

Shade Meeting

University Park Recreation District Board of Supervisors

May 14, 2026



LIBERTY COURT REPORTING

1904 Manatee Ave. W
Suite 300
Bradenton, FL 34205

941-344-6099
admin@libertycourtreportingfl.com

PUBLIC NOTICE
UNIVERSITY PARK RECREATION DISTRICT
S P E C I A L M E E T I N G
ATTORNEY/CLIENT SESSION MEETING
May 14, 2026, AT 9:00 A.M.

Location: The Business Offices
8301 The Park Boulevard
University Park, FL 34201

District Attorneys: Mark Barnebey, Esq.
Fred Moore, Esq.

District Manager: Vivian Carvalho

Board of Supervisors: Steve Heitzner
Scott Huebner
Gregory Selep
Steve Swanson

Proceedings were taken before:
Olivia Cristantiello, CSR
Liberty Court Reporting

P-R-O-C-E-E-D-I-N-G-S

MS. CARVALHO: All right. University Park Recreation District, a special meeting of the Board of Supervisors, as well as attorney-client session is now called to order. Today is Tuesday, May 14, 2026, and it's exactly 9 o'clock a.m.

Present, we have the following Board members, Steve Heitzner, Scott Huebner, Gregory Selep, and Steve Swanson. Also with the district staff, we have myself, Vivian Carvalho present, along with Mark Barnebey and Fred Moore from the district counsel's office, and we have the court reporter present.

I'm going to pass it over to Mark.

MR. BARNEBEY: You want to take a roll call to make sure we have quorum?

MS. CARVALHO: Sure.

Steve Heitzner?

MR. HEITZNER: Here.

MS. CARVALHO: Scott Huebner?

MR. HUEBNER: Here.

MS. CARVALHO: Gregory Selep?

MR. SELEP: Here.

MS. CARVALHO: And Steve Swanson?

MR. SWANSON: Here.

1 MS. CARVALHO: Okay. Quorum.

2 Go ahead, Mark.

3 MR. BARNEBEY: Thank you. All right. We are
4 in here in large part because of the meeting under
5 the attorney-client session provisions on this
6 section 286.011(8) Florida Statutes. And this is
7 -- and this is May 14th, 2026, and this session, we
8 expect to last about 90 minutes. We are located at
9 the Business Offices located at 8301 Park Boulevard,
10 University Park.

11 This meeting is currently in open meeting and
12 then we'll move into the attorney-client session,
13 which is limited in attendance to the district
14 attorneys, Mark Barnebey and Fred Moore, District
15 Manager Vivian Carvalho, and we'll meet privately
16 with the Board of Supervisors of the University Park
17 Recreation District, which would be Steve Heitzner,
18 Scott Huebner, Greg Selep, and Steve Swanson.

19 A court reporter will also be present, which we
20 will be transcribing this, the full proceedings of
21 this private session. And that -- those
22 transcriptions will be made part of the public
23 record for release at the conclusion of litigation
24 for the purposes of discussing settlement
25 negotiations or strategy sessions at the conclusion

1 of the litigation that's related to litigation
2 expenditures in the following court case, Dean Matt
3 versus the University Park Recreation District,
4 SC-2024-0990.

5 At the conclusion of the private portion of the
6 meeting, the meeting shall then reopen in public.

7 I don't see anybody in the public here, so we
8 can go right into the private session.

9 P R I V A T E S E S S I O N

10 MR. BARNEBEY: It's now in private session. I
11 just want to remind the Board, I know you've heard
12 before, that this proceeding is being transcribed to
13 the public, so just keep that in mind. And also,
14 please, because the court reporter is here, please
15 talk one at a time. It makes life much easier for
16 her and for everybody else.

17 With that, I'm going to turn it over to Fred
18 Moore.

19 MR. HEITZNER: No, Steve.

20 MR. BARNEBEY: Oh, Steve, I'm sorry.

21 MR. HEITZNER: Okay. So first of all, I want
22 to say is, I want to remind everybody that this is a
23 confidential meeting amongst this group in this room
24 and no information that is discussed here should be
25 repeated outside of this group. So we've had some

1 things happen that are unfortunate and it's got some
2 feathers ruffled, and we want to make sure that we
3 understand this is a -- there are consequences to
4 repeating information outside this meeting.

5 Eventually, as Mark said, everything is going
6 to be public record anyway. But in the interim, you
7 need to make sure that what's said in this room
8 stays in this room until the time that it becomes
9 public record.

10 So any questions, or Fred, anything to add to
11 that?

12 MR. MOORE: No. I think just be careful what
13 you're saying about what happens here and you can
14 always voice your opinion. Try not to tie it back
15 to what happened in this room. I'm kind of echoing
16 on what Mark said. We want you to speak freely
17 here, but choose your words because they are
18 transcribed.

19 MR. BARNEBEY: The other thing I might note,
20 just knowing what some of the discussion is going to
21 be here, some of the discussion could impact staff
22 and that information, if it gets out, one way or the
23 other, just the fact, we're talking about it could
24 adversely affect operation.

25 MR. HEITZNER: Absolutely. Okay. So what I

1 want to do is I want to summarize. I had a two-hour
2 and 45-minute meeting with Dean Matt and Rusty
3 Pearson just a little over a week ago. And I also
4 wanted to summarize our conversations in that.

5 Subsequently to that, Fred's had a conversation
6 with Dean's attorney and Fred's going to kind of
7 summarize that.

8 So one of the requests that Dean had prior to
9 my meeting with him was that he wanted -- he had
10 requested that I review the five-year plan that UPRD
11 has.

12 I came to the meeting with five-year plans, and
13 I'm going to actually see that each of you, we go
14 through a review of the five-year plan that is in
15 place here. And as you know how the charter reads,
16 the charter reads that we must maintain a five-year
17 plan. And so --

18 MR. SWANSON: It doesn't define --

19 MR. HEITZNER: It doesn't define any further
20 than that, fortunately or unfortunately.

21 So I did put together -- I did come prepared to
22 go through the five-year plan and had documents and
23 et cetera. We did discuss the five-year plan
24 briefly, but we did not go through it. My intent
25 was to -- you know, my intent and what Dean really

1 wanted was for me to explain how, me, as the chair
2 see this Board operating in the future, which I
3 think is what the productive thing to do is.
4 There's things happening. There's things that have
5 happened. There are all kinds of conversations
6 going on around things that have happened.

7 But whether we agree or disagree that there is
8 a five-year plan in place, to me, as the new chair,
9 is not as significant as the fact that one of the
10 primary charters for strategic club solutions is to
11 develop a five-year plan that is something that is
12 user-friendly, that every member, every resident can
13 access easily.

14 And so that was -- and that is a -- that's a
15 commitment that I've made. That's a commitment I
16 think that you as a Board have also made. We think
17 that that should be the case. I had dinner last
18 night with SCS and told them that's one of their
19 primary goals.

20 So we had lots of conversation around, you
21 know, how things could work, et cetera. And I'm
22 going to kind of fast forward to, you know, what's
23 it going to take to kind of resolve this situation
24 that we have with the appeal. And we got into a
25 little broader than that because there's the appeal,

1 which is what we're here to talk about, and then
2 there's all this second-tier litigation that Dean
3 does talk about.

4 In order to -- this is how I went through it.
5 In order to get settlement terms on the table, one
6 of the things that was requested was that he get
7 robust, and I'm using, I'm quoting, robust apologies
8 from a number of people.

9 Now, most -- none of those people are on the
10 current Board today. There are past Board members,
11 there are other residents, and including our general
12 manager, John Fetsick. My response to that was, I
13 don't have any, and our Board does not have any say
14 in what a resident is going to do or not do. That's
15 certainly their prerogative.

16 Where the general manager is concerned, we can
17 certainly -- that's -- we can certainly talk about
18 what that would look like. But in terms of all of
19 these other people --

20 MR. SWANSON: Did he define "robust," or is it
21 as vague as the five-year plan?

22 MR. HEITZNER: He wants those people to admit
23 that they made mistakes, that they were not in the
24 best interest of the community. So again, I think
25 that's a term that if -- what I have tried to say,

1 in my mind, these are points of negotiation. Okay?

2 MR. SWANSON: Okay.

3 MR. HEITZNER: So what I'm going to say is not
4 exactly what we have to do.

5 MR. SWANSON: Right.

6 MR. HEITZNER: Or what we have to do. Maybe
7 there's further conversation to define that to make
8 sure that are we okay with that definition of an
9 apology. Okay?

10 Second, we had a lot of conversation around
11 PBM. So Dean does not want Fetsick to report to
12 PBM. He thinks that Fetsick should report to this
13 Board. And he thinks that we should re-look at the
14 whole PBM structure and the PBM relationship.

15 And, you know, the reasons that we don't have
16 John and the club reporting directly to this Board
17 are predominantly due to Sunshine Laws. And it's
18 not just the fact that, oh, my God, we have to
19 publish John's salary and we have to publish Curtis'
20 salary and Rico's salary, et cetera. Every single
21 component of any employee here in University Park
22 would have to be public.

23 So for example, let's just say that there was a
24 server that did something wrong that required some
25 form of progressive discipline. That's public.

1 It's not a great environment to work in. If I was
2 an employee, I'm not sure that that's necessarily an
3 environment that I would want to work in.

4 So there are -- and there's reasons beyond
5 that, that it was designed to not have John and the
6 management team reporting directly to the Board.

7 Now, are there other scenarios that we could
8 look at? I had this conversation with SCS Solutions
9 last night. Are there ways that we could
10 potentially carve out the clone from R&D? These are
11 the kinds of conversations that we have around the
12 table. So while initially you say, well, Dean wants
13 Fetsick to report to the Board and not PBM, it's
14 time to say, we can't do that.

15 Well, we don't know that we can't do that. We
16 don't know if there isn't another structure that
17 gets us to the same, gets us to the right place that
18 everybody's comfortable with. We don't know that
19 right now. But that's something, can we commit to
20 look at that? I don't know. That's -- so, but I
21 did ask SCS for that to be one of their priorities.

22 Third thing is he wants a governance committee,
23 which we've already all committed to a governance
24 committee, which Scott Huebner is coordinating.
25 Dean wants himself and Chris Edwards to be on that

1 governance committee. And I think we all already
2 knew that component. So that's --

3 MR. SWANSON: Who is the other person?

4 MR. HEITZNER: Chris Edwards. His name is
5 Chris Edwards. He's a resident. He's a resident
6 that apparently Dean is friendly with, has a lot of
7 confidence in, or whatever, but he's another
8 resident.

9 MR. SELEP: He was on the original business
10 planning committee. Rusty put him on. He and Rusty
11 are like.

12 MR. HEITZNER: So you know, we haven't
13 determined how many members are going to be on that
14 governance committee, assuming a minimum of five.

15 MR. SWANSON: We haven't determined anything
16 about the governance committee.

17 MR. HEITZNER: We haven't determined anything,
18 but we have determined that we want to have a
19 governance committee. So what's the structure,
20 what's the charter, what's it going to look like,
21 all that. That's work that's being done.

22 Okay. The next piece was that Dean believes
23 that he has money out of pocket as he has been going
24 through this process of the bond, and the appeal,
25 and all this other tertiary litigation, as he refers

1 to it, et cetera, et cetera.

2 And I said, give me a ballpark. I said, what
3 are you talking about? And he said, well, maybe
4 around \$75,000. And maybe we could do some cash,
5 and maybe we could do something kind like, you know,
6 free membership or something like that, some things
7 like that, golf, whatever. I said, okay. So that's
8 what he said relative to that.

9 So we weren't negotiating these terms. I was
10 strictly hearing what the terms were and writing
11 them down so I could bring them to you so that we
12 could discuss them.

13 The next piece that he asked me was, can we --
14 do we have the ability to reduce the amount that we
15 take from the bond if the bond is approved? So he
16 wanted to make it very clear that we keep saying
17 that if the bond is not approved, that there's no
18 chance at getting a bond. He said I'm not
19 necessarily opposed to the bond. I'm opposed to how
20 it transpired. Okay?

21 MR. SWANSON: That's news to me, and all these
22 missives, he was dead set against the bond.

23 MR. HEITZNER: He's dead set against the
24 existing bond.

25 MR. SWANSON: The one who brought the --

1 MR. HEITZNER: No, not the 2019. The one
2 (crosstalk) litigation. We're talking about the new
3 one.

4 So he said, I'm not opposed to the bond. I'm
5 opposed to how this one went down, which means he
6 doesn't believe there was enough due diligence on
7 the capital improvement projects. He doesn't think
8 that we necessarily need all of that money, et
9 cetera, et cetera.

