, they stop, get scanned; there is an RFID on the visitor side. Ms. Boudreaux said the reason why the gate wasn't recommended was the guard was so close to the lane. Mr. Reardon said he was in favor of doing something, he always had been; going forward, this was needed; he agreed it was politically contentious and the decision made today would impact the next people, so it should be their decision; also this was not one of the "big rocks", though this had been going on for years and having been on the Committee he knew how much had gone into it; he said he understood what was on the table was to go with this or resend the decision made 2 years ago – it's this or nothing. Mr. Simeon said at the Committee meeting he was tending to say exactly what Mr. Capouch said, for the reasons he said; however, he saw the expenses, on the part of the members, particularly the non-Board members, who feel like the Board has not done what is needed after all the time and effort; considering the political ramifications, Ms. Boudreaux's point was a good one; what was trying to be established was a guideline for what had been done the last couple of years – if a future Board comes in and doesn't want it, they are welcome to rescind it; he said if this was approved he would not move ahead with any contracts being issued until the new Board came on; if there was a completely new Board it could take a look at what had been the result of 2 years worth of effort, and could say that makes sense; he said – remembering when Mr. Inman suggested disbanding the Committee to do with buying the golf course, he (Mr. Simeon) suggested not disbanding it because of the wealth of knowledge – this gives a way for the new Board to see what was done and the strong feelings this Board would have for all the work done; Mr. Simeon said his motion was to poll the Board to either reject or accept approval of legislation of a year and 3 months ago; which is on the books right now and legally the Board

can go ahead; the Committee feels strongly it wants direction to move ahead or not. Mr. Capouch said essentially there were 2 motions. Mr. Reardon said no, it was one – either say yes to this or cancel the vote of a year ago; a no means no arms, start all over; a yes means go ahead with this system.

Ms. Bonnett said she wanted to take a shot at good politics. She made a substitute motion to defer the matter until the next Board meeting. Mr. Simeon said he wasn't withdrawing his motion. Ms. Bonnett said she understood, she was making a substitute motion; if someone seconded it, it would be voted on 1st; if it failed, then proceed to his. Mr. Capouch seconded the motion. Mr. Simeon said he wasn't an expert at Robert's Rules, but he wasn't bad at it; and what Ms. Bonnett was attempting was to circumvent the motion on the floor; by asking for a vote on the second motion which has no right to be on the floor, she was asking to figure out a way to circumvent the motion on the floor; Mr. Simeon said if he was elected again, and this was deferred, he was resigning from the Committee; he had put in most of the time; he had agreed with Mr. Capouch, but the Committee had said it had enough – it wanted to know whether to move forward or not; there had been enough deferring. Ms. Bonnett said the Board wasn't operating in a vacuum – the gates were not the only issue; a substitute motion is in order under Robert's Rules, this is the way one does it; the reason for motion was because of politics – the bigger issue was the good activity of the Board; it shows a much better good faith move to say we'd like to consider this on June 7th, not today; if it's an elimination it's bad politics; its bad politics to make that kind of decision 5 days before 783 people who have voted as of yesterday afternoon get to have an opinion; if the Board feels different, she said she would accept that; but her motion prevails then more people do want to defer; if it fails, then she said she will go on record.

Mr. Simeon said he thought it was inappropriate but he called the question on Ms. Bonnett's motion. Mr. Reardon said the motion was to defer to June 7th. The motion failed, with Ms. Bonnett, Ms. Hennegan, and Mr. Capouch for, and Ms. Boudreaux, Ms. Commander, Mr. Simeon, and Mr. Tate against. Ms. Commander asked Mr. Simeon if he would take on an amendment to his motion, as he has said no contracts would be signed until the new Board sat. Mr. Reardon clarified he had not voted. Mr. Inman observed he only had to vote to break a tie. Mr. Simeon said he would accept an amendment that no contracts be issued or movement forward until the new Board had a chance to review the policy this Board set down. Mr. Reardon said a yes vote meant move forward as it was presented, with no contracts signed until after the next meeting. Ms. Commander seconded the amendment at this point. Mr. Reardon said if one votes no, then the decision to put out arms is removed and a yes vote from a year ago is made a no. Mr. Reardon said if this is not approved, it could be presented at the next meeting, clean and fresh. The vote was a tie with Ms. Boudreaux, Ms. Commander, Mr. Simeon, and Mr. Tate for, and Ms. Bonnett, Mr. Capouch, Ms. Hennegan, and Mr. Reardon against, so the motion was not approved.

