Shade Meeting

University Park Recreation District Board of Supervisors

May 28, 2026

LIBERTY COURT REPORTING

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UNIVERSITY PARK RECREATION DISTRICT

BOARD OF SUPERVISORS

SPECIAL MEETING AND ATTORNEY-CLIENT SESSION MEETING

RE: Case No. SC2024-0990

DATE: Thursday, May 28, 2026

TIME: Commencing at 9:00 a.m.

LOCATION: University Park Community Association
8301 The Park Boulevard
University Park, Florida 34201

APPEARANCES: Steve Heitzner, Chairperson
Scott Huebner, Second Vice Chairperson
Gregory Selep, Board Secretary
Steve Swanson, Treasurer
Vivian Carvalho, District Manager

MARK P. BARNEBEY, ESQUIRE
FRED E. MOORE, ESQUIRE
Blalock Walters
802 11th Street West
Bradenton, Florida 34205

Proceedings were taken before:
Jennifer Sirois, Notary Public
Liberty Court Reporting
1904 Manatee Avenue West
Bradenton, Florida 34205

MS. CARVALHO: University Park Recreation District Special Meeting of the Board of Supervisors and attorney-client session meeting is now called to order.

Today is Thursday, May 28, 2026. It is exactly nine o'clock a.m.

Let's do roll call.

Steve Heitzner.

MR. HEITZNER: Here.

MS. CARVALHO: Scott Huebner.

MR. HUEBNER: Here.

MS. CARVALHO: Gregory Selep.

MR. SELEP: Here.

MS. CARVALHO: Steve Swanson.

MR. SWANSON: Here.

MS. CARVALHO: We have quorum to proceed. I'm going to pass it over to Mark.

MR. BARNEBEY: Thank you, Vivian. I want to thank our court reporter because, although I told our last court reporter that we needed somebody for today, that apparently got lost in the shuffle. Apparently she had family issues. So she agreed to do this meeting today.

MR. HUEBNER: And she beat everybody here.

MR. BARNEBEY: Late last night Jenny

reached out to her.

This is a special meeting and shade meeting, attorney-client session in reference to appeal process related to litigation. This is being held under Section 286.011 Subsection 8 of Florida Statutes.

Today, again, is May 28, 2026. We are beginning at nine o'clock. We're estimating at this point that this may last approximately 90 minutes, but that's an estimate. It is our request as attorneys for the District. We're holding this meeting in the Business Offices located at 8301 Park Boulevard, University Park, Florida 34201.

This meeting is commencing in an open session. There are no other members of the public here. And then we'll move into attorney-client session limited in attendance to the district attorneys, Mark Barnebey and Fred Moore, district manager Vivian Carvalho, and we meet in private with the Board of Supervisors of University Park Recreation, Steve Heitzner, Scott Huebner, Greg Selep, and Steve Swanson.

And we also have the court reporter here, who will transcribe the full proceedings being made as a part of the Park record for release at the conclusion of the litigation for the purposes of discussing settlement negotiations or strategy sessions relating to litigation expenditures in the following court case: Dean Matt versus University Park Recreation District, SC 202400 -- excuse me, I always do that -- 0990.

At the conclusion of the private portion of the meeting, the meeting shall reopen in public. With that, we are going to close this meeting and go into private session. Again, there are no members of the public here on this matter.

** SHADE MEETING BEGINS **

MR. BARNEBEY: With that, let me just remind you now that we're in private session. Couple things: First of all, we do have a court reporter here who is transcribing this matter. Remind you to be careful what you say because it will come out at some point in the future.

Secondly, I want to just remind you to speak one at a time so our court reporter can make sure she gets all the information.

As you know, we have got response from Dean Matt's attorney. And with that, unless there are any questions, I'll turn it over to Fred Moore.

MR. HEITZNER: I have a question.

You read that it was Dean Matt versus University Park Recreation District. Although, the appeal is Dean Matt versus the State of Florida.

MR. BARNEBEY: We're all in there. That's fine. We're fine.

MR. MOORE: Okay.

MR. BARNEBEY: But thank you.