10 And he said, can we -- you know, so if the bond
11 is approved, all right, it's gonna net out, it's 21
12 and a half million, that's our 18 million. You
13 know, we've got six million that's gotta go to the
14 golf course irrigation. Depending on what we end up
15 doing with the kitchen, you know, five and a half,
16 six million on the kitchen, there's not enough left
17 to do the other projects in the way that we were
18 thinking about those other projects.

19 So his point is, do we need to take the rest of
20 the money? Or can we sit tight and let SCS work
21 through the process of validating the projects, et
22 cetera, et cetera. And that's something for us to
23 discuss. But we do have the ability. We do not
24 have to take all the money, as I think Mark
25 mentioned in the last Board meeting that we had to

1 ask this question, was it's worded that up to
2 X-amount of money. So we don't have to take all the
3 money.

4 So those are the things that he gave me. He
5 didn't talk about the Board position at all. So I
6 asked him. I said, you know, we've got this open
7 Board position. He goes, why? He goes, why did
8 you -- you know, I don't understand why you didn't
9 fill the position. And I said, well, we didn't fill
10 it because of you.

11 And he goes, what do you mean? So I explained
12 that you had made one of the components of sitting
13 down to negotiate this was who was put on the Board.
14 So we don't want to put the cart before the horse.
15 And if this is going to be part of the settlement,
16 you know, having some form of opinion or say on who
17 goes on the Board, we're going to do that and then
18 say, sorry, game over. All right?

19 The second part of it is, Rusty's one of the
20 candidates for the Board. Rusty's been instrumental
21 in this process of getting Dean Matt to sit down to
22 have these kinds of conversations. If we voted on
23 the Board last week, and if the Board voted to put
24 Rusty on the Board, Rusty's out of the picture to
25 discuss this because we can't be in the same room if

1 he's on the Board.

2 So I said, so that's why we've stopped it. I'm
3 saying -- I'm not saying Rusty's going to be on the
4 Board. I'm not saying Rusty isn't going to be on
5 the Board. But if he were on the Board, he wouldn't
6 be sitting in that chair right now talking about
7 this with us.

8 So got past that. So yes --

9 MR. SELEP: But is Rusty on the Board part of
10 his criteria?

11 MR. HEITZNER: So in the conversation with me,
12 I said, you had said you wanted Rusty on the Board.
13 he goes, I think Rusty should be on the Board. He
14 didn't say -- now you're going to hear a little more
15 from Fred in a minute, but in our meeting, he did
16 not say that. He just said he thinks Rusty should
17 be on the Board.

18 MR. SWANSON: That wasn't a condition at this
19 point?

20 MR. HEITZNER: It was not -- not in the same
21 way as these other folks at this point. Okay? So
22 we get through all of that, and so I said, okay, so
23 let's just say -- Dean, let's just say that I can
24 make all of this happen. I go back to the Board,
25 we're all in kind of agreement, does that mean

1 you're going to drop the appeal?

2 He said, I really don't want to drop the
3 appeal. I said, well, what do you mean? He says, I
4 will drop all of my other -- all my other
5 litigations, done. I'll take all that away, but I
6 don't want to drop the appeal. And I said, well,
7 we're here to talk about the appeal. So why don't
8 you want to drop the appeal?

9 And his response was, I don't want it to look
10 like I lost.

11 MR. SWANSON: There it is.

12 MR. HEITZNER: And I said, well, I said --

13 MR. SWANSON: There it is.

14 MR. HEITZNER: -- Dean, you've said you're
15 looking out for the little guy, you're a man, you
16 know, for the community, you're for the community,
17 man of the people, et cetera, that doesn't really
18 sound like that. He goes, well, maybe we can come
19 up with a way that makes it look okay for everybody,
20 whatever.

21 And I said --

22 MR. SWANSON: Meaning a way to help him save
23 face. I'm sorry.

24 MR. HEITZNER: So anyway, so I said, okay. But
25 he said, so I need to think about this, dropping the

1 appeal. And I said, okay.

2 So he changed his tenor a little bit on that.
3 So then, so we said, okay, so I got all these
4 points. This is over two and a half hours, because
5 there was a lot of conversation and all of these
6 different things. We agreed that we would have a
7 shade meeting today, and then we would have a
8 follow-up meeting on Monday, this coming Monday. So
9 that's scheduled for Wednesday.

10 MR. SWANSON: With Rusty and Dean?

11 MR. HEITZNER: With Rusty and Dean, this coming
12 Monday at 1 p.m. And so in the interim, two days
13 ago, today's Thursday, so Tuesday, Rusty called me
14 and said that he had gotten a call from Dean and
15 that Dean was having his attorney draw up a -- I
16 don't know if it's called a settlement sheet, I
17 don't know if it's called his wishes, whatever it's
18 called, something for me to have for this meeting.

19 He didn't know if his attorney was gonna be
20 able to get it done in time. If he did, we were
21 going to have it so that he could discuss it, you
22 know, with you guys in this meeting. And so I don't
23 have that at this point.

24 However, I did get a phone call from Fred and
25 Mark yesterday telling me that they got a phone call

1 from Dean's attorney and that, you know, the
2 attorney asked if we were serious about trying to
3 settle.

4 And so with that, I'll turn it over to Fred,
5 and Fred can tell you what yesterday's conversation
6 was, and then we can start discussing this.

7 MR. SELEP: I have a couple questions before
8 you do that. So the Monday meeting is Rusty, Dean,
9 you, and --

10 MR. HEITZNER: At this point, that's it.
11 That's it. Now, that could change, but as of right
12 now, that's it. So it's not a -- I can't sit there
13 and negotiate a settlement by myself.

14 MR. SWANSON: These are just preambles to --

15 MR. HEITZNER: These are discussion points
16 right now we should be thinking of them as. But I
17 can't -- I'm not going to sit in a room and
18 negotiate a settlement. That's -- Fred can explain
19 what that process would actually look like if that's
20 what we were actually doing.

21 MR. SELEP: What was Rusty's input in this
22 two-hour conversation?

23 MR. HEITZNER: Very little. Very little. He
24 did clarify a couple of things. Both -- you know, a
25 couple of the things -- you know, For example, Dean

1 had a question on why do we even need a new kitchen.
2 Okay?

3 So I kind of explained how the kitchen
4 operates, et cetera. Me and Rusty supported that.
5 We had a conversation about fitness centers, and
6 Dean suggested that, you know, hotels don't even
7 have really good fitness centers, and that's not
8 even a part of it. I said, wait a minute. I said,
9 look who you're talking to --

10 MR. SWANSON: I've worked in hotels.

11 MR. HEITZNER: I said, I was on the team that
12 was responsible for getting all of our owners to
13 invest in fitness centers, because it's a huge part
14 of why people go to a hotel. And we still had that
15 kind of whole conversation. Rusty agreed with that.

16 You know, so really just if there was a point,
17 but very, very, very real.

18 MR. SELEP: My last question. What five-year
19 plan did you review with him?

20 MR. HEITZNER: I can give it to you.

21 MR. SELEP: It wasn't the 2023 document?

22 MR. HEITZNER: It's -- I could have brought it.
23 I'll give it to you.

24 MR. SELEP: Okay. Because there's a number of
25 them.

1 MR. HEITZNER: Yeah. There's about six or
2 seven documents that I had.

3 MR. SELEP: Okay.

4 MR. SWANSON: So what --

5 MR. HEITZNER: It's pretty complete. I went
6 through it with Paul Fahey [phonetic]. I went
7 through it with John.

8 MR. SWANSON: So if Rusty didn't say a lot in
9 this two-and-a-half-hour meeting, what is his
10 purpose there? Is he to help keep Dean on track?

11 MR. HEITZNER: Yeah, yes.

12 MR. SWANSON: And Rusty understands that's his
13 role?

14 MR. HEITZNER: Mm-hmm.

15 MR. SWANSON: And Dean understands that Rusty's
16 purpose is to keep him on track?

17 MR. HEITZNER: I don't know if Dean understands
18 that. But I mean, Rusty's been very clear on he's
19 not going to talk unless I want him to.

20 MR. MOORE: I will say last summer when I met
21 with Dean Matt -- or after I met with Dean Matt the
22 first time, and there was a lot of pie in the sky,
23 Rusty was fairly instrumental in keeping Dean
24 focused on what we could actually do.

25 And so we didn't settle, but at least we had a

1 framework that was able to be discussed and
2 something that could have resulted in a settlement.

3 MR. SWANSON: Gotcha.

4 MR. BARNEBEY: So I want to make sure this is
5 clear. This group, as the Chair pointed out, we're
6 here to talk about settlement of the litigation.

7 So anything that we propose, that's got to be a
8 facet of what we're doing. It's got to be to settle
9 litigation, because that's the only thing we can
10 meet on. We can't meet on doing something outside
11 of settling litigation in private. It's got to be
12 part of this discussion today.

13 Whether Dean Matt -- whether there are other
14 things we are involved in that, we can take about
15 all those things, because I think that would be
16 factors in potentially settling this litigation.
17 But the litigation has got to be a component of this
18 discussion for us.

19 MR. HEITZNER: So two more things before I give
20 it to you, Fred. One is, I think we talked about it
21 last Board meeting, I sent a letter to the clerk of
22 the Supreme Court that's posted on their website. I
23 got a letter back from the clerk of the Supreme
24 Court this week, basically telling me thank you for
25 my letter, but I don't matter and UPRD doesn't

1 matter in this case because it's Dean Matt versus
2 the State of Florida. The appeal is Dean Matt
3 versus the State of Florida, not Dean Matt versus
4 the UPRD.

5 MR. SWANSON: What?

6 MR. MOORE: That's partially true because we
7 named the state attorney as a party. The state
8 attorney had no issue, didn't take a stance, because
9 they had no issue with the bond issue. They believe
10 that we met the requirements. But the State of
11 Florida is a party to the lawsuit.

12 MR. HEITZNER: So because I'm not part of that
13 party, my letter could not be forwarded or put into
14 an official, whatever they call it. That's number
15 one.

16 Number two, I mentioned that we do have a
17 resident who is an attorney, practicing attorney,
18 Roger Schell [phonetic] who had reached out to the
19 clerk a few weeks ago, and the clerk said to call
20 back. This is when we learned that the judge was
21 sitting in a retirement pile collecting dust on some
22 justices' case for six months, or for 18 months, and
23 then had just been reassigned to a new justice in
24 January.

25 So no new real information. So he followed up

1 this week with the clerk, and the clerk said,
2 surprisingly, they learned that our case is the
3 second oldest case on the docket. The second oldest
4 case on the docket that the justice has.

5 Now, that can tell you a number of things.
6 Could mean we're the second oldest, maybe the first
7 oldest is gonna be the first case, and we're gonna
8 be the second case that this justice -- I don't
9 know.

10 And then the clerk suggested, you know, another
11 three weeks, call back in another three weeks, which
12 is a long time when we're trying to potentially
13 reach a settlement.

14 MR. SWANSON: If Dean dropped his lawsuit on
15 the appeal, would that immediately free up the bond
16 money?

17 MR. HEITZNER: Yes.

18 MR. BARNEBEY: (Crosstalk)

19 MR. SWANSON: Right. It would immediately
20 within a short amount of time, give us the ability
21 to tap that money?

22 MR. BARNEBEY: Yes.

23 MR. SWANSON: Okay.

24 MR. HEITZNER: Yep.

25 So Fred had this call with Dean's attorney

1 yesterday. He'll update you on that conversation.

2 MR. MOORE: And I'll start off with, I did not
3 meet with Rusty and Steve and Dean. Dean's attorney
4 wasn't available, so I thought it was best not to be
5 present because I would only be able to talk about
6 the bond because we know he's represented by two
7 different attorneys about things unrelated to the
8 bond, and we know he wants to inject some of that
9 into this.

10 So Kevin Hennessey called me on Tuesday. He's
11 in the process of changing law firm. I think he was
12 the one who made the public records request from his
13 previous law firm, it was Longman. He just started
14 at Johnson & Pope at the beginning of this month.

15 MR. SELEP: So the case moved with the lawyer?

16 MR. MOORE: That's what it appears to have
17 happened, yes.

18 So we had a brief chat. He wanted to reach out
19 to me, knowing that we were having a shade meeting.
20 Wanted to be able to get us some talking points, but
21 didn't think we would be able to get it in time
22 based on his transition at just shortness.