Mr. Reardon asked Mr. Robichaux (who had come into the meeting) what the vote meant. Mr. Robichaux said the current motion did not pass, so the previous motion was not cancelled. Mr. Capouch, seconded by Ms. Hennegan, then moved to cancel the previous decision. Mr. Capouch said the proposal in the distant past was to do a widespread gate arm thing. Mr. Reardon said Mr. Capouch was saying lets sweep it away and start fresh. Ms.

Commander said this was overturning a previous Board's vote. Mr. Capouch said as originally approved. Ms. Boudreaux said it would be revised. Mr. Simeon said it was to overturn. Ms. Boudreaux said she was saying if it was defeated then the (original) motion could be revised. The Vote was a tie, with Ms. Bonnett, Mr. Capouch, Ms. Hennegan, and Mr. Reardon for, Ms. Boudreaux, Ms. Commander, Mr. Simeon, and Mr. Tate against.

Environmental Control Committee

Mr. Reardon observed Mr. Turner, who was out of town, had emailed his report and related emails to the Board. Ms. Commander moved, seconded by Ms. Boudreaux, to accept the report. Ms. Boudreaux said it didn't look like Mr. Turner was taking into account what Mr. Robichaux had said about putting solar panels on the front of houses – that it was irrelevant as to efficiency because if the ECC decided, then that's the decision until there is some federal regulation against. Mr. Maier observed that one factor was an attorney on the Committee had a different opinion and that needed to be resolved. Ms. Commander said the ECC had been asked to come up with guidelines. Mr. Reardon said the ECC was working on it. Mr. Robichaux said the more the ECC Committee continued to approve panels on the front of houses the more it will reach a point where it didn't matter what guidelines it had, the threshold had been crossed; he said what the number was, he couldn't say; there were at least 2 or 3 on the front; that probably wasn't enough but a point would be reached where there would be an abandonment of an argument about that. Ms. Boudreaux said her interest was in the master plan and the revitalization of Beau Chene. Mr. Reardon said some were more interested in aesthetics than others.

Finance Committee

Mr. Capouch referred to the member receivables, saying he and Mr. Maier had worked through this the other day and it was reformatted. A third column was added – loss reserved allocation; Mr. Maier had previously indicated in some of his correspondence a percentage as to whether they were collectible or not, so specific numbers were put against each other; the bottom line was if one allocated according to the percentages, an allowance for doubtful accounts of \$29,000 was required; the current allowance is \$17,620; the suggestion was to add another journal entry of \$11,691 to the reserves to bring into compliance as to what was deemed uncollectible, and as this changed over time it would go up or down. Mr. Reardon asked if there was a standard practice to collect the amounts due. Mr. Maier said yes, the given action depended on whether there was someone in the house, whether it was going to foreclosure, etc. Mr. Reardon asked if heir rights were pursued. Mr. Maier said yes. Ms. Bonnett asked about the random accounts past 60 days – whether some were making partial payments, why for example, one showed \$12. Mr. Maier said that was a late fee – which the person had paid the past dues but not the late fee, but that would be collected in the future. Mr. Simeon asked if people were threatened with water cut-off. Mr. Maier said yes. Mr. Simeon asked what was the threshold. Mr. Maier said there was not a set amount as for example, the Land account involved a young mother with 2 young kids and the father had basically left; the mother was not able to pay the entire amount at present, so the question was did we want to cut off the water with 2 young kids. Mr. Simeon asked how many were eligible to be cut off and had not. Mr. Maier said a number were foreclosed or empty and began to count the number so eligible. Ms. Boudreaux asked about