MR. MOORE: I think -- did everybody get a copy of the proposed settlement document? Just to start off, I did clarify --

MR. SWANSON: Is that what it was?

MR. MOORE: -- if you looked at the release, it was not a full release and one of the things he mentioned with regards to the payment was that it was related to his other claims. We don't want to go too far down that path. I did get clarification that it is excluding claims against the District, but not necessarily against others that he feels may have defamed him or committed some type of tort.

MR. HEITZNER: Excludes or includes?

MR. MOORE: It excludes those individuals, but includes the District.

MR. HUEBNER: Leaves him free to pursue them on his own.

MR. MOORE: An example would be: He is willing to release the District so the District wouldn't be sued for defamation, but that means he could potentially sue if he thought he had a claim against Sally Dickson. It gets a little more complicated in the language of the release if it's under her role and the language I would want in the release would make it clear all officers, directors. So, if she was saying it while she was an officer or director, would that release apply or not apply?

To me that's a big concern because the monetary payment went up yet again.

MR. HEITZNER: Yeah. There's nothing to say the next time it's not going to go up more.

MR. MOORE: Correct.

MR. HEITZNER: So we're not necessarily negotiating in good faith here given the fact that every time we have a negotiation the requests go up, correct?

MR. MOORE: It would seem that every time we come back with something different or something in addition, he adds more requirements. It seems to me when I went back and ran through the nine items, I said there's three that seem to be a little difficult but we think we can work through them.

Went through everything assuring him it seemed like we're on track, but then he also asked for the apology. I mentioned our damages, but also said that both sets of these damages really are sort of an ether --

MR. HEITZNER: I don't think everybody is kind of up to speed on what's transpired.

So when we had our last shade meeting in -- we landed on Fred going back and talking with Dean's attorney. That was responding to what Dean had given us. We were told deal is off.

MR. SWANSON: From our 5/14 shade meeting with the nine demands between this document arriving, you were told the deal was off? Or that deal was off after we received this?

MR. BARNEBEY: Before.

MR. SWANSON: Before?

MR. HEITZNER: Before. So deal was off, no more negotiations, done.

I was about to cancel this shade meeting. In fact, I was trying to decide whether to cancel the shade meeting or not because negotiations were done, no deal, no reason to have this shade meeting. Then several days later I got a call, Fred got a call --

MR. SWANSON: From Dean?

MR. BARNEBEY: From his attorney.

MR. MOORE: I followed up with the attorney after we learned that the deal was off, I gave it a day, followed up with the attorney saying: When we left our phone conversation it seemed to me like we were working towards a solution. You were going to put something in writing. But the rumor I'm hearing now is the deal is off. You've not told me that. You know, what's going on?

His response was essentially: No, no, no -- yes, he was offended by what transpired, but I'm still putting a framework settlement agreement together. I will get it over to you when it's done.

MR. HEITZNER: So that --

MR. SELEP: What offended him?

MR. MOORE: I would say the request for apology was one of the ones. The expenses increased cost statement. Which, I mean, you all may not like it, I try to loose sell that one of: Look, this is a cathartic piece of information. Your guy claims he was damaged substantially. He's cost the UPRD substantial amounts of money as well. So this is something we have to work through. I'm suggesting this is probably a bargaining chip with respect to your damages, but let's talk about it.

He never said anything about this, but the third one was the monthly Tuesday meetings. I said: We're not saying you can't have these meetings, but once you're on the governance committee, you're involved with Sunshine issues and we suggest that he's not addressing UPRD business. If he wants to have it be his stock club or whatever, that's one thing, but the Tuesday meetings need to go about differently.

Those are the three things that I think that caused him to say there's no deal because now we're coming back with more terms. He's, in my opinion, trying to dictate the terms.

MR. SWANSON: Rules for thee, not for me.

MR. MOORE: That's one way to look at it, yes.

MR. SWANSON: Okay.

MR. BARNEBEY: As we talked about before, obviously if we can get a settlement that the two parties can agree to, it's in the best interest of the parties, but --

MR. SWANSON: So then this document represents his current position?