23 So we did run through nine points. So I think
24 I counted six that Steve had. We had nine points.
25 I'm going to run through them, and then we can talk

1 about them individually.

2 So first one was Rusty Piersons on Board.

3 Second one, governance committee, Chris Edwards
4 and Dean Matt being appointed. And I think Dean was
5 originally wanting to be the chair, but I think they
6 backed off on that, one because his attorney
7 recognizes that the committee should appoint the
8 chair, not anyone else. They would like it to be no
9 more than five members.

10 The third point is, with regards to the
11 management committee company, want to get rid of the
12 management company, hire a new one.

13 MR. SELEP: PBM.

14 MR. MOORE: PBM, to avoid the appearance of
15 impropriety. I think the way it was originally set
16 up with Sally's involvement, that's a no-go from
17 Dean's perspective. So essentially it's reorganize
18 how that structure works.

19 Wants the apology. He focused on -- for me,
20 primarily related to the management company.

21 The fifth point, apparently there's some
22 plaques related to the planning group that formed
23 UPRD on some conference rooms, like the John White
24 Conference Room. Wants those were moved or at
25 least --

1 MR. HUEBNER: He had suggested to me that he
2 was going to take him down on his way out.

3 MR. HEITZNER: They like the idea of the
4 consultants, SCS. Want them to be hired --

5 MR. SWANSON: This is number six?

6 MR. MOORE: This is number six. Hired to work
7 on the business plan. Wanted to have a clear point
8 of contact. In addition to the business plan or as
9 part of the business plan, capital spending plan, a
10 plan related to the bond.

11 He thinks that the consultants, or at least the
12 Board for the consultants, should send a survey out
13 to the residents --

14 MR. SWANSON: This is number seven?

15 MR. MOORE: This is all part of the consultant
16 role. Really trying to get more buy-in from the
17 community, not just the Board. That's the way I put
18 that.

19 Had the five-year plan completed, digestible,
20 understandable because right now, I think in talking
21 to Steve, there's plans, but there is a -- you can't
22 go to the website and say, here's the five-year
23 plan, this is what it says. So making it clear.

24 Number eight is related to the bonds. He will
25 withdraw the appeal, sign a release, which includes

1 all other claims he's been talking about for a
2 couple of years now.

3 And then the ninth point, he wants
4 reimbursement of his expenses. It was more than
5 three times what he mentioned to Steve. It was
6 \$250,000, which he would take in cash in kind.

7 MR. SWANSON: Can we put it in like a lunch bag
8 and give it to him in ones?

9 MR. BARNEBEY: I mean, he'd probably take it
10 that way.

11 MR. MOORE: I said that, you know, I obviously
12 don't have any authority here, but that's probably a
13 no-go in my mind just from where we are. And I said
14 I don't even know that my fees related to the bond
15 and the bond appeal are that much. So how can he
16 claim to have fees when he has no attorney? There
17 might be some expenses, so --

18 MR. HUEBNER: The one thing also to remember is
19 the kitchen is costing us a couple million dollars
20 more because of this delay.

21 MR. SWANSON: Yeah, there's significant cause.
22 What was number seven? I'm sorry.

23 MR. MOORE: Seven is the five-year plan.

24 MS. CARVALHO: Seven is the five-year plan.

25 MR. SWANSON: Six was, he wants SCS to work on

1 that.

2 MR. MOORE: On the five-year plan.

3 MR. SWANSON: But one of the deliverables for
4 him, number seven, is a solid five-year plan that he
5 agrees with.

6 MR. BARNEBEY: At least that has the components
7 in it. That's one of the questions. I'm assuming
8 it at least addresses the components he thinks
9 should be in a five-year plan.

10 MR. SWANSON: So is there a contingency that he
11 won't sign off on anything until he sees that
12 five-year plan?

13 MR. BARNEBEY: No.

14 MR. HEITZNER: No. It's a commitment that
15 we're going to have SCS do that. And SCS does this
16 for country clubs. I mean, this isn't like a new,
17 like, oh, SCS, we're saying, do something you
18 haven't done before.

19 MR. SWANSON: Okay.

20 MR. SELEP: And it's already deliverable for
21 them.

22 MR. HEITZNER: Yeah, exactly.

23 MR. HUEBNER: It seems to me like there are a
24 number of these issues that if we assign SCS to
25 investigating, coming up with recommendations, that

1 that would satisfy some of these requests. It may
2 not agree completely with what he wants, but if this
3 professional says that, then even the issue is to
4 make the recommendations available to the community,
5 so we get a buy-in from the community, at which
6 point, if the majority is in agreement with whatever
7 SCS is recommending, then that's already part of it.

8 MR. HEITZNER: And I had that conversation with
9 them at dinner last night. And I've said this
10 before, and I told hi, I'm 99.9 percent confident
11 that any consulting company that looks at our
12 kitchen is going to say we need a new kitchen.

13 What I do think we need to know is now that
14 it's going to be \$5.5 million to \$6 million, is that
15 the right level of expenditure? They need to
16 validate that.

17 And when we don't have as much money left,
18 after we pay for irrigation and pay for the kitchen,
19 and we want to do some of these other projects, they
20 need to validate the projects and come up with
21 ways -- you know, come up with some things that we
22 haven't thought of before (crosstalk) --

23 MR. SWANSON: Maybe it's repurposing buildings.

24 MR. HEITZNER: Maybe it's taking existing
25 fitness building. Maybe we're not going to be able

1 to do what we want to do, right? But maybe it's
2 taking the existing fitness building and maybe it's
3 blowing everything out on the inside, turning that
4 into a nice gym.

5 Taking the golf pro shop and then turn that
6 into classroom space. And now I've got to figure
7 out activity space and et cetera, et cetera. Got to
8 figure out where the golf pro shop's going to go.
9 But you could, can we talk about it? I mean this is
10 part of the settlement.

11 So maybe for \$2 million, you can do that.
12 Maybe you can build a new golf pro shop. I know
13 you've got ideas on that. I don't know how much
14 that would cost. But you know, for far less than we
15 were going to spend on those things, could we do
16 some -- are there some alternatives to look at now,
17 given where costs are today?

18 MR. SELEP: And we're going to have to think
19 out of the box on some.

20 MR. HEITZNER: And SCS has got it, and that's
21 it. You guys have to help us with that. We're
22 going to need help on that.

23 MR. BARNEBEY: But we are starting to push some
24 issues about what we're going to do. But yes, SCS
25 will look at that. I think that's a good

1 discussion.

2 MR. SWANSON: So Fred, you laid out these nine,
3 did you have anything else you wanted to add to all
4 that?

5 MR. MOORE: Well, for the last thing, I think,
6 to me, the reimbursement, the number makes a
7 complete no-go. Obviously, it's your decision. But
8 I would want to know, break down what makes up the
9 75 and the 250. I'd like to really have a better
10 understanding of that, considering he's been in it
11 the whole way.

12 MR. HEITZNER: Sure, and I will. The 75 was
13 the number he threw out. But maybe, I don't know if
14 it was, I'm going to ask now for 250, hoping I get
15 75, or because should have asked for more than \$75,
16 because if I ask for \$75, I'm only going to get \$25.
17 So I don't know.

18 MR. MOORE: That's somewhat the way I took it,
19 but in my discussion point with him, I'm like, well,
20 I'm hoping you came up with nine points, but you're
21 really only looking for six and there's some of
22 these that are throwaways. I'm hoping that that's
23 one of those throwaways.

24 MR. SELEP: Well, we need to recognize that
25 there will be a major backlash if we give him any

1 money.

2 MR. HEITZNER: We're going to have to -- you
3 know, to pay the money, we're going to have to
4 assess homeowners.

5 MR. SWANSON: Yep.

6 MR. SELEP: So it's going to be called.

7 MR. HEITZNER: So my understanding is that that
8 last -- the 2019 lawsuit that we paid out \$100,000,
9 I guess we assessed the homeowners for that. I was
10 told we assessed the homeowners.

11 MS. CARVALHO: No, that is not true.

12 MR. SWANSON: We used operating cash for that
13 one?

14 MS. CARVALHO: No, that was through the
15 insurance. Correct?

16 MR. HEITZNER: I was told we assessed.

17 MR. SWANSON: So he has nine conditions. What
18 about our conditions?

19 MR. MOORE: We can talk about our
20 (crosstalk) --

21 MR. SWANSON: Why is this so one-sided, that
22 this guy gets the gorilla himself into bullying us,
23 into giving everything?

24 MR. BARNEBEY: Two comments. One is, I think
25 the chair was just trying to get what his desires

1 are. Sure. We can massage, change, drop all of
2 these, so you're aware of that. And we can propose
3 our own through that. I mean, obviously, the
4 release is one thing that I would strongly recommend
5 we include in that, just because, at least because
6 of where we're at. I mean, there are a couple of
7 things in here that I think you ought to think
8 about.

9 The money is the one thing, what the residents
10 will think. It is -- I do think you need to think
11 about whether or not one person should control A,
12 who's on the Board, and A, who's on your committees.
13 Because that's what we're talking about here.

14 MR. SELEP: The other big one is PBM. PBM
15 works for the HOA.

16 MR. BARNEBEY: PBM works for us. We have a
17 contract with them as well. But you're right, PBM
18 is a -- that's a bigger question and a bigger
19 discussion point. I do think it's -- the chair
20 pointed out, maybe that's something we can look at,
21 is that there are alternatives.

22 I don't know whether the issues with -- it
23 doesn't sound like the issues just with John
24 Fetsick, because everyone probably was wondering if
25 that was just a John Fetsick issue or was it a PBM

1 issue. Generally, it sounds like a PBM, just the way
2 it's operated.

3 But we don't have anybody on the PBM Management
4 Committee anymore. That should take care of some of
5 these concerns, and so --

6 MR. SELEP: The reason I bring that up is that
7 it was a Rusty point during the campaign. It
8 complicates -- I mean, this structure is complicated
9 enough to try to manage. Okay? Rusty at one point
10 in time said we need two GMs. My eyeballs were
11 spinning. It's like, this is not complicated
12 enough? Let's double the complication.

13 And we're being dictated to, to go and make
14 this mess even messier. I don't get it. I did -- I
15 looked at the emails, you know, the quote-unquote
16 hit piece was never written. Okay? But, but,
17 Fetsick did step out of line and so did Mark, right?

18 Some of the language in the emails, frankly,
19 was not accepted. That part I get, but this is a
20 very slippery slope to me.

21 MR. SWANSON: I get that they stepped out of
22 line, but move on. I mean, honestly, all this
23 because somebody hurt your ego?

24 MR. HUEBNER: Well, that's what Steve's trying
25 to do here, is to say the past is the past, let's

1 focus on the future. And if we go back to SCS,
2 instead of putting too much of a burden on them, we
3 get them to review the structure, recognizing the
4 unique nature of our RD, and get them to try to iron
5 out some of the kinks from their recommendations.
6 It may or may not include things we've considered at
7 this very time.

8 MR. SELEP: That's a good point.

9 MR. HUEBNER: Well, and then, but then that's
10 the commitment. We'll have them review it, give us
11 a recommendation. We'll make sure we get buy-in.
12 If we're making changes, we make sure we're getting
13 buy-in from the community. And then the majority
14 rules.

15 The challenge, Greg, to your point, you're
16 talking about PBM and one general manager. Those
17 are two separate entities. The RD and the HOA are
18 two separate entities, and the HOA owns Park
19 Boulevard Management. And those funds that are
20 being paid to those employees who are working for
21 both entities, we don't know how those things are
22 split out. I'm assuming that it's all fair and
23 equitable, but we don't have that level of clarity.

24 And until we have that level of clarity, we're
25 always given a budget with a lump number, and we

1 have to take it on their word that it's right. I'm
2 inclined to believe them. But I'd love to see it
3 just one time.

4 (Crosstalk)

5 MR. HUEBNER: I don't know whether 20 percent
6 is being paid by the HOA or 10 percent is being paid
7 by the HOA. Those questions create problems. And
8 the club that is a mirror image of us, that's
9 existed longer, they keep both entities. They have
10 two separate GMs. So they do it that way.

11 MR. SELEP: I thought they did away with that,
12 though. I thought they had two GMs for a while, and
13 they stopped that.

14 MR. SWANSON: GM for the HOA and GM for the
15 club?

16 MR. HUEBNER: They outsource the GM to a
17 subcontractor for the HOA, and then they have the GM
18 work exclusively for the club. That's the way I was
19 last told, but that information's a year old.