LaMartina. Mr. Maier said payment had been made since this report and the person was getting behind again; this person was a regular (gets behind and then pays in full). He said most on the list below Land had paid, except Griggs, which was a lot and Hardy, who was about to be cut off. Mr. Simeon said his question was answered. Mr. Day said if he could pay; pressure would be brought to get a payment. Mr. Reardon said to Mr. Maier to keep doing what your are doing.

Mr. Capouch said regarding the Balance Sheet there was an appropriation for future maintenance. The Covenants speak to a reserve for replacements, and the money in the reserve for replacements can only be invested in something U.S. government secured – FDIC insured, Treasury bills. The By-Laws require a reserve for replacements, a reserve for maintenance, a reserved for betterments, and any other desired reserve. The Finance Committee met a week or so ago to receive another recommendation for investing in reserves; it determined portions of the \$3.5 million need to be allocated to these various reserve categories; in the future the Board may be asked for an investment policy for other than the reserve for replacement, which is defined as government secured; if the Board decides it wants to take on additional risk in its investments, that would be the Board's decision; monies can be appropriated to the various reserves as appropriate; in the audited financials, the auditors indicated the way the funds are applied for road overlays are expensed; the expectation is as the roads are continually approved, the roads will last forever as the program is continued. Mr. Capouch suggested in the future, funds would be appointed to the reserve for replacement out of the operating budget; as the bill came in for maintenance, the payment would be taken out of the reserve for replacements; the security systems, upgrades to the guard shack, signage, and anything else would probably come under betterments, with a reserve being set aside for betterments; the reserve for deferred maintenance is for something that is capitalized; such as the water and sewer system; over time the Committee will come to the Board with something that meshes with the documents and the auditors' statements so there is no conflict; the Board needs to consider whether it wants to take on additional risk; there are people on the Committee like Joe Berey who believe the purpose is to maintain principal at all times and take no risk; others disagree, and think the purchasing power should be preserved – if all is received is .4% interest when the cost of living is going up 3%, the reserves are going backwards. Ms. Commander asked where the Covenants spoke about investing money. Mr. Capouch said Article V, Section 3. He said the Committee had 2 presentations of possible investments for reserves – 1 by Merrill-Lynch and 1 by Morgan Stanly – Smith Barney, and these were 2 solid recommendations.

Mr. Capouch asked Mr. Maier to discuss the Pollution Insurance renewal. Mr. Maier said the Association has had pollution insurance for years. For a number of years he said he was not involved in insurance since (former employee) Brent Couture was handling that; currently there is a \$1 million policy with a \$25,000 deductible; what is covered under that is the sewer plant and water wells; he said he didn't know fully why the sewer lift stations were not covered, but one comment made by an agent was that it was more expensive in the past and things had changed, so the agent thought there would be a good chance of covering without too much additional costs. Mr. Maier said he and Mr. Vinson had been busy filling out the application forms sent by 2 different companies; included were 20 lift stations, and Mr. Vinson had to include a history of when there was minor overflow from a lift station and he reported it to DEQ; the information had been submitted to the companies and a reply was forthcoming; hopefully there can be better coverage at a reasonable price. Mr. Reardon asked if Mr. Day were in the

loop. Mr. Maier said he and Mr. Day had discussed the matter. Mr. Day observed the bulk of renewals was due in August.