MR. BARNEBEY: Correct.

MR. MOORE: It does. It doesn't, in my mind, take into consideration -- when I went through the nine items, I started off letting him know there's three that seem to be the stickiest. Appointing Rusty. Although, it's quite possible Rusty gets appointed. We just don't know that we can say as part of the settlement: We're appointing Rusty.

I referenced the PBM structure. I said one of the reasons SCS is involved is they're going to provide some documents to determine the best structure, the best business planning. So we intend to take their advice. So we can't say that we're going to get rid of the PBM structure exactly.

MR. HEITZNER: Certainly not within 30 days, which is what was the question.

MR. MOORE: And then told him the governance committee that we're adding to create it.

MR. BARNEBEY: There were -- there was language in there related to the governance committee about: If you don't follow the governance committee's recommendation --

MR. MOORE: That's in his document. Before I even get to that --

MR. BARNEBEY: Okay.

MR. MOORE: What I really want to know is we're relying on this third-party, 6 and 7, SCS is working on. It seems like he wants to even dictate to the best practices of SCS based on this document.

So I'm happy to answer any questions about the proposed settlement agreement.

MR. HEITZNER: Do we want to go through this point by point so that we can respond to this, or do we take a different tact? Clearly, what we have been given as it stands right now -- we can go around the table -- but it's not doable.

MR. MOORE: My biggest concern in all of this is we keep hearing about tort claims he has against the District. But other than an amorphous defamation, I don't know what those claims are. So it's hard to even evaluate a payout in my mind.

I don't know how you can say you're entitled to 300,000, 100,000, a dollar. If we go through the appeal and lose, it's over. There's no damages. There's nothing. Unless he files a lawsuit with these claims that we really don't have an understanding of.

MR. SELEP: It's over whether we win or lose.

MR. MOORE: Correct.

MR. BARNEBEY: No damages.

MR. MOORE: But the worst thing that happens is we've lost. There isn't a payment of $300,000 or any amount of damages. It's just, you start from square one, whether that's assessments, whether that's doing a new bond. So you're agreeing to a number of things that you don't have to agree to either way. Some of them make sense to heal the community, but don't know -- I hone in on the payment. To me, I don't know --

MR. HEITZNER: The payment is a big one. The governance committee is another big one. The way it is laid out in that document is not doable.

MR. BARNEBEY: I don't think it's legal to do it the way he's proposing it.

MR. MOORE: That's why we ran into the roadblock the first summer ago when we were trying to negotiate this was how do we develop this ombudsman governance committee in a way that's legal, but provides Mr. Matt with what he seems to be looking for.

MS. CARVALHO: I have a question.

Was there any indication when you talked to the lawyer about where does the $300,000 come from? Receipts? Invoices?

MR. BARNEBEY: Right, because we have not...

MR. MOORE: I asked for the breakdown. So I asked -- I forgot to ask you about the breakdown in the amount of claim. It is a particularly important issue for our shade meeting now that we have a third and even higher amount than before. The release is narrowed. Do you think we can get a breakdown before Thursday morning?

His response was: As we discussed, 300,000 is the figure. Dean is willing to settle his claims against the bond issuance and the tort claims against the District. This payment is necessary to make it clear that behavior needs to change. You are aware of the per se slanderous statements and harm to reputation done to Dean by representatives of the UPRD. If the District wants to settle these claims, as they have given every indication to my client they do, monetarily this is what it will take.

MR. SWANSON: I mean, honestly, the fact that there is -- the first item on here is a payment tells me everything I need to know. That's what this is about. Money. 300,000 is not chump change. Even if you gave him $150,000 and a lifetime UPRD membership, which is some cost anyway, he still wants cash. It's like -- so the community is going to pay him for his actions? His perceived slights against himself. I mean, that's a rhetorical question.

MR. HUEBNER: I think that's an excellent point. That the community is paying for the money he wants. I mean, the people he's professing to --

MR. SWANSON: The little guy. The little people he's defending.

