

**PADRE ISLES PROPERTY OWNERS ASSOCIATION**  
**DRAFT Minutes of the Board of Directors Meeting**  
Tuesday, December 11, 2018

**1. CALL TO ORDER**

- a. Meeting was called to order at 5:30 p.m.
- b. Board members present: Nick Colosi, Marvin Jones, Brent Moore, Marta Sprout, Carter Tate, Darrell Scanlan.
- c. Board members absent: None
- d. Also present: Jim Smock, executive director; Heather Cooley Coxe, assistant secretary

**2. CONFLICT OF INTEREST STATEMENT**

- a. No conflict of interest statements submitted by Board members or POA staff.

**3. PRESENTATIONS WITH POSSIBLE BOARD ACTIONS**

- a. The following was presented:
  - i. Police Presentation: Corpus Christi Police Department Commander Billy Breedlove and Captain Anthony Sanders provided an overview of the Bravo district, one of the City's four patrol districts that includes Padre Island, the Flour Bluff region, and the city's traditional "Southside" area, and YTD statistics for the district which shows a flat trend. Captain Sanders stressed the importance of residents reporting all crimes, as well as the importance of locking car doors and closing garage doors to deter crimes of opportunity. For any questions, Captain Sanders can be reached at 361-461-4628 or [anthony@ccctexas.com](mailto:anthony@ccctexas.com)
  - ii. Auditor's Update: Nita Jayroe, CPA, Jennings, Hawley & Co., P.C. presented the results of the 2017 audit. The report showed several problems, including poor internal controls, lack of documentation for transactions ranging from journal entries to credits to owners' assessments, offsetting of journal entries, builder liability deposits, use of the Association's bank accounts for non-POA projects, failure to file liens with past due assessments, insurance coverage for non-employees, no future report of future major repairs, and the timing of deposits. Ms. Jayroe also stated, in reply to a board member question, that there is no evidence of missing funds.
  - iii. Billish Park Update: Craig Thompson, P.E., Hanson Engineering provided updates about the final stages of the park project, including punch list items and warranty schedules.
  - iv. ISAC/TIRZ Representative Report: Carter Tate, as a member of ISAC, reported the ISAC is reviewing HDR's report of repairs to Packary Channel. The Committee is also considering a renewal of the TIRZ to pay for ~\$15MM for maintenance and dredging of the channel.

**4. MEMBERS' COMMENTS (Three minutes/member)**

- a. See attachment (Addendum A)

**5. PRESIDENT'S COMMENTS**

- a. Marvin Jones presented the following:
  - i. Board of Director Vacancy: The Board will conduct interviews and then vote to determine who will fill the vacant seat.
  - ii. Assistant Secretary Appointment: A motion and vote will be taken later in the meeting for Heather Cooley Coxe to serve as Assistant Secretary for the December 11<sup>th</sup> meeting.

iii. Current Topics of Interest:

1. Billish Park Improvements: Presented earlier in the meeting.
2. Books and Accounts: Information about the 2017 audit was presented earlier in the meeting; the 2018 audit is on deck.
3. Channel Markers: To be addressed later in the meeting.
4. Bank Account Consolidation: The number of bank accounts has been consolidated, from four to five accounts to two accounts, with one account in the process of being closed. Deposits will soon be submitted electronically.
5. New Staff: Jim Smock is the new Executive Director. Other open/vacant positions have been filled.
6. Litter Critter: There's a new regular schedule for the Litter Critter.
7. Direct Deposit: Employees will receive their paychecks via direct deposit.
8. 2019: Priorities for 2019 include a new data management system with a homeowner portal, updating the website, collecting email addresses of all members, developing an accounts receivable collection program, working with Code Enforcement, 2018 audit, reviewing "out of date" covenants, creating a bulkhead database, conducting a risk assessment program.

**6. EXECUTIVE DIRECTOR'S REPORT**

a. Jim Smock presented the following:

- i. Thank you to the POA staff: Lori, Kathy, Sam, Danny, Anita, Pete, Diana and Heather. Jim also thanked all the volunteers.
- ii. The next Compliance Committee meeting is December 12<sup>th</sup> at 6:00 p.m.
- iii. The next Board of Directors meeting is January 22<sup>nd</sup> at 5:30 p.m.
- iv. The Annual Meeting is March 9<sup>th</sup> at the Seashore Middle School. More details to follow.
- v. For the election, there will be two "meet 'n greets": January 19<sup>th</sup> from 10:00 a.m. – 12:00 p.m. and February 21<sup>st</sup> from 6:00 p.m. – 8:00 p.m. Both events will be held at the Island Presbyterian Church.
- vi. The drawing for ballot order took place on December 6<sup>th</sup>. There are owners running for the board and who are also interested in seeking an appointment for the vacant board seat.
- vii. Dr. Dan Jorgensen, professor of Public Administration at TAMUCC will again manage the voting process. The POA office will not be involved with the election process.
- viii. Cobo de Bara Boat Ramp: Casa Engineering is preparing an analysis and RFP for the necessary repairs; a cost estimate will be included in the analysis.
- ix. Billish Park: Looking at four maintenance bids that will include irrigation, wedding, herbicide, etc.
- x. Website: In the process of transferring domain names to the new IT provider.
- xi. Property Management Software: Looking at vendors but are inclined to stay with TOPS.
- xii. Statements: The POA will issue statements, starting next month.
- xiii. Social Media: The POA staff will not comment on meetings with Board members.
- xiv. The executive director stated that he had not been bullied or inappropriately treated in a meeting with two (2) board members. This was in response to allegations of inappropriate treatment.