Ms. Bonnett wanted to talk about the issue that happened next door where someone went through her neighbor's culvert, and whether that was Association property. She asked if the staff knew about that. Mr. Maier said no. Ms. Bonnett said there was a grate over a culvert and the guy went through it and sliced his leg, requiring hundreds of stitches; the neighbor said that's Association property. Ms. Bonnett asked Mr. Vinson's opinion. Mr. Vinson said the subsurface drains, like the driveway culverts, are the individual homeowner's. Mr. Reardon said so when the homeowner builds in his front yard ditch and puts a drain in there, it's his and when the grate in the inlet rusts, someone puts his foot through it, it's all theirs. Mr. Vinson said the drainage structure is theirs, but the land is the Association's. Mr. Robichaux said the Association would get sued either way; he didn't know what the documents said, but the land belonged to the Homeowner's Association; the typical law's when you make additions to others' property, those additions belong to the owner of the grounds, unless there is a divestiture or separation of ownership by some written agreement; for example, "if trees are planted on your property, they become your tree – they are called component parts of immovable; and I have a mobilization agreement between me and you saying they are really my trees, then I have 2 separations of property – dirt and trees". Mr. Reardon said he didn't know what type of document was done when the Environmental Control Committee approved; if the document says we approve your subsurface culverts with the understanding these are yours and we do not own them. Mr. Maier said he didn't think there had ever been such language in the approval letters (language in the Guidelines does say "C.... If at any point in time it became necessary for the Association to take any corrective action regarding such culverts, swales [swales over the underground] or drainage, the property owner shall be charged the cost of the necessary work."; this indicates the owner is responsible for the upkeep; all applicants sign the application saying they agree to abide by the Guidelines.) Ms. Bonnett said then the neighbor bought it, he bought it that way as the previous neighbor had installed it; the first however many feet were the Associations, and why would he believe that was his with no piece of paper saying it was his. Mr. Maier observed the policy was nearly 40 decades old. Ms. Bonnett said to put it on the list as it was another possible exposure. Mr. Maier said an application was made, with a fee and deposit, and it is approved by the Committee and Mr. Vinson – from an engineering standpoint – which is what mattered; similarly, just like driveway culverts when a house is built – the owner has to maintain that. Mr. Reardon says what is not making sense to you and I, but what is legal, what is covered by insurance, and how to get out of such situations. Mr. Maier said it should be clearer. Ms. Hennegan said she had the worst ditch in the neighborhood – it's big and high. Mr. Vinson said it's never been the Association's policy to put culverts in.

Mr. Reardon asked for other comments. Ms. Commander said she felt lift stations needed to be covered, and \$1 million wasn't enough coverage for pollution insurance; and the Association will be self-performing work; she felt \$5 million was a minimum. Mr. Maier said there was a \$5 million umbrella. Ms. Commander said make sure it covered that.

Mr. Capouch said a proposal was received from Merrill-Lunch; Mr. Tate worked for Merrill-Lynch, but he did not participate in any of the discussions or decisions re: that; he recused himself from that. Mr. Capouch noted a copy of the audit report had been given to each

Board member; it was a clean opinion; there was nothing wrong with the accounting practices or procedures or use of estimates or anything else. Ms. Boudreaux said Mr. Vinson said the Association doesn't cover swales, yet the ECC report noted 2 covered swales. Mr. Maier said Mr. Vinson said the Association didn't cover swales, but the ECC approved people covering swales. Mr. Day observed the policy needs to be written. Ms. Boudreaux and Ms. Commander asked how to fix retroactively the existing ones. Ms. Bonnett said that needs to be looked at. Mr. Maier pointed out when circular drive or a drive for a new house is put in, a culvert is being approved – someone could hurt themselves on the edge of that, so it was not just the covered swales that are of concern. Mr. Vinson said there was also a consideration of cost to repair covered swales or culverts. (Ms. Boudreaux and Ms. Commander left at this time, and later called in through other members' phones.)