20 MR. SELEP: But I do like your idea of putting
21 that structure, making that structure part of the
22 SCS.

23 MR. HEITZNER: And I talked to him about that
24 last night.

25 MR. SELEP: Okay.

1 MR. HUEBNER: And I actually, I think what our
2 founding fathers put together is quite clever. It's
3 put us in a bit of a pickle right now, and we need
4 to sort it out. We're a little more mature, we've
5 had a little time to operate under this. We see the
6 pros and the cons, and we need help to sort that
7 out.

8 And if we commit to that, and commit to buy-in
9 from the community, then I think his argument, he's
10 one guy at this point saying that's still wrong --

11 MR. SWANSON: So you had mentioned point number
12 three, Fred, was that PBM needs to go, effectively.

13 MR. MOORE: Correct.

14 MR. SWANSON: Did he mention that to you as
15 well?

16 MR. HEITZNER: I don't know if it was in those
17 exact words, but restructure.

18 MR. SWANSON: Restructure. But in the event
19 that, what replaces it? What happens to it?

20 MR. HEITZNER: That's what we're talking about
21 right now. Let's charge SCS Solutions for trying to
22 figure out, is there a better structure than we have
23 in place today?

24 So for example, it's very simplistic right now,
25 could the club be separated, could club operations

1 be separated from the RD? Which would eliminate
2 Sunshine. Would that eliminate Sunshine? Could
3 that eliminate Sunshine laws?

4 That makes it a lot easier to have the club
5 reporting to this Board if we didn't have to abide
6 by Sunshine laws.

7 MR. SWANSON: So this Board would effectively
8 be what then? RD or club?

9 MR. HEITZNER: So if you look at a typical
10 country club, it's not part of an RD.

11 MR. SWANSON: Right.

12 MR. HEITZNER: The general manager reports to
13 the Board.

14 MR. SWANSON: Sure.

15 MR. HEITZNER: So it would look like that. It
16 would look like a typical country club. It's like,
17 if we were to separate the club from the RD, the
18 country club would look exactly like the country
19 club I belonged to in Maryland and the one you
20 belong to in Michigan and the one that you belong
21 to. So that's a very -- I mean, it's not as simple
22 as I just said, but that's the kind of thing to look
23 at.

24 MR. SWANSON: So these nine items, let's just
25 assume that we agree to some of these or whatever.

1 Are these all contingent upon being implemented or
2 guaranteed in writing before he drops the appeal?
3 Or is he going to go on faith that we're going to
4 work on these?

5 MR. HEITZNER: We haven't even begun
6 negotiations. Okay? All we have done is gotten a
7 list of demands.

8 MR. SWANSON: But the amount of time to get
9 this done isn't going to be congruent with our
10 timing for what we have to do as a community here.
11 Either the bond's coming through or we have to
12 assess. I mean, how does this --

13 MR. HEITZNER: So -- okay. So let's just use
14 the most complicated one, which is PBM. We'll have
15 to come to an agreement that we're not going to come
16 to an agreement -- we're not going to be able to
17 say, okay, Dean, here's the new structure. Are you
18 okay with this? Before we --

19 MR. SWANSON: You don't know that he's
20 requiring something like that.

21 MR. MOORE: He really can't because we expect,
22 I don't want to say any day, but within the coming
23 weeks, two months, there's likely to be a decision
24 from the Supreme Court. Okay?

25 No crystal ball here, but we're the second

1 oldest. The average of the past several years of
2 what I saw was about two years in these bond
3 validation appeals to the Supreme Court. And they
4 currently recognize that we're going to have to move
5 a little faster.

6 So I think it's -- you're going to have an
7 agreement in place, which is going to be as detailed
8 as it can be, but there are certain things that are
9 the unknowns.

10 MR. HEITZNER: We can't commit to a new
11 structure. We can commit to having SCS be
12 responsible for looking at it.

13 MR. SWANSON: Sure.

14 MR. BARNEBEY: And I thought that's how that
15 would be handled.

16 MR. MOORE: So we would draft up an agreement,
17 it would be signed. And then the way a typical
18 settlement agreement is, you get rid of the
19 litigation immediately.

20 I wouldn't want to have it signed on a
21 Wednesday, because there's no way we're going to get
22 to the court dismissing it by Thursday morning and
23 to have the decision be in our favor on Thursday.
24 Or in that case, we'll be like, ah, why'd we settle?

25 But then if it's in Dean's favor, we'll then be

1 like, hey, why'd we settle yesterday.

2 MR. SWANSON: Did you get any sense that -- so
3 when he said he would drop everything else but the
4 appeal, right, that's what he said?

5 MR. HEITZNER: Well, that's what he initially
6 said to me. What Fred got yesterday from his
7 attorney was everything.

8 MR. SWANSON: And does that include that he
9 will not come back when he gets itchy, whatever, and
10 decides he wants to sue us again?

11 MR. MOORE: It will end anything from the date
12 of the agreement to the beginning of time. It does
13 not mean that something new can't come up from the
14 date of the agreement to a year later when some
15 other fact comes up unrelated to everything else.

16 MR. SELEP: But here's the other side of that,
17 though, Steve. If he's on the governance committee,
18 he's part of that, right?

19 MR. SWANSON: We're not talking about a
20 rational actor here.

21 MR. HEITZNER: He used this example with me.
22 He used this example with me with the governance
23 committee. He said, so one of his contentions with
24 the bond is, so there was an administrative error
25 that said we couldn't issue the bond. That error

1 was fixed, but we went ahead and issued the bond,
2 and then the administrative error was fixed.

3 His contention, tell me if I'm wrong, is that's
4 backwards. You issued the bond before the
5 administrative error was fixed.

6 MR. SWANSON: But the net-net is?

7 MR. HEITZNER: He said if there was a
8 governance committee in place -- and he said if
9 there was a governance committee in place, we would
10 have come to the Board and said, hold on, get this
11 thing fixed before we issue the bond. It's a simple
12 thing.

13 MR. SWANSON: I get it, but that's water under
14 the bridge.

15 MR. HEITZNER: I'm just giving you an example.

16 MR. SWANSON: It's like we're going forward
17 with that clerical error being a true error, and we
18 can issue the bond. Okay, nevermind.

19 MR. BARNEBEY: That in general was his
20 position. I mean, I'm not going to get into all of
21 that because, I mean, we had bond counsel saying it
22 wasn't a factor and --

23 MR. HEITZNER: Well, the court said it wasn't,
24 so -- I'm just telling you what he.

25 MR. SWANSON: Right.

1 MR. HEITZNER: But those are the things. And
2 to be honest with you, as a Board member, that's why
3 I think a governance committee is a good thing, to
4 look out for those kinds of things for us. Because
5 we all can't -- I mean, we can't do everything as
6 this five-person Board, four-person right now.

7 MR. MOORE: A governance committee could say we
8 think you should do this, but the Board can say,
9 that's great, but we think we can do them both
10 simultaneously, so we're going to move forward with
11 the bond while we're correcting the issue, which I
12 think was well balanced --

13 MR. SELEP: The committee makes a
14 recommendation solely on the Board decision.

15 MR. MOORE: Correct.

16 MR. SELEP: If the bond comes through in the
17 next month, right, none of this, these nine points
18 really change.

19 MR. HEITZNER: They don't change -- and some of
20 these, I mean, some of these we're going to do
21 anyway.

22 MR. SELEP: Right. So as part of this
23 discussion, the time that's left, what are
24 negotiable from our side and what are
25 non-negotiable?

1 (Crosstalk)

2 MR. MOORE: I think that's part. We can come
3 back and there can be 14 points. Six of his which
4 we agree to work with and we have, you know, another
5 eight. We're not locked into anything.

6 MR. SELEP: I would like to put one on our
7 side. I want 4 million dollars because that's what
8 he's cost us out-of-pocket.

9 MR. MOORE: Can I give it to him with the
10 Dr. Evil --

11 MR. SELEP: Absolutely.

12 MR. HUEBNER: So that's a non-starter, right?

13 MR. SELEP: Yeah, the money's a non-starter.

14 MR. HUEBNER: Well, your statement is
15 (crosstalk)

16 MR. SELEP: I agree.

17 MR. HUEBNER: And we still have this issue
18 standing out there. The bigger issue is, if we're
19 going to pay him something, what are we willing to
20 pay him? Not, he needs to pay us \$4 million. Your
21 point is well taken. The costs have gone up.

22 Your point that we're all volunteers working
23 for nothing, we're not billing for our time in this
24 debate. So if his number includes what he thinks
25 his time is worth, well, you know, that's a

1 throwaway.

2 Send us the bills and show us the canceled
3 checks for the bills from the lawyers, and let's
4 start there.

5 MR. SWANSON: There aren't any. We know there
6 aren't. There's 10 grand in it -- it was a \$10,000.
7 I mean, everything else he did on his own, Scott.
8 He's doing this based on his time.

9 MR. HUEBNER: I'm just saying we got to start
10 somewhere.

11 MR. SWANSON: No, I agree. But I mean, haven't
12 we spent at least a half a million dollars on this
13 litigation?

14 MR. BARNEBEY: No. No.

15 MR. SWANSON: How much have we spent?

16 MR. BARNEBEY: Not that much.

17 MR. SELEP: So, Steve, I would agree. But I
18 think my going-in position is money is off the
19 table. We're not writing the check.

20 MR. SWANSON: Would you?

21 MR. HUEBNER: I would not reimburse him for the
22 full amount that he's looking for here because that
23 just encourages that kind of thing moving forward.

24 I would be willing to pay something if it gets
25 us to a bond. It's just a matter of what that

1 something is. You guys, we made a promise to the
2 community that we'd do whatever we could to try and
3 get to the bond. When we voted for the bond, in
4 spite of the mistakes, what we did prove is that our
5 community wants deferred payments more than anything
6 else. Regardless of whether they like the plans or
7 not, they said, we like deferred payments.

8 So the idea that we're looking at assessments
9 is exactly contrary to what that vote proved
10 initially. I think we need to do everything we
11 possibly can to settle right now.

12 I think the 250 is an outrageous number. I
13 think the 75 is an outrageous number. I'd like to
14 see invoices and canceled checks or something along
15 those lines that prove what the number is, and then
16 let's talk.

17 And I probably wouldn't agree to 100 percent of
18 that, but at least that's a document number. I
19 think this other one is, I've had a couple hours to
20 think about it, my time's worth a bunch of money, so
21 here's what I'm asking for.

22 Well, our time's worth a lot of money, and we
23 spent -- and the cost of the kitchen's not
24 \$2.5 million, we can't agree to that. We're willing
25 to do something to maybe share some of this, but

1 it's not exclusively our fault. Okay? Things have
2 escalated on both ends. So here's how to negotiate.

3 And remember, when you guys were campaigning,
4 you were promising that you would do whatever you
5 could to settle this thing. So we need to keep that
6 dialogue going.

7 MR. SWANSON: Absolutely. I meant that.

8 MR. HUEBNER: 4 million isn't going to keep the
9 dialogue going.

10 MR. SWANSON: But at the end of the day, when
11 we were campaigning, we said we would seek a way to
12 resolve this within reasonableness. And so the
13 question becomes, what on here is reasonable?

14 MR. MOORE: And I think that's a fair point,
15 that there's nothing to negotiate with point nine
16 as we sit here today, other than to say, we need a
17 breakdown. How do you calculate any of your number?
18 Because we can't take it seriously until we
19 understand what it is made up of.

20 I mean, because if it's -- and I don't know
21 what the Supreme Court filing fee was, but the
22 filing fee was \$1,000, I should get that back. You
23 know, I proved a point. We're focused on this
24 business plan and maybe spending a little less
25 money, so that might be something.

1 If you can settle it by paying that expense,
2 it's probably worthwhile. But if he's asking to get
3 money because he went and consulted with an attorney
4 on how to do a pro se brief, I don't know that that
5 should be compensable. But we can't even have that
6 discussion until we know what are the line items
7 that make up the 75 and the 250.

8 And so I think the appropriate response to him
9 on that point is tell us what is made up in that
10 number.

11 MR. HUEBNER: I wouldn't even include a number
12 out to see until you provide us with documentation
13 to tell us how you got to that number.

14 MR. SELEP: I'm okay with that.

15 MS. CARVALHO: So real quick. I have a
16 question about that because we're trying to have the
17 Board of the nine points determine what's reasonable
18 and not reasonable, right, to go back to him for
19 settlement.

20 In that, because we don't have the invoices and
21 to expedite this, should the Board consider a
22 maximum number, this is not something that's shared
23 with him, to think about what would be reasonable
24 when it comes to that point, so then we're not
25 having to go back.