**7. CONSENT AGENDA** (Routine items; acceptable without further discussion)

- a. The Minutes of the Board of Director Meeting held October 23, 2018 were presented, with one amendment to properly reflect the request for a variance submitted by Christine Gallegos at the October 23<sup>rd</sup> meeting, for approval. The variance is for 5 feet not 10 feet.

<b>MOTION</b>	Marta Sprout: I'll make a motion to amend to reflect the analysis.
<b>SECOND</b>	Nick Colosi
<b>DISCUSSION</b>	Marta Sprout: Let's fix it. Brent Moore: Can you restate the motion? Jim Smock: The draft of the minutes states: Christine Gallegos (construction) asking for a variance to add 10 ft to a boat dock on Cobo de Bara. It should read "to add 5 ft to a boat dock..."
<b>VOTE</b>	AYE: (6) Nick Colosi, Marvin Jones, Brent Moore, Marta Sprout, Carter Tate, Darrell Scanlan. NAY: (0)
<b>MOTION CARRIED</b>	

**8. COMMITTEE REPORTS**

- a. Compliance Committee
  - i. Alan Rickerston, chair, provided an overview of the Committee's schedule for submitting its recommendations to the Board. A meeting with the City's Code Enforcement Office will be scheduled.
- b. Architectural Control Committee (ACC)
  - i. Tom Cable, chair, spoke to the ACC-specific Amendment of the Covenants completed in 1992, and Committee processes. The Committee is rewriting the current ACC Guidelines. The ACC would like the City to require POA approval prior to approving City permits.
- c. Waterways
  - i. William Sargent, chair, was not in attendance. Meeting minutes were provided.

**9. TREASURER'S REPORT – FINANCIAL REPORTS** (The Board will review, discuss, and then accept all financial reports, with possible Board action.)

- a. Nick Colosi stated financials were provided in the Board meeting packet. No motion required.
- b. Additional discussion provided by Nick Colosi:
  - i. Financial Advisory Committee: A formal meeting has not been held. Nick Colosi presented events completed in sequence in lieu of formal meetings.
  - ii. Meeting with the Auditor: No decisions were made at the meeting. Board members present at the meeting Nick Colosi, Marvin Jones and Marta Sprout.
  - iii. Questions and discussion held about the members of the committee, including selection of the chair of a committee.

**10. OLD BUSINESS** (With possible Board action)

- a. Channel Markers – Status Update
  - i. Marvin Jones reported ~60% of the markers are in the north channel and are installed. Delays in completing the installation were due to weather and mechanical issues with the barge motor. Delays in receiving signs due to tariffs on aluminum. Anticipate completion of entire project by Christmas La Posada.
  - ii. Coast Guard
    - 1. Marta Sprout reported the Coast Guard has directed every step of the project, following a summary of the series of events specific to the project.
    - 2. Questions and discussion about the size and placement of the markers.

- b. POA Board & Employee Background – RSI
  - i. Jim Smock reported all POA employees have undergone a background check.
  - ii. Marvin Jones reported background checks may not be made a condition of board eligibility, per Texas State Law, unless a crime of a felony or moral turpitude (within the last 20 years) has been disclosed. There is no enforcement action with the motion presented last month.

**11. NEW BUSINESS** (With possible Board action)

- a. Meeting with Corpus Christi Police Department regarding Cobo de Bara Boat Ramp
  - i. Marvin Jones and Marta Sprout discussed residents’ complaints of activity at the boat ramp with the Corpus Police Department.
- b. Appointment of Robert Pruski to ACC as Co-Chair

<b>MOTION</b>	Carter Tate: I make a motion he [Robert Pruski] be co-chair of the Architectural Control Committee.
<b>SECOND</b>	Darrell Scanlan
<b>DISCUSSION</b>	None
<b>VOTE</b>	AYE: (6) Nick Colosi, Marvin Jones, Brent Moore, Marta Sprout, Carter Tate, Darrell Scanlan. NAY: (0)
<b>MOTION CARRIED</b>	

- c. Assistant Secretary Appointment

<b>MOTION</b>	Carter Tate: I make a motion to appoint Heather Cooley Coxé as Assistant Secretary for tonight’s minutes.
<b>SECOND</b>	Nick Colosi
<b>DISCUSSION</b>	None
<b>VOTE</b>	AYE: (6) Nick Colosi, Marvin Jones, Brent Moore, Marta Sprout, Carter Tate, Darrell Scanlan. NAY: (0)
<b>MOTION CARRIED</b>	

**12. RECESS TO EXECUTIVE SESSION**

- a. Meeting was recessed at 8:00 p.m. to Executive Session.
- b. See attachment (Addendum B)

**13. RECONVENE AND ADJOURN**

- a. Meeting was moved out of Executive Session at 10:05 p.m.
- b. A motion to adjourn the meeting at 10:06 p.m. was made by Darrell Scanlan. Second by Nick Colosi.