MR. HUEBNER: -- defend are the people paying the $300,000. It's got to come from somewhere and it's not coming all out of my pocket. My wife won't allow it. It means we have to go after the homeowners to come up with that $300,000.

MR. SWANSON: Which means it comes out of our pocket.

MR. HUEBNER: Proportionally. My point there is the logic doesn't follow. If he gets the changes and the direction where we're representing the best interest of the community and the community is in agreement, then why would he want to put this financial burden on the community that he's trying to defend? I think there's an opportunity to make that case.

When you met with him personally, Steve, and Rusty was there with you, did you feel like things were more agreeable in those face-to-face meetings?

MR. HEITZNER: Yes.

MR. HUEBNER: Feels to me like we've kind of -- things have gone further apart. Settlement has moved away. The bar has moved. I'm wondering if the next step would be to have you and Rusty meet with him individually again.

MR. HEITZNER: Last time -- he refused to do that the last time. We had a meeting scheduled following our last shade meeting, we had a meeting scheduled for Monday. After Fred talked to his attorney, got the call the meeting is off. So I'm not opposed to meeting with him. I don't know whether he will meet.

MR. SWANSON: What would be the goal in meeting with him? I know what the goal would be, but what do we think we would accomplish by meeting with him again?

To your point, when Rusty is in the room, that's great. That's his dog collar there, effectively. What are we going to get if you meet with him again, another set of demands?

MR. HUEBNER: We might. But my experience has been is when you have lawyers negotiating, they're both trying to represent the best interest of their client. They're reflecting the tone of the client. They can be as friendly as they need to be, but they can be as difficult as they need to be. But they're trying to reflect what they believe is the message from their client.

If we take the higher guns and put them to the side for a second and try to just say: Okay, we're all neighbors here and how do we get to a reasonable friendly settlement? Because what's on the table right now is unacceptable in its current form.

If we go continue this path through the lawyers and the bar keeps moving, the conversation is going to come to an end. Is there a way for us to get to some points as neighbors and friends and talk through some of this stuff?

The challenge is: You do an excellent job representing us, but then it gets filtered through that lawyer and he's probably giving his opinion: Well, you can be a little tougher or whatever. I'm trying to find a solution. Having been through a few too many legal arguments, I've been able to work things out individually with people much better than --

MR. SWANSON: Depends upon who you're trying to work it out with.

MR. HUEBNER: Understood.

MR. SWANSON: Not everybody wants to seek a resolution.

MR. HUEBNER: Understood. I'm just looking at this trying to figure out the next step. We can go through point by point, and maybe we should, with the idea that it gives Steve an understanding of what we, as a Board, are prepared do and not do, and he can actually be an agent in that conversation. I don't know.

MR. SWANSON: I have a legal question. I don't believe -- and I could be wrong because I'm not an attorney or a student of the law -- I don't know that we as the Board have the right to apologize for Sally or David Murphy, publicly name them in some apology. What right do we have to say that David Murphy and Sally had done things incorrectly. That's up to them. Is it not?

MR. BARNEBEY: I'll let you answer that. My gut is you're right.

MR. SWANSON: If I was David Murphy, for

example, and this Board apologized for actions that he took that Dean insisted -- because that's all anybody is going to hear is that Dean was right and David was wrong.

MR. SELEP: I would take the names out of that document.

MR. SWANSON: I would be livid. Is that even legally allowable for us to do that?

MR. MOORE: I mean, I think whether they're named or not just saying past Board, meaning that's the implication. The Board can apologize for past actions. I don't know that I would get so granular that it would be specifically their names.

MR. SWANSON: He's asked that, though, right?

MR. MOORE: Yes.

MS. CARVALHO: Doesn't mean you have to proceed with that way.

MR. SWANSON: I agree.

MR. MOORE: What I would have liked to have seen is a little bit more nuance on some of the nonmonetary terms so we could really negotiate. It's hard with the governance committee where he's taking it from us saying: Look, we're going to have SCS put together sort of a package for how these things should look, where he's now dictating every aspect of it and it really boxes us in and doesn't allow us to say: Great, the governance committee. We can tweak things on either side and focus on the things we really can't live with.