1 This is a question that I'm probing to try to
2 funnel it in.

3 MR. MOORE: I a lot of times do like that on
4 these types of boards, but it's a shot in the dark
5 right now. So I don't think in this instance that I
6 would want to even get it because it could
7 legitimately continue to be zero because there isn't
8 a legitimate expense related to the appeal, which is
9 really what we're here focused on.

10 And make him come back and say, okay, great,
11 just give me \$10,000 in minutes then it's just
12 evaluating the cost of defense and everything, as
13 opposed to negotiating with him back and forth to
14 where you're going to end up at a number that no one
15 likes.

16 MR. HUEBNER: The other issue that could work
17 to our benefit here is that we're hoping that the
18 Supreme Court makes a decision in two or three weeks
19 based on the facts that has been discussed earlier.

20 Regardless of how they decide, it ends his
21 leverage on that money. If they decide in favor of
22 the plaintiff, we're done. We start new. We don't
23 pay him any money. If they decide against the
24 plaintiff, we're done. We don't pay him any money.

25 So no matter what happens, as soon as the

1 Supreme Court decides, we don't pay him any money.
2 It could be bad timing at our end because we may
3 have had to make a decision on the assessment, but
4 the decision either way takes the money off the
5 table.

6 So to go back to them and get a reasonable
7 number and offer something that we think is
8 reasonable from that, saying, recognizing that
9 there's a time-sensitive element here, either way
10 for you, you want something or you want nothing. Am
11 I making sense there?

12 MR. HEITZNER: The other thing I just want to
13 point out for everybody, is, so if we have to levy
14 assessments, which will likely result in lawsuits.

15 MR. SWANSON: From him?

16 MR. HEITZNER: Not just him. I'm just giving
17 my opinion. Take it for what it's worth. Based on
18 what I've heard out in the University Park world.

19 We have to levy assessments. There is a
20 faction of the community -- I'll say it like this.
21 There's probably about 20 percent of the community
22 that's going to understand why we have to levy the
23 assessments.

24 MR. SWANSON: Only 20?

25 MR. HEITZNER: I'd say 40 percent because I'll

1 say there's roughly 20 percent that right now
2 support everything, and then there's, say,
3 20 percent that don't support everything. There's
4 60 percent of the community that has absolutely no
5 idea that any of this is going on.

6 MR. SELEP: That's why we need to do the town
7 hall.

8 MR. HEITZNER: If we can reach -- still,
9 remember, we only have 50 percent of the people
10 vote. So at best, we reach 50 percent of the
11 community and there's hope. And I don't know if
12 we'll get to that many on town hall. Hopefully,
13 hopefully more.

14 But there will be backlash on assessments.

15 MR. SWANSON: Absolutely.

16 MR. HEITZNER: But the backlash is gonna be on
17 this Board. I'm just --

18 MR. SWANSON: Sure. We're the ones that are
19 bringing the message.

20 MR. HEITZNER: We're the ones bringing the
21 message. That backlash is going to be on this
22 Board. And that may be okay because our job is to
23 do what's in the best interest of the community.
24 But just make sure that we do want to avoid
25 assessments.

1 MR. SWANSON: If we can.

2 MR. HEITZNER: If we can.

3 MR. SELEP: So I will say this, Steve. I think
4 there'll be more backlash by putting Rusty back on
5 the Board and paying Dean Matt than there will be
6 for an assessment.

7 MR. HEITZNER: So there's -- so yes, you're
8 disagreeing.

9 MR. SWANSON: So do we want to go down these
10 nine and get feedback on this?

11 MR. BARNEBEY: Because at this point, here's
12 where we're at, we need some direction to reach both
13 in his meeting and in our discussion with the
14 attorney, which is all kind of --

15 MR. HEITZNER: Well, I'll have a question down
16 the road here as to whether or not my meeting should
17 even happen.

18 MR. BARNEBEY: Well, that could be now that he
19 has an attorney involved. That's another question,
20 too.

21 But we need to know what do you want us to
22 propose to Dean Matt at this point? Anything at
23 all.

24 MR. SELEP: I think we can cut this list -- I'm
25 kind of with Steve on this. I think we can cut this

1 list dramatically down by saying -- by saying we're
2 going to task SCC -- SCS, with the five-year plan,
3 the -- so that takes off --

4 MR. SWANSON: Why don't we just go down one by
5 one? Why don't we start with Rusty and then go up?
6 Otherwise, we're kind of jumping around. I've made
7 a couple notes on the nine.

8 MR. HEITZNER: Let's -- the three most
9 complicated, really -- there's three things that are
10 complicated. Okay? Him dictating who's going to be
11 on the Board.

12 MR. SWANSON: Yep.

13 MR. HEITZNER: Okay? The PBM structure and the
14 cash. The rest is not - I mean, the rest is stuff
15 we're doing anyway.

16 MR. SELEP: We're doing anyway.

17 MR. HEITZNER: Those are the three things that
18 are complicated.

19 MR. BARNEBEY: You are creating a governance
20 committee. The question of whether or not they're
21 on that is, I think, a question you've got to make a
22 decision on, whether you're going to propose that.
23 But I would agree with you that, yeah, largely, a
24 lot of these things you're doing. Some of them you
25 don't have control over.

1 MR. SWANSON: So the first one, let's just go
2 through them, Rusty on the Board. Is that a
3 non-starter for anybody?

4 MR. HEITZNER: Is it a non-starter for him to
5 dictate that?

6 MR. SWANSON: What's the difference?

7 MR. HEITZNER: Well, because we're not voting
8 on it.

9 MR. BARNEBEY: Right.

10 MR. HEITZNER: So you can say you can't dictate
11 who's going to be on the Board. Rusty's still up
12 for the Board, if the Board votes for him.

13 MR. BARNEBEY: Right.

14 MR. HEITZNER: So it's -- you know, we -- so
15 it's -- I think it's, you know, just saying that
16 we're going to go through our process.

17 MR. SELEP: Well, if we go through the process,
18 I'm not -- you're gonna vote for Rusty, I'm not
19 gonna vote for Rusty, so --

20 MR. MOORE: Well, ultimately, if Rusty is --
21 whether it's part of this settlement or not, people
22 are going to think that --

23 MR. SWANSON: It was part of the settlement.

24 MR. MOORE: Correct.

25 MR. SELEP: Right.

1 MR. BARNEBEY: The question is --

2 MR. SWANSON: Perception is reality in this
3 entire situation.

4 MR. BARNEBEY: The question for this is, do we
5 want to propose that we will, as part of the
6 settlement, appoint Rusty to the Board. And that's
7 a different question from whether you do appoint
8 Rusty to the Board.

9 MR. SWANSON: But it's part of this settlement.

10 MR. BARNEBEY: But it's part of this
11 settlement.

12 MR. BARNEBEY: I think that -- I think us
13 agreeing -- let me just throw this out there, us
14 agreeing to that has more risk than if Rusty does
15 actually end up on the Board Because we had, you
16 know, 70 percent of the community that voted, voted
17 for these two. And so I just I think that, you
18 know, mandating it to me is risk from the community.
19 Because eventually it's going to become public
20 record, so people will eventually know.

21 It will be beyond perception. It will be fact.

22 MR. HUEBNER: I also don't think Rusty would
23 want to accept a position based on a mandate. But
24 I'm back to because he wants to come in and make a
25 difference and participate. He doesn't want to feel

1 like he's here as a negotiation. He's here to serve
2 the Board and the community as a whole.

3 So this is a nuanced difference, I suspect.
4 But I'm back to my observations of the candidates
5 that have thrown their names in the hat and their
6 qualifications. And I think that we can get there
7 without it being a problem for this Board.

8 It's like a -- and you certainly are going to
9 have people say, oh, that was a quid pro quo. Is
10 that how you say that? Is that right? But we'll
11 just say, no, it wasn't the case.

12 MS. CARVALHO: So is the consensus of the Board
13 that the appointment of the Board seat will go
14 through the process?

15 MR. BARNEBEY: Question?

16 MS. CARVALHO: Yeah, that's the question.

17 MR. SWANSON: Let's -- okay, let's keep going.

18 MR. BARNEBEY: Okay.

19 MS. CARVALHO: So we're pausing that one.
20 Okay. Second is the governance committee.

21 MR. BARNEBEY: We already know you're creating
22 a governance committee, so that we can --

23 MR. SWANSON: And here's where -- this is why I
24 voted no on moving forward with the governance
25 committee. Not because I don't think we should have

1 one, but because we don't know what it looks like.
2 And if we appoint two people to that, with no, I --
3 mean, is he going to need to approve what the
4 charter division of the governance committee is?

5 I know you're saying no, I know you're nodding
6 your head "no," but that's not necessarily -- you
7 start getting down into the weeds on this. When you
8 go back to him, he could go, well, yeah, well, I
9 want to be able to be part of how that gets defined.

10 MR. BARNEBEY: All right. One step at a time.
11 You're right, he could. I think at this point,
12 though, the question -- the first question is --
13 because we don't know, he has not suggested anything
14 necessarily other than being on the governance
15 committee --

16 MR. SWANSON: He and somebody else that he --
17 the two -- he replaces two people.

18 MR. BARNEBEY: So I think the first thing is we
19 can agree --

20 MR. HEITZNER: We don't have to agree to the
21 second person either.

22 MR. BARNEBEY: Right. Well, you don't have to
23 agree to either person, frankly.

24 MR. HEITZNER: But I want him on the governance
25 committee.

1 MR. SWANSON: What?

2 MR. HEITZNER: I said I want him on the
3 governance committee. I think there's --

4 MR. SWANSON: Better him inside the tent --

5 MR. HEITZNER: Yes.

6 MR. SWANSON: -- than outside the tent?

7 MR. HEITZNER: Yes.

8 MR. BARNEBEY: All right. Well, let's start
9 with the governance committee. You agree, you're
10 going to create a governance committee. You can
11 agree to that.

12 MR. HEITZNER: Yeah.

13 MR. BARNEBEY: That's all -- I think that's
14 right. So the next question is, the other question
15 we were just talking about is, do you want to
16 propose he or --

17 MS. CARVALHO: Chris Edwards.

18 MR. BARNEBEY: Chris Edwards or either or both
19 be on the --

20 MR. HUEBNER: Can I make a comment here? I
21 don't have a problem with Dean being on the
22 committee if I'm working as the liaison from this
23 Board. I think he's got an awful lot of ideas, good
24 or bad, but I think that he could serve a purpose
25 there.

1 I don't have a problem with that. Chris
2 Edwards, I know personally. I don't know Dean Matt
3 personally. I like Chris Edwards a lot. I don't
4 know why Dean has tied his wagon to Chris Edwards,
5 but I suspect that we could say there's no guarantee
6 on Chris Edwards.

7 We will wait to see who puts their name in the
8 hat for the job, and we will vote accordingly. What
9 we can tell you is that --

10 MR. SWANSON: With the exception of Dean.

11 MR. HUEBNER: Right now, what we can tell you,
12 if you throw your name in that hat, this Board is
13 inclined to vote for you. And Chris is going to
14 have to stand on his own merits.

15 MR. HEITZNER: I like that.

16 MR. HUEBNER: I like him a lot. I'm not even
17 sure Chris would want to do it.

18 MR. SWANSON: I would imagine Dean
19 [indiscernible] to talk --

20 MR. HUEBNER: Yeah, but I know him as a friend.
21 He's having a good time doing nothing right now.

22 MR. HEITZNER: So was I.

23 MR. SWANSON: Yeah. Yeah. So was I, Steve.

24 MR. MOORE: One more point to that is, not
25 necessarily the structure, but the number of

1 committee members.

2 MR. HUEBNER: Five.

3 MR. MOORE: I would generally say no more than
4 seven anyways.

5 MR. SELEP: I think we're going to be
6 hard-pressed to find five.

7 MR. SWANSON: Where are we going to find
8 five --

9 MR. BARNEBEY: Maybe -- well, I'm not going
10 to --

11 MR. SWANSON: Yeah. So point three was
12 management company needs to be -- needs to go or be
13 restructured. I can't remember how you say it.

14 MS. CARVALHO: Reorganized.

15 MR. SWANSON: Reorganized.

16 MR. MOORE: I mean, it was fire management
17 company, hire new one. But then it ended with, it
18 needs -- the whole structure needs to be
19 reorganized.

20 MR. BARNEBEY: And that gets, I think, to the
21 chair's -- I think the chair's suggestion is we say,
22 this is something we're going to test this SCS with,
23 right? And look at our management, our management
24 system.