Governance Committee

Ms. Bonnett said the vote count yesterday was 783 votes, much more than previously; today is the cut-off and it may go over 800; this was a majority of the residents; the results will be sent by Ballot Box and no one opens it beforehand; it will be sent to the office, Mr. Maier will bring it unopened to the meeting, and Ms. Hennegan as secretary will open it and read it. Several members noted it be read carefully as last year there was some confusion as the letter first listed the candidate vote totals in alphabetical order. It was agreed Ms. Bonnett and Ms. Hennegan would open it 10 minutes before it was read to the membership.

Ms. Bonnett said Board orientation needed to be scheduled prior to the June 7th meeting, as this was critical and not done in previous years. She suggested including governing documents – articles, covenants, by-laws; the budget; conflicts of interest and confidentiality policies; the management contract; the CAO management description and contract; data – how many homes, condos, miles of streets, water and wastewater systems; each committee and what it does; officers' duties and terms; the strategic plan. She said obviously staff would have to work with her. She asked for other suggestions. Mr. Reardon suggested the staff (organizational chart) and job descriptions. Ms. Commander suggested a year of financials and minutes. Ms. Boudreaux (by phone) wanted to include the motion about the security gates. Mr. Capouch said that was not orientation – that was pending action. Ms. Bonnett said as each Committee was reviewed, that sort of thing would be addressed in the Committee conversation – there's still a pending recommendation in the Committee; she said she would include any pending activity of each committee. Mr. Reardon asked Ms. Bonnett to publish a list and the staff will assist with gathering the material. Ms. Bonnett observed after Tuesday she would get with the 5 new members to set that up.

Mr. Simeon suggested Governance take up the issue of proxy votes by the Board; he saw no reason why proxies couldn't be used. Ms. Bonnett said okay. Mr. Simeon asked where Ballot Box got the appropriate mailing list for those that have multiple properties; he said he assumed there were 2 lists. Ms. Bonnett said staff provided the list. Mr. Capouch said it was by property owner. Mr. Simeon said the list has him in there twice, and the Friends of Beau Chene got a hold of the list because they had him in there twice. Mr. Tate said a list could be bought easily, for around \$250. Mr. Simeon said one could buy a list, but this list is official by property owners, but everything in the past – which he thought was appropriate – was a mailing list. Mr. Capouch

said how do you tell the difference. Mr. Simeon said he got 2 mailings and he has 2 properties, so he knew for a fact the list had to be the official Beau Chene list. Mr. Reardon said so it wasn't a bought-off-the-street list from the Clerk of Court's office, or a renter would have gotten the list. Ms. Bonnett said one could buy the lists a lot of ways. Mr. Reardon said at the Court house one will find 2 of you. Mr. Robichaux said that one could run all the properties that are assessed at the Assessor's office. Mr. Reardon said it would all come to his address or a rental property. Mr. Robichaux said it depends on how the Assessment was set up; it would have 2 different numbers – an assessment and a property address; and if one wants a separate mailing address than a property address, you can put that information. Mr. Maier said as far as he knew the Friends list came from the (realtors) Multi-list. Mr. Simeon said all the other mailings from the Friends were fine; but the last list was a list of property owners – because he owned 2 properties and this is the only time he got 2 letters. Mr. Maier said the list was on one computer. Ms. Bonnett said the Governance Committee decided to go with Ballot Box again with the process as in the past – as broad as that, just looking at the letter and the pieces; once that was done, lots of little issues came up due to politics; she has suggested if the Committee want to dig deeper into the contract, the contact at Ballot Box got a little frustrated with the questions and accusations coming, because in her defense the process used for Beau Chene was the process used for 580 clients; yet, Beau Chene, because of the politics had many questions. Ms. Bonnett suggested next whoever is chair go dig deep into Ballot Box or whatever, but the Committee voted unanimously to proceed with them. Mr. Simeon asked how Ballot Box was originally chosen. Ms. Bonnett said she wasn't around then – that Mr. Turner, Mr. Shay and others were involved. Mr. Maier said two companies were looked at.