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**ADDENDUM A – MEMBERS’ COMMENTS**

<b>Name</b>	<b>General Topic of Discussion</b>
David Dare	Variance for fence. (Variances will be heard in Executive Session.)
George Potter	Candidate for Board. Fortunate to be a part of the Island.
Andreas Gerbert	Variance for fence. (Variances will be heard in Executive Session.)
Peggy Shirley	Support and enforcement of the covenants. In protest of fence in neighborhood.
Henry Quigley	Appointment of new Board member to fill vacant seat taking too long.
Sandy Graves	Thank you for the channel markers.
Richard Pittman	Two submissions to the Island Moon not printed: October Board meeting and transparency. Meeting with CPA not inclusive of all Board members. Happy to have channel markers but took too long to get into place.
Nancy Tressa	In agreement with Richard Pittman. Concerns of Board members being excluded. Prior Board members accused of holding secret meetings without fact checks.
John Minners	Owners should be allowed to park operable boats and trailers on lots. Concerns about (unpublished) ACC recommendations.
Dana Sisk	Concerns about the audit. Where’s the budget? Put aside personal decisions. Make all financial information available to all Board members.
Travis King	Fill the vacant Board seat. Allegations of bullying.
Nita Smith	Not all the channel markers are in place.
Kay Walker	Fill the vacant Board seat before the next meeting.

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**ADDENDUM B – EXECUTIVE SESSION**

**1. CALL TO ORDER**

- a. The Executive (closed) Session meeting of the Board of Directors was called to order at 8:13 p.m. by Marvin Jones.
- b. Board members present: Nick Colosi, Marvin Jones, Brent Moore, Darrell Scanlan, Marta Sprout, Carter Tate
- c. Also present: Jim Smock, executive director; Heather Cooley Coxe, assistant secretary

**2. LEGAL OPINION – VARIANCES TO COVENANTS**

- a. Jim Smock read an email containing a legal opinion from Cagle Carpenter Hazlewood, the Board’s attorney, concerning variances to covenants. Marvin Jones discussed the legal opinion with the Board.

**3. REQUESTS FOR VARIANCES** (Individual property owners presented their request for variance to the Board of Directors and then left the meeting. All Board action was taken absent of property owners.)

- a. 16109 Jessamine Street

<b>MOTION</b>	Brent Moore: I make a motion to approve the fence install as presented.
<b>SECOND</b>	Carter Tate
<b>VOTE</b>	AYE: (4) Marvin Jones, Brent Moore, Darrell Scanlan <sup>1</sup> , Carter Tate NAY: (1) Nick Colosi ABSTAIN: (1) Marta Sprout
<b>MOTION CARRIED – VARIANCE GRANTED</b>	

**\*\* Marvin explained that the property owner was in compliance based on the transfer certificate. \*\***

- b. 14802 Highland Mist Drive

<b>MOTION</b>	Brent Moore: I make a motion to approve the fencing as submitted – six (6) feet on the sides and four (4) feet on the back.
<b>SECOND</b>	Carter Tate
<b>VOTE</b>	AYE: (3) Brent Moore, Darrell Scanlan <sup>1</sup> , Carter Tate NAY: (2) Nick Colosi, Marvin Jones ABSTAIN: (1) Marta Sprout
<b>MOTION CARRIED – VARIANCE GRANTED</b>	

- c. 14810 Cobo de Bara

<b>MOTION</b>	Brent Moore: I make a motion to accept the modification, to approve the variance 15 feet off the bulkhead, as shown in the Voss plan.
<b>SECOND</b>	Carter Tate
<b>VOTE</b>	AYE: (3) Brent Moore, Darrell Scanlan <sup>1</sup> , Carter Tate NAY: (1) Nick Colosi ABSTAIN: (2) Marvin Jones, Marta Sprout <sup>2</sup>
<b>MOTION CARRIED – VARIANCE GRANTED</b>	

<sup>1</sup> Darrell Scanlan requested to be on record that the applications for variances were received prior to the Board receiving a legal opinion concerning the granting of variances to covenants.

<sup>2</sup> Marvin Jones and Marta Sprout abstained because the Board does not have the authority to grant variances to the covenants. This was pursuant to the executive director reading a legal opinion from counsel.

d. 14222 Bay Bean Drive

<b>MOTION</b>	Nick Colosi: I make a motion to deny the request.
<b>SECOND</b>	Marta Sprout
<b>VOTE</b>	AYE: (5) Nick Colosi, Marvin Jones, Brent Moore, Marta Sprout, Carter Tate NAY: (0) ABSTAIN: (1) Darrell Scanlan
<b>MOTION CARRIED – VARIANCE DENIED</b>	

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Heather Cooley Coxe, Assistant Secretary