25 MR. HEITZNER: We're going to charge SCS to

1 provide guidance on the structure, and is there a
2 better scenario? If so, what is it?

3 MS. CARVALHO: And with that scenario, making
4 sure that SCS go back to make sure what
5 ramifications are because you are an RD created for
6 the purpose of the country club owned by the RD and
7 how that would look like.

8 MR. BARNEBEY: There are -- there are a lot of
9 facets in this. We have a contract with PBM, which
10 I think -- I think it's six-month termination
11 provision. You've got to have it. You can't
12 terminate it right away anyway, just from an
13 operational standpoint. And I don't know how this
14 might be tied into bonds, so that may be a factor.
15 But there may be a way to work through all this.

16 MR. HUEBNER: So the 2019 bond in that is a
17 huge issue in my mind. Is that correct, that annual
18 thing we sent out that looks like an encyclopedia?
19 Specifies all the nuances of how we operate. I
20 don't think we can casually change that.

21 MR. BARNEBEY: This will not be a casual
22 discussion. Don't worry about that.

23 MR. SWANSON: So that's a really -- number
24 three, how you defined it, Fred, is that's pretty
25 broad. So what if SCS comes back and goes, well,

1 here's how it works today. Here's a subtle change
2 you can make, but you're better off to leave it the
3 way it is and that's not acceptable to him.

4 MR. HEITZNER: No. Our -- our -- we're not
5 coming back to him saying -- going to approve the
6 new structure. That's not part of the conversation.
7 What we're committing to is that we're going to have
8 an outside consultant look at the structure and
9 figure out whether, are there alternatives, and so
10 what are they? Is there a better one? This Board
11 is not going to have to decide what we do.

12 MR. BARNEBEY: Because from a timing
13 standpoint, assuming this is where we're at and he
14 accepts this, we can basically dismiss all eight by
15 then. This is just committing to looking at the
16 government management structure that we have. Not
17 -- there's no guarantee of any changes, frankly,
18 based on what the discussion we just had, unless you
19 want to make it. But right now, I'm not hearing
20 that.

21 MR. HUEBNER: The other issue at that point,
22 after SCS does a thorough review of everything,
23 comes back with their recommendations as a member of
24 the governance committee, he's going to participate
25 in the evaluation of that and have a full

1 understanding of the nuances that they're coming
2 back with and then he's going to -- he and four
3 other people are going to come to us with
4 recommendations also from their perspective.

5 So it will -- we will get the best product when
6 it's all said and done.

7 MR. BARNEBEY: And you can either accept those
8 recommendations or not accept those recommendations.

9 MR. HEITZNER: Correct.

10 MR. SWANSON: Is it just me, but I'm having a
11 really hard time divorcing myself from the
12 perspective that we're talking about this guy who --
13 I mean, all you got to do is read his emails.
14 There's nothing here that is straightforward and
15 repeatable and rational.

16 So, you know, are we just kind of spitting into
17 the wind here? I mean, are we going through this
18 process saying, here's the nine things, here's our
19 approach to telling you -- Dean, here's our approach
20 to trying to resolve them. You know, these three,
21 these four, this one's a non-starter, whatever. But
22 we're leaving this open to him going, yeah --

23 MR. HEITZNER: Let me say this.

24 MR. SWANSON: Sorry.

25 MR. HEITZNER: We are -- I would be interested

1 in SCS look at our structure, Dean Matt or no Dean
2 Matt. I'm interested in having SCS work a five-year
3 plan, Dean Matt or no Dean Matt.

4 MR. SWANSON: I'm in agreement on all that.

5 MR. HEITZNER: All right. I'm in favor of a
6 governance committee, Dean Matt or no Dean Matt.

7 So we've got this cash payment, we've got this
8 Board position, which seem to be the two that are
9 not as cut and dry as the ones that I just said.

10 In my opinion, that's just my opinion.

11 MR. BARNEBEY: Yeah, I mean, sure.

12 MR. HUEBNER: To your point, I'm in favor of
13 Rusty, Dean Matt or no Dean Matt.

14 MR. BARNEBEY: I mean, this is a question of --

15 MR. SWANSON: All right. All right. I'm
16 sorry. I digress.

17 MR. BARNEBEY: (Crosstalk)

18 MR. SWANSON: Let's go to number four.
19 Apology. Now, I just have a question on the -- I'm
20 sorry. Did I interrupt you?

21 MS. CARVALHO: No. I just want to make sure.
22 Three tasks SCS per management system. The Board's
23 in consensus with that --

24 MR. SWANSON: So the -- go ahead, Greg.

25 MR. SELEP: Yes. We're in consensus.

1 MR. SWANSON: So on the apology, it was my
2 understanding, and I can be way off on this, that, I
3 don't know the -- but that any apology was an
4 admission of guilt. Is that an accurate assessment?

5 MS. CARVALHO: No.

6 MR. SWANSON: No.

7 MR. BARNEBEY: I mean, I will say people,
8 there's a segment of society that take it as that.

9 MR. SWANSON: Sure. Sure. But I mean, but
10 from a legal perspective, that doesn't open up
11 previous --

12 MR. HEITZNER: Dropping all litigation.

13 MR. MOORE: Well, that doesn't mean
14 (crosstalk) --

15 MR. HEITZNER: No, so this -- look, we have,
16 you know, he's got to participate and we've got to
17 participate in what that apology looks like.

18 MR. SELEP: The apology -- you spoke to him.
19 Is the apology coming from the Board or is the
20 apology coming from John Fetsick?

21 MR. HEITZNER: John Fetsick. He's the only one
22 that's in our sphere.

23 MR. SELEP: Right.

24 MR. HUEBNER: I see it two-fold. I see us
25 issuing an apology.

1 MR. SWANSON: The Board?

2 MR. HUEBNER: The Board. And we can identify
3 where we made some mistakes, maybe got the cart
4 before the horse, maybe didn't give some information
5 and accept full responsibility for that. And then
6 we need to -- I think we need to ask John to do a
7 personal letter of apology.

8 MR. HEITZNER: Just remember, most of the
9 things that need to be contested relative to the
10 Board is before this Board, before you and me.

11 MR. SWANSON: So that's what I was going to
12 say. Why would this Board issue an apology for
13 something that we had no hand in? Are we talking
14 about the previous Board Members doing these as
15 residents now?

16 MR. SELEP: I think we could phrase that to
17 where this is what we won't do going forward. We're
18 going to do better.

19 MR. HEITZNER: Which is the conversation I had
20 with him. I said, look, this is how we're going to
21 move forward. And a lot of it's in this.
22 Governance committee, we're looking at the
23 structure. A lot of stuff just takes care of
24 itself.

25 MR. BARNEBEY: Just to remind you, one of the

1 things we talked about previously, and I don't
2 remember the Board Members that were while I'm on
3 there, we did have a discussion about the general
4 statement that neither party admits wrongdoing, but
5 we recognize that both parties were acting -- trying
6 to act in benefit for the residents of University
7 Park.

8 And I think that might be, if we're going to do
9 anything, might be the --

10 (Crosstalk)

11 MR. SELEP: I think we could use the letter
12 that Fred drafted as probably 80 percent or
13 90 percent of what the Board apology would look
14 like.

15 MR. MOORE: I think it's partially validating
16 Dean Matt's position, but not saying that there was
17 anything wrong with UPRD's position.

18 MR. SWANSON: If John Fetsick wants to give an
19 apology, or other people that were on this Board
20 want to give an apology, I'm all about that. I will
21 not vote for an apology from this Board.

22 MR. HEITZNER: Okay.

23 MR. SWANSON: I had nothing to do with this,
24 and I'm not going to -- that's what it's going to
25 sound like, is an admission that this Board was

1 complicit in whatever he is saying. It doesn't
2 matter if people can line up the dates. They're
3 going to read that document and they're going to go,
4 the Board admitted that they screwed up or they did
5 these things. His missives have said that this
6 Board is corrupt, it is bad, corruption, illegal.
7 There's no way, for me, that's a hard no.

8 Did you get that?

9 MR. SELEP: Steve, how do you feel about
10 getting the Fetsick on board?

11 MR. HEITZNER: [Indiscernible]

12 MR. SELEP: Really?

13 MR. HEITZNER: Mm-hmm.

14 MS. CARVALHO: So John Fetsick apology, and no
15 Boared? Is that what I'm hearing?

16 MR. SWANSON: I'm just telling you what my
17 perspective is. You guys might feel different.

18 MR. HEITZNER: John's willing. If this is
19 going to be in the best interest of the club, he
20 needs to talk to Dean to iron these things out, he's
21 willing to do that.

22 MR. SELEP: Okay. I'm pleasantly surprised.

23 MR. HUEBNER: My experience with John in
24 conversations is he's very agreeable to doing what's
25 in the best interest of the club. He might be a

1 little fiery from time to time, but --

2 MR. SELEP: I would agree that he does put the
3 best interests of the club.

4 MR. HUEBNER: In general, I have more pluses
5 than minuses in my relationship with him.

6 MR. SELEP: If he's on board, I'm all in.

7 MR. HUEBNER: I don't share your opinion that
8 it's a hard no on a robust apology. I'd be prepared
9 to put almost anything together that moves us
10 forward. So, I'm on the other end of the spectrum.

11 I know what I'm responsible for, and I know
12 what I'm not responsible for. So, if it gets into a
13 point of comfort, I don't -- and I can --

14 MR. SWANSON: So --

15 MR. HUEBNER: -- at a cocktail party, I can
16 sort it all out.

17 MR. SWANSON: I get that, Scott. I do. I
18 just, I'm not going to apologize for something I had
19 nothing to do with. Just will not do it.

20 MR. SELEP: Fred, can you pull your draft back
21 out?

22 MR. MOORE: I can.

23 MR. SELEP: And do an edit. You know where
24 we're headed, and you've heard Steve's opinion.

25 MR. MOORE: I see it from the Board

1 perspective. It's really much more of an
2 acknowledgment of, look, he had good ideas, some of
3 which the Board either was there or was working
4 towards any ways and it's just an acknowledgement
5 of, we can always do things better. Not we did
6 something wrong. It's the organization is always
7 striving to do better.

8 MR. HEITZNER: When this is all said and done,
9 we're able to do something better. His mission is
10 to make sure that he's not being used as the bad
11 guy. And there's, well --

12 MR. SELEP: But I hear you. But it's just a --

13 MR. SWANSON: (Crosstalk)

14 MR. SELEP: People have already made their
15 decision on who's bad and who's not bad, and this
16 isn't going to change.

17 MR. SWANSON: Ordinarily, I wouldn't care, but
18 I live in this community. I'm planning on living in
19 this community.

20 MS. CARVALHO: So I think we're past four.
21 We're at five.

22 MR. BARNEBEY: We have no control over that.

23 MS. CARVALHO: Removal of plaques.

24 MR. SWANSON: (Crosstalk)

25 MR. BARNEBEY: They're all in this building.

1 Just to give you the reason we don't have any
2 control. They're in this building, we don't own the
3 building, they don't have any control of the
4 building.

5 MR. SWANSON: So what are we saying? That's
6 no?

7 MR. BARNEBEY: That's a no.

8 MR. HUEBNER: Where is the plaque?

9 MR. BARNEBEY: It's right over there.

10 MR. HUEBNER: On this building?

11 MR. BARNEBEY: Yeah, yeah. We normally meet,
12 in the John White Conference Room.

13 MR. HUEBNER: We do?

14 MR. BARNEBEY: Yes, sir.

15 MR. HUEBNER: I've never read the sign.

16 MS. CARVALHO: We have no control over it as an
17 RD.

18 MR. SELEP: Take that up with the HOA.

19 MR. BARNEBEY: That's correct. That's an HOA
20 issue.

21 MR. SWANSON: You guys are all in agreement
22 that that's a hard no, but an apology by the Board
23 that wasn't involved in any of this is okay?
24 Stunned, but what do I know?

25 MR. BARNEBEY: Well, just because --

1 MR. HUEBNER: It's not our call.

2 MR. BARNEBEY: -- I do think -- I'm going to go
3 back to the apology just for a second. I think
4 before any -- we finalize anything in that regard,
5 we've probably have to get something with
6 individuals --

7 MR. HUEBNER: Yes.

8 MR. BARNEBEY: -- because that is personal more
9 than the other. Consult, we're already doing that,
10 right? And we're going to have SCS look at the --

11 MS. CARVALHO: Survey, capital plan.

12 MR. BARNEBEY: All those sort of things.
13 That's number seven.

14 UNIDENTIFIED SPEAKER: What is the five-year
15 plan?

16 MR. BARNEBEY: The five-year plan, that's
17 number seven.

18 MR. SWANSON: What was number eight again,
19 Fred?

20 MR. MOORE: That's the bond, the withdrawal
21 bond and release all claims.

22 MR. BARNEBEY: There are a couple of ways, I
23 think you can -- I could be wrong. There are a
24 couple of ways you can handle this. We're going
25 back to seven. Seven is five-year plan, you're

1 gonna have SCS look at that and make a
2 recommendation for a five-year plan. So we can
3 agree to that.