Infrastructure Committee

Mr. Vinson said regarding the Hwy 22 turn-lane, at the last meeting he reported he met with DOTD officials, the plan was not feasible due to the elevation of culverts to have proper drainage off the highway or Beau Chene property; so DOTD came up with a different project – instead of extending the culvert to the east, it will be extended only far enough to put the turn lane in when widening 4 ; drainage will not be impacted; it is still in design where the last minute changes and bid qualifications are made, and it then goes to Baton Rouge; the job will be in January.

Mr. Reardon noted he had not had another Infrastructure Committee since the last Board meeting; at the last Committee meeting the Committee talked about proposed pay increases for Public Works guys, which has allocation in the current budget. Mr. Capouch said there was a projected number put in for potential increases; it doesn't mean the increases were approved. Mr. Reardon agreed the money was put in to allow for the raises, and there had been no discussion about what to do with Mr. Maier and Mr. Vinson; he had what had been put together by Mr. Vinson. He asked if the Board wanted him to go through with this so or what Mr. Vinson put together. Ms. Bonnett felt it was a Board issue. Mr. Reardon said he would try to summarize it; basically for Mr. Adkins there was a proposed pay increase of \$4 or 25% - \$16 to \$20/hour, with the same car allowance, and adding a cell phone allowance. Mr. Vinson said he requested Mr. Adkins be put on salary. Ms. Bonnett said to the pay is higher, but he is off overtime. Mr. Vinson said yes. Mr. Reardon said he would put this off and have an Infrastructure meeting to polish it up and get it out to the Board. Mr. Vinson said all was in the budget. Mr. Reardon said one

person had been added, another will be. Mr. Vinson said 1 part-time is coming back full time, and he added another full time. Ms. Bonnett asked if all was in the budget. Mr. Capouch said yes, and contract labor is below budget – the dollars had been allocated but the Board hadn't necessarily approved the numbers. Ms. Bonnett said in the big picture, and this was an example, the Board didn't need to decide whether Lindsey made \$2 or \$4 more; if it's in the budget that is a staff and management function. Mr. Reardon said an allowance was approved because a surprise wasn't wanted, but the details need to be looked at. Mr. Capouch said he thought the By-Laws said the management company can make recommendations in paying people but it still needed to be approved by the Board before it was implemented, because it was reimbursing management. Mr. Reardon said he would get with Mr. Vinson before next time and try to expedite the process.

New Business

Report by CAO Scott Day

Mr. Day said he met with Mr. Inman, and he felt he and Mr. Inman had a good open line of communication. He said he sent out an outline of items he wanted due diligence on and Mr. Maier and Mr. Vinson were working on that, and he had received some of the information. Mr. Day said he was working on the health plan and a payroll processor; he was just now getting back some of the cost involved in the plans; Mr. Inman had supplied the costs involved in the Earnest Corp. health plan; he was comparing that to possible plans because he wanted to be able to give equal benefits to those currently provided; he said he had spent a lot of time reading through contracts, and proposed contracts with vendors, insurance policies and when they renew; he had asked certain committee members as he met with them to discuss how to help the committees; he said he felt things were going the right direction; he felt like the lawsuit being filed had slowed the process down in Mr. Inman wanting to get information out which may be in conflict with being sued; he felt good about where thing started, but said probably until the election of the Board he was not going to get some of the information from Mr. Inman at this point; he said some specific information he asked for, because of the lawsuit, at this point he was not receiving that information, noting it involved TEC employees and policies; he was working on an employee handbook; he said he had the TEC handbook and some others, and was looking at the varying topics within them; once he put something together he would bring that to the Board. Mr. Day then asked for questions.

Mr. Simeon said he didn't want to talk about the lawsuit, he said he understood Mr. Day to say information he wanted which was similar to that in the lawsuit Mr. Inman did not want to give to him or to us. Mr. Vinson said the attorneys had told TEC not to get involved in answering any questions about things involved in the lawsuit. Mr. Day said, for example, time cards for hourly employees and where they spent their time; he understood it written on the card what they did that day, and that's how the hours were allocated under the budget; he wanted to see where the time was being spent. Mr. Simeon said that was something he needed to prepare himself for the position. Mr. Day said he may look at pay and where dollars were spent; he said Mr. Vinson knew where everyone was on a daily basis – he (Mr. Day) just wanted a snapshot of that – where the manpower was being used and how to make it better going forward. Mr. Simeon asked if Mr. Vinson could not give the information because a gag order was put on everybody. Mr.

Robichaux said that was amazing that would be said, that an agent of this entity was not allowed because he had his own individual issues. Mr. Simeon said it was ridiculous as Mr. Day needed this information to move ahead to the best of his ability; the current managing agent is being told not to give out information because of the lawsuit – this was complete hinderance. Mr. Day said he wasn't told that directly, but assumed that. Ms. Bonnett asked if Mr. Inman or TEC was being sued. Mr. Maier said staff was told it was Mr. Inman and TEC, not the Association. Mr. Robichaux said that was true; what Mr. Reich filed was as a shareholder; if one owned property, one was a shareholder; if the Board has not required TEC to produce expense records that he feels it should be aware of, he is going to do it; it's called a shareholder's derivative suit – which happens when a cooperation won't protect the shareholders, an individual shareholder steps up and says he is not suing on my own account but on behalf of every shareholder because I think this is information that is important, and maybe we have been overcharged or something along those lines, and the Board approved something it should not have; the Association is a nominal entity at best, because anything that happens in the suit is at Reich's expense; but any benefit that flows from the lawsuit, i.e., disclosure of information previously not disclosed or proof of overcharging or failure to overcharge, benefits the corporation; so he is filing something for the corporation. Ms. Hennegan said he was filing "on my behalf", whether I like it or not. Ms. Bonnett asked if there were indemnification issues. Mr. Robichaux said there were 1,000's of issues; since TEC was evidently going to take whatever position in this veil of silence and the Board wants to talk about it, maybe Mr. Maier and Mr. Vinson don't need to be here. Mr. Maier agreed, saying it was an awkward position. Mr. Robichaux said the problem was you all still get a pay check; you have Mr. Inman's lawyers saying you can't do your job. Mr. Maier said it was the insurance defense lawyers, not Mr. Inman's personal lawyers. Mr. Robichaux said it was still Mr. Inman's lawyers.

Mr. Reardon said asking Mr. Tate if there was some marketing issues he needed to ask. Mr. Tate said regarding the website he would ask Mr. Day; he felt that the website should market Beau Chene; it had been truly lacking; he wasn't going to file a lawsuit or anything, but as a Board, it was their responsibility to market the neighborhood; he said he wasn't scared to do it and solicit input from the neighborhood to help him do it; it should be a chair of a group of this Board. Mr. Reardon asked if Mr. Maier to check with Mr. Inman to see if he was going to do the property sales report at the Annual Meeting. Mr. Maier said he heard Mr. Inman was not going to be there. Mr. Reardon asked if he was not going to do it to give the information to Mr. Tate. Regarding the Annual Meeting, Mr. Reardon asked if there was anything else needed to be said. Mr. Tate said he knew Mr. Day was going to be attacked as to what value he brought, why he should be hired, etc. Ms. Bonnett noted this was not a complete open forum; she said Mr. Day would be introduced and ask him to say a few words. Mr. Simeon said remember the security committee last year; if there are plans regarding Mr. Day, "God forbid!" Mr. Reardon said he would introduce Mr. Day but should questions be at the end. Mr. Maier said that was traditionally the way things were done. Mr. Reardon said Mr. Vinson would give him a blurb on infrastructure to read out; he said Finance, Security, Governancé would have reports. Mr. Maier and Mr. Vinson left the meeting at this time.

Martha Hennegan, Secretary (at the time of this meeting)
Bill Maier, Staff