We really have to, in my mind, look at each of these terms and each one of them is a bit off from his initial position.

MR. HEITZNER: So I'm 100 percent supportive of this Board doing everything that is ethically and legally right. I don't think having Dean be the chairperson, or whatever you want to call it, of this governance committee is in the best interest of University Park.

MR. SWANSON: Should he be on it?

MR. HEITZNER: You know, that's a risk. That's a risk. Is it a risk worth taking? Not under these conditions. But as we had originally set out to have him be a member of the governance committee, it was potentially worth that risk because it's going to be a -- it just won't be a good experience.

MR. SELEP: I have a fundamental question. Before we spend 90 more minutes going around in a circle, do you believe he wants to settle?

MR. HEITZNER: No.
MR. SELEP: Do you believe he wants to settle?
MR. SWANSON: He's not going to respond to that.
MR. SELEP: I agree with Scott. This document is two standard deviations away from where we were at a month ago. Going in the wrong direction. I quit. Let's just stop.
MR. SWANSON: To answer your question, I don't believe he wants a true settlement because he would not keep moving the goal posts. I think this is a bit of a game for him and he'll do what he can.
MR. SELEP: It is a game. I agree. You asked go around the table. I actually did homework.
MR. MOORE: I will say, I think this is a settlement tactic. From everything I've read about his ego way back in the day, these are the types of things that he did -- not the Auto Nation, but the Waste Pro, he helped with the mergers of those. I think these are, he'll call it, skills he picked up. So I think this is a settlement tactic.
He's no worse off whether he settles or not. Sort of like the District as we sit here. The only true issue in the courts as we sit here right

now is the bond. That is everything that's in front of the court.

MR. SELEP: We could get the bond with or without Dean Matt.

MR. SWANSON: We could.

MR. SELEP: The court can make a decision.

MR. MOORE: The court can make a decision and even if it's, in our eyes, the wrong decision, we can still move forward with issuing another bond. Doing it -- I'll call it -- rule against us doing it the proper way that the court essentially instructs us we need to make sure we do it.

MR. SELEP: So why wouldn't we try this case in the public? Let's take his document, all nine pages, post it with a paragraph written by the Board saying we've been in negotiations for two months with Dean Matt. We've come to an impasse. Here is what he's asked. Here's what we think is acceptable. Here is what's not acceptable. We've moving forward.

MR. SWANSON: I don't think we can.

MS. CARVALHO: Cannot do that.

MR. SELEP: Take all the fun out of my life.

MR. HUEBNER: For what it's worth, I've had people come up to me and say: So I understand to settle you have to do...

I'm going...okay. So there's -- either there are rumors out there --

MR. SELEP: There's a lot of rumors.

MR. SWANSON: Everybody knows we're meeting.

MR. HUEBNER: Hands are probably tied. Dean's hands may not be as tied. So maybe the information is coming from that end of the negotiating here.

I don't know. I've got all kinds of people who have said things to me.

MR. MOORE: These can't be used in court to prove or disprove anything. I'm not aware of anything that says you can't publicize it. I think if you publicize it, I mean, any deal is probably off.

MR. SELEP: Correct. Dean probably goes off.

MR. MOORE: But is there any legal requirement that prevents us from sharing this document? I want to go back and look at the e-mails between myself and Kevin Hennessy. But unless we put it under the mediation privilege, the answer is no. Yes, it can be shared. No, it is not confidential. But I don't know that that's the right tack right now. It'll eventually come out.

MR. SWANSON: True. When this is made public.

MR. MOORE: Correct.

MR. BARNEBEY: When we're done one way or the other.

MR. SWANSON: When we're done.

MR. MOORE: I don't like to poke the bear until I'm in the bear cage, that being court. That's my philosophy. Because I don't like to be wrong.

MR. SELEP: I don't think we're ever going to get there.

MR. HUEBNER: So if his desire is to show that there's a fundamental change in things and we're putting a governance committee together and we're putting him on the governance committee, that puts him in a position to have influence on those fundamental