4 MR. SWANSON: So we're -- okay, number eight is
5 really not something we need to change. He's gonna
6 release everything if he likes it --

7 MR. BARNEBEY: Well, here's the tricky part on
8 eight. There's a couple of ways you can handle
9 eight.

10 MR. HEITZNER: What's eight?

11 MR. BARNEBEY: Eight is the bonds. Wants you
12 to reduce the amount of the bonds, and the only one
13 should do certain types --

14 MR. HEITZNER: So this, to me, is going to come
15 back to SCS.

16 MR. BARNEBEY: That's exactly what I was
17 thinking. That would be one way to do it. Say,
18 yes, we're going to have SCS look at what we need
19 and make a recommendation as to whether or not the
20 proposed items in the bond issuance are --

21 MR. HEITZNER: I don't know that this is a
22 deterrent, given the fact that, you know, we know
23 that we're going to be, with the bond, we're short
24 on doing what we wanted to do. So we're going to
25 need to do some work and some due diligence to

1 figure out what it is we can do with that money or
2 how else we can fund that over time. And having SCS
3 help with that is not going to delay anything at
4 this point. As long as we get that kitchen moving
5 forward.

6 MR. SWANSON: Okay. Number nine.

7 MR. HUEBNER: What was nine?

8 MR. BARNEBEY: Reimbursement.

9 MR. SWANSON: We talked about it, but we
10 haven't really done it.

11 MR. BARNEBEY: Well, from what I heard, I think
12 the answer to that is we're going to say, okay, show
13 us what the basis for any reimbursement will be.

14 MR. MOORE: We can't have a discussion on this
15 point until we understand it.

16 MR. SELEP: Right.

17 MR. BARNEBEY: 10, which is not on his list,
18 but absolutely should be on ours, is a release from
19 him for all wrongdoing from the date of the --

20 MR. SWANSON: Wasn't it part of, you said,
21 number eight? You sign a release to all claims.

22 MR. BARNEBEY: Correct. And obviously, the
23 bond.

24 MR. SWANSON: And the bond reduction.

25 MR. HEITZNER: SCS (crosstalk) I just want to

1 make sure it's in there.

2 MR. SWANSON: So for sake of, I mean, since we
3 can't just talk about this outside of these
4 meetings. Personally, I find any reimbursement to
5 be ludicrous, considering how much money it's cost
6 us, in terms of delay. Kitchen's doubled
7 effectively, plus we've spent 3 or 400 grand, I
8 don't know, some number between 2 and \$400,000 in
9 legal fees on this.

10 MR. BARNEBEY: I still think that's high.

11 MR. SWANSON: Okay. So we've spent -- we
12 probably spent what he's looking for.

13 MR. SELEP: We could come back into
14 negotiations and say, you know, he comes up with 10
15 grand, and we say, well, we've got 100 grand, so
16 therefore you don't get it. Here's our expenses,
17 here's your expenses.

18 MR. HUEBNER: We're not to that point yet.

19 MR. MOORE: It's easier to say no when we know
20 exactly what they are.

21 MR. SWANSON: Absolutely, absolutely.

22 MR. BARNEBEY: It might be something that's
23 legit. I mean, keep in mind, as is always the case,
24 we've got other expenses moving forward, and this
25 would dispense with any other -- you know, if they

1 have an oral argument for us, you know, that's going
2 to be an expense going forward. So it might make
3 sense to resolve that without --

4 MR. HEITZNER: And keep in mind this is, we
5 aren't going back to him right now and saying, this
6 is not final terms of an agreement. This is saying,
7 okay, we can get comfortable with this.

8 We can get comfortable with this. We can get
9 comfortable with this. We're going to have to work
10 on verbiage and outcome, et cetera. But, you know,
11 we're in -- what we know right now that we didn't
12 know two weeks ago is, we might be in the ballpark.

13 MR. HUEBNER: I was going to back up just a
14 little bit, knowing that Rusty doesn't want to
15 accept the job based on this deal, but he does want
16 the job, and recognizing that Rusty is working
17 diligently to help us move forward in this deal. If
18 we go back to him and say, we're having a hard time
19 with this because we don't think we should be
20 dictated to who sits on the Board.

21 And Rusty doesn't want that either, per se.
22 Rusty wants to earn it rightfully so. And you can
23 go so far as to say, you know, a Board member is
24 pro-Rusty right now. And maybe the others will come
25 on if this thing settles. Who knows until we get

1 there. But you just got to let that take its
2 process.

3 I think if you say that Rusty wouldn't be
4 wanted under those terms either, it might dilute
5 that issue. Is that making sense to you guys?

6 MR. SWANSON: It does, but that's a
7 conversation that you have -- have you had any
8 conversation with Rusty?

9 MR. HEITZNER: I have. I have.

10 MR. SWANSON: Does what you talked to Rusty
11 about land where Scott's going?

12 MR. HUEBNER: You said it last meeting.

13 MS. CARVALHO: So then you're saying, and the
14 Board would in consensus that with that information
15 provided in this meeting, The Board is a consensus.
16 Let it go through the process.

17 MR. HUEBNER: Right. And if we get to the
18 point where we're settling, in my mind, that votes
19 for Rusty, right? And then we'll vote how we vote.

20 MS. CARVALHO: That means all 10 points you
21 guys have been in consensus.

22 MR. SELEP: So let's talk strategy for a
23 second.

24 MR. MOORE: But before we talk strategy, do we
25 have any terms? We talked about his terms. Do we

1 have any terms?

2 MR. SWANSON: Are we doing that here today?

3 MR. BARNEBEY: Yes.

4 MR. MOORE: I would like to, when I go back to
5 him, I'd like to say, yeah, your nine, we're in
6 agreement, we can flush out seven of them, two of
7 them, no go, or I need more information, break down,
8 and then let's go with the next subject.

9 So I'm on number 10, we'll call it. I think
10 that Mr. Matt has not always been the nicest
11 individual in how he conducts himself with Board
12 Members and committee members, why wouldn't we get
13 an apology? Why wouldn't there be an apology?

14 MR. SWANSON: I was going to ask that myself.
15 And also, he's cost us more money than he says we
16 cost him.

17 MR. BARNEBEY: Yeah, I suspect that'll come
18 from the discussion.

19 MR. HEITZNER: I think we just need to figure
20 out a way to get him to -- well, I think a lot of
21 him on the governance committee will hopefully
22 happen organically. But he has to, and I've said to
23 Rusty, if you're talking with him, you've got to
24 tell him he's got to stop.

25 I said, he's become white noise. He's got to

1 stop with the insults and the inflammatory remarks
2 and calling people names and et cetera. I said, he
3 can't do that. And if he's going to be a part of
4 this process, and he's going to be on this
5 governance committee, he's going to have to act like
6 an executive.

7 And so how we word that, he's got to stop.
8 There's nothing wrong with having a different
9 opinion. But the name calling, I mean, he's done
10 more name calling and more defamation than anybody
11 that he's claiming has defamed him.

12 And now, are we exempt from that because we're
13 public officials? I don't know, but that's up to
14 him.

15 MR. BARNEBEY: No. But that's a discussion --
16 that discussion you want to have, we can have in a
17 public meeting or private with an individual
18 [indiscernible] you're not exempt, but it's a much
19 higher standard for you.

20 MR. HEITZNER: I don't know how you put that in
21 terms of an agreement, but the conversation has got
22 to come -- the temperature's got to come down. It's
23 okay to disagree. It's absolutely okay to disagree.
24 We've got to do it professionally.

25 MS. CARVALHO: And I'll just note what Mark

1 just mentioned about higher standards, that's not
2 just board members, that applies to district staff,
3 too. So myself as registered agent and records
4 custodian, counsel, and so forth.

5 MR. SWANSON: It sounds to me like -- so in
6 that regard, what are our conditions? For me,
7 there's two things here that are washes in my mind.
8 He's been vile to people. And if what's going on,
9 if the one email from John that used the term
10 deranged is the impetus for him to seek an
11 apology --

12 MR. HEITZNER: That's not the only thing
13 relative to John.

14 MR. SWANSON: Okay. But my point is that he
15 has continued to be that way, so an apology for me
16 is a wash. And then, you know, reimbursement is a
17 wash, because we've incurred far more costs than he
18 has. So for me, those two seem to be a wash.

19 Do you guys have any conditions for him?

20 MR. HUEBNER: I don't. I just want to get this
21 done.

22 MR. SWANSON: I do too.

23 MR. HEITZNER: My only condition, and I don't
24 know how you control this, is what I just said. I
25 want the communications to become professional.

1 MR. MOORE: Well, I think that a joint apology
2 is basically what it boils down to. I think that
3 should take the temperature down because it's both
4 sides saying --

5 UNIDENTIFIED SPEAKER: He's defamed me.

6 MR. SELEP: I've got one and I'm going to look
7 at you for some coaching. I want the Dean Matt
8 legal UPC, his monthly Tuesday meeting stopped.

9 MR. SWANSON: That's a good one.

10 MR. HEITZNER: Hold on. This is a real big
11 sticking point with him, is he believes that he was
12 censored by Fetsick. And so there's a bunch of
13 issues around this whole legal compliance meeting,
14 whatever.

15 If he wants to have a finance club meeting
16 where they're talking about stuff, this is a --
17 fine. If it's going to be a meeting to try to
18 divide the community, it's a different thing.

19 MR. SWANSON: You read the emails from that,
20 right?

21 MR. HEITZNER: We have to work -- I mean, I'm
22 not disagreeing with you. There's a lot of bad
23 stuff that's come out of those meetings. And it's
24 mostly been in the communication that follows the
25 meetings.

1 MR. SELEP: So here's going to be the problem.
2 If he's on the governance committee, and that's
3 under the Sunshine Law, he can't go and talk about
4 that stuff in the meeting.

5 MR. BARNEBEY: Correct.

6 MR. SELEP: It'd have to be a public meeting.
7 He's going to be on a committee.

8 MR. BARNEBEY: He can't have that discussion
9 with other members of his committee, correct. He
10 can have that discussion with everybody else.

11 MS. CARVALHO: But is he going to want to have
12 this discussion going forward, if it --

13 MR. HEITZNER: So we can throw it out there to
14 eliminate it. I mean, that can be one of our
15 points. But just how we present that is important
16 because he has such a negative feeling about how all
17 that came about with John.

18 MR. MOORE: My notice, stop monthly Tuesday
19 meeting. This does not mean you can't have a club
20 meeting, finances, you know, whatever, just not a
21 club business.

22 MR. HEITZNER: But club business should be
23 talked about in committee meetings, board meetings.

24 MR. BARNEBEY: Yeah, he's not supposed to be
25 talking about political matters and our facilities.

1 That's part of our rules. I think he's been pushing
2 that line for some time, so I'm not going to make
3 it -- I mean, we can throw it out to eliminate the
4 meeting.

5 MR. HUEBNER: Regarding the tone thing, I think
6 if that starts with us and then the mutual apology,
7 we identify that both people have been at a fever
8 pitch at various times, and that's not moving
9 forward. It's not our intention.

10 Regarding the meetings, there's a censorship
11 issue that I have read in his correspondence. The
12 more we try to censor, the worse off we'll be. What
13 we want to encourage him to do, move to other
14 topics --

15 MR. SELEP: Change the direction.

16 MR. HUEBNER: -- rather than UPCR, because
17 we're trying to mend the community. And that's the
18 direction.

19 MR. HEITZNER: That's why I said, how we
20 present it is really important.

21 MR. SELEP: That's why I was looking for you
22 for coaching.

23 MR. HUEBNER: But I've been to one meeting, and
24 it was before I was elected, because I wanted to
25 know what they were talking about, that group of

1 people. And it's a group of people that didn't
2 agree with the 2019 law. So there's still that base
3 of people that didn't want it to start, and they
4 don't want any changes at all. And until we outlive
5 that group of people, it's going to be here. Time
6 is on our side.

7 MR. BARNEBEY: Well put. Anything else?

8 MR. HEITZNER: Make it happen, Fred.

9 MR. SELEP: That's what I want to talk about,
10 is the strategy. He's done 180s on all of us at
11 some point in time. What coaching are we going to
12 give Fred if he does another 180?

13 I mean, this guy, we have spent an inordinate
14 amount of time discussing literally one player. All
15 right? At some point in time, you know, my answer
16 is I can't fix this. I'm done with it, let's go
17 move forward. And I'm there now, I really am.

18 MR. SWANSON: I don't think you're as there as
19 I am, but --

20 MR. SELEP: No, I probably am.

21 MR. MOORE: I think part of the strategy is,
22 look, we can make a deal right now and heal the
23 community, or we can let the Supreme Court make this
24 decision, and UPRD is no worse off either way, other
25 than the fracture of the community, because repairs

1 are going to be made. Money is going to be
2 borrowed. It's an active organization, so there
3 really isn't a whole lot of harm other than money
4 and time if we lose the appeal. All those things
5 are still moving forward in some regards.

6 So this is a way to work with us, heal the
7 community, to get something that you want, to give
8 us something that we want, and we can move forward.
9 That's really the way I think this should be
10 approached.

11 MR. HUEBNER: I love the healed community
12 thing.

13 MR. SELEP: That's a big fact.

14 MR. HEITZNER: It's a better word than
15 fraction.

16 MR. BARNEBEY: Anything else?

17 MR. HEITZNER: Steve wants to go with you.

18 MR. SWANSON: I just -- I'm sorry. This
19 entire -- I appreciate the process. All this is
20 garbage to feed one person. I don't want to look
21 like I lost, that sums up this entire process.
22 Everything, in one -- in eight words. And so I want
23 to see the community move forward.

24 I ran on that. I said we would work to resolve
25 this. We're trying to do that.

1 MR. HEITZNER: So who actually loses? If we
2 don't move this forward, who actually loses?

3 MR. HUEBNER: The community.

4 UNIDENTIFIED SPEAKER: We do.

5 MR. HEITZNER: You have to just keep that in.
6 I don't disagree with anything that you're thinking,
7 but I want to get this thing over and forward.

8 MR. SWANSON: Sure. Again, I think all of this
9 is up for discussion, except for a couple, at least
10 from my perspective. And we can vote.

11 MS. CARVALHO: Well, I think right now, for
12 you, it's just the apology piece, right? Because
13 you want the Rusty thing. Everybody was a consensus
14 about going through the process.

15 MR. HEITZNER: I think it's --

16 MR. SWANSON: And the cash.

17 MR. HEITZNER: We need to get a handle on it.
18 We don't want to be penny foolish either.

19 MR. SWANSON: Agreed.

20 MR. HEITZNER: So let's find out if we're pound
21 or penny.

22 MS. CARVALHO: So Mark, before we get out of
23 the shade meeting, can you walk through the Board
24 what that process will look like when we get out of
25 the shade meeting and what will we state on record?

1 MR. BARNEBEY: Well, actually I was going to
2 get to that in a second, but right now -- well,
3 let's -- next question is, because obviously no
4 matter where we go with this, and this is the
5 question of whether or not we would do that on
6 Monday.

7 The next question -- I mean, the next part of
8 this, we're going to need some time, because there's
9 some questions still outstanding that we've got to
10 work through, and we've got to talk to them about,
11 talk to them about what might work for us.

12 Do we want to have another shade meeting
13 scheduled?

14 MR. HEITZNER: Yes.

15 UNIDENTIFIED SPEAKER: You're killing me.

16 MR. BARNEBEY: We're trying not to kill you.
17 So that goes to when? And my guess is we probably
18 ought to be about two weeks out. I don't know. It's
19 just because I think it's going to take a little
20 time. I don't know what your schedule looks like.
21 Is that doable?

22 MR. MOORE: Yeah, I'm basically fine until
23 June 16th.

24 MR. HEITZNER: I'm good until June 11th. Last
25 day I can do anything is June 10th.

1 MR. BARNEBEY: So I would suggest we look at
2 the weekend -- got to have notice. So I would
3 suggest we look at either like May 27th.

4 MR. SELEP: That's Memorial Day weekend.

5 MR. BARNEBEY: It is --

6 MR. HUEBNER: Well, it's the Tuesday after.

7 Yeah, the 26th is the Tuesday. Tuesday or
8 Thursday.

9 Memorial Day is what, the 25th? Yeah.

10 MR. BARNEBEY: Yeah, Monday the 25th is
11 Memorial Day. I don't know why everybody schedules
12 is.

13 MR. HUEBNER: I'm available any of those days.

14 MR. BARNEBEY: Okay.

15 MR. HUEBNER: The other question I'm trying to
16 keep in mind is we're looking to do a budget review
17 on the 2nd.

18 MR. BARNEBEY: Yes.

19 MR. HUEBNER: Some of this stuff might impact
20 the budget. I'm not quite sure. We've got a
21 handful of things that are on the table that may or
22 may not need to be included or excluded from the
23 budget. So we need to -- kind of have a --

24 MR. BARNEBEY: Most of the things -- I'll tell
25 you where you can address that. I think that is in

1 your -- you have a contingency category? You might
2 want to put some extra money in your contingency
3 category.

4 MR. BARNEBEY: Okay. Because I don't think an
5 assessment is irrelevant to this discussion. No,
6 it's not irrelevant to the budget at all. But
7 you're going to have to deal with that separate from
8 whatever we're doing.

9 UNIDENTIFIED SPEAKER: They can be pulled out.
10 They can be pulled out if we have to.

11 MR. HUEBNER: So that's what I was trying to
12 think of.

13 MR. SWANSON: Did we pick the 28th, Thursday
14 the 28th? Is that what we're doing?

15 MR. SELEP: Flights from Rockford to here are
16 Thursdays and Sundays.

17 MR. SWANSON: When do you leave?

18 MR. SELEP: I was leaving Saturday.

19 MR. HEITZNER: If you're -- are you going to be
20 at Rockford? Rockford, Illinois?

21 MR. SELEP: Mm-hmm.

22 MR. HEITZNER: Can you fly out of O'Hare?

23 MR. SELEP: Yeah, not to Sarasota. I don't
24 know.

25 MR. HEITZNER: Yeah, you can. I'm flying to

1 Chicago tomorrow.

2 MR. HUEBNER: Can he be on Zoom for a shade
3 meeting?

4 MR. BARNEBEY: No. We've tried that last time.

5 MR. HEITZNER: American and United have
6 non-stops.

7 MR. SWANSON: Either way, you gotta fly.

8 MR. SELEP: Either way, I'm flying.

9 MR. SWANSON: So can we pick Thursday the 28th
10 at 9 o'clock.

11 MR. BARNEBEY: I'm fine, if that's okay with
12 the Board.

13 MR. HUEBNER: Thursday at 9 o'clock?

14 MR. BARNEBEY: Move it up to the 27th, if that
15 would be better.

16 UNIDENTIFIED SPEAKER: How about 9 o'clock?

17 MS. CARVALHO: Thursday at 9 o'clock.

18 MR. BARNEBEY: Thursday the 28th?

19 MR. HEITZNER: That's the last -- yeah. Before
20 we exit the shaded part of this, I just want to make
21 sure.

22 MS. CARVALHO: I'm going to go check that.
23 Okay?

24 MR. BARNEBEY: Yes, please do.

25 MR. MOORE: I'm going to call the attorney

1 after this. I think that the way I would put it
2 is --

3 MR. HEITZNER: I don't think I should have this
4 meeting Monday. It's just me, Rusty, and you can
5 have it.

6 MR. MOORE: Well, I'm going to suggest that,
7 hey, there was a meeting scheduled with Dean and the
8 Board Chair for Monday. Do we want to try to make
9 that a all-hands meeting with us, the attorneys?
10 And then if so, great, we'll all get together. If
11 not, perhaps we schedule for a different meeting.

12 MR. BARNEBEY: Or you just deal with it.

13 MR. MOORE: Me and Kevin.

14 MR. BARNEBEY: Kevin. But to your point, at
15 this point, given Kevin's involvement in the
16 process, I would suggest that we probably don't want
17 to have meetings without the attorneys on that
18 portion.

19 MR. HUEBNER: My question for you, this is
20 about a candidate to put his hat in the ring for the
21 Board position, and I think he might be better
22 served in the settlement side of this, if the
23 gentleman works in a different capacity, serves in
24 the governance committee instead.

25 And I believe I can bring that up now or not,

1 or do I need to wait until we get to where we're
2 voting, and I make my case for why I wouldn't
3 recommend him for a Board seat but someplace else?

4 I'm trying to figure out what I can say and
5 can't say right now Because it's kind of a lawsuit,
6 and there's some tactical advantages, but I don't
7 know if I can say it.

8 MR. BARNEBEY: Yeah, we're probably on that
9 verge. We're really kind of outside the settlement
10 part of it.

11 MR. HUEBNER: If I communicate the thoughts to
12 you personally, can you think about them?

13 MR. BARNEBEY: Yeah, let's talk about that.
14 Let's talk about that. We'll talk later. Yeah,
15 we'll talk about how, because I don't know how to
16 talk about it.

17 MR. HUEBNER: Yeah, I know. And I'm trying
18 hard not to say something at the same time.

19 MR. BARNEBEY: Okay. Let's stop there.

20 MR. SELEP: Steve, I think you did a good job.
21 Scott, I think you really did a good job you really
22 did.

23 MR. HUEBNER: Is it Steve or Scott?

24 MR. SELEP: Oh, Scott. I got it.

25 MR. SWANSON: (Crosstalk)

1 MR. BARNEBEY: Anything else before we get out
2 of the session?

3 MR. HEITZNER: That's good. We got further than
4 I thought we would.

5 P U B L I C S E S S I O N

6 MS. CARVALHO: Okay. All right. We're on
7 record.

8 MR. BARNEBEY: We're now out of the session,
9 attorney-client session. There's no one else in the
10 room, by the way, besides the Board and the other
11 folks that were in that session.

12 There's no action to be taken at this time on
13 this matter, but we do want to schedule another
14 shade meeting, another attorney-client session
15 under Section 286.011(8) Florida Statutes for
16 Thursday, May 28, 2026, beginning at 9 a.m., lasting
17 approximately 90 minutes at my request and this
18 meeting will be held here in the Business Office
19 located at 8301 Park Boulevard, University Park.

20 This meeting will commence in open meeting and
21 then we'll move to attorney-client session, which
22 will be in attendance the district attorneys Mark
23 Barnebey and Fred Moore, District Manager Vivian
24 Carvalho, who will meet in private with the Board of
25 Supervisors of the University Park Recreation

1 District, Steve Heitzner, Scott Hubener, Greg Selep,
2 and Steve Swanson.

3 And in the interim, another Board member is
4 appointed, it would include that person, and a court
5 reporter who will transcribe the full proceedings to
6 be made part of the public record for release at the
7 conclusion of litigation for the purposes of
8 discussion, settlement negotiations, or strategy
9 sessions related to litigation expenditures in the
10 court case of Dean Matt versus the University Park
11 Recreation District, SC-2024-0990.

12 And at the conclusion of that part of the
13 portion of the meeting, the meeting shall then be
14 open to public.

15 And with that, I have nothing else.

16 MS. CARVALHO: Is there a motion to adjourn?

17 MR. HEITZNER: Motion to adjourn.

18 MR. SELEP: Second.

19 MS. CARVALHO: All those in favor say "aye."

20 THE BOARD: Aye.

21 MS. CARVALHO: This meeting is adjourned. The
22 time is 10:53 a.m.

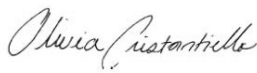
23 (Whereupon, the meeting was adjourned at 10:53
24 a.m.)
25

1 CERTIFICATE OF COURT REPORTER
2 STATE OF FLORIDA
3 COUNTY OF SARASOTA

4 I, Olivia Cristantiello, Certified Shorthand
5 Reporter, do hereby certify that I was authorized to and
6 did stenographically report the Shade Meeting; and that
7 the foregoing transcript is a true record of my
8 stenographic notes.

9
10 I FURTHER CERTIFY that I am not a relative,
11 employee, or attorney, or counsel of any of the parties,
12 nor am I a relative or employee of any of the parties'
13 attorney or counsel connected with the action, nor am I
14 financially interested in the action.

15
16 DATED this 28th day of May, 2026 at Sarasota County,
17 Florida.

18
19
20
21 

22 _____
23 Olivia Cristantiello, CSR
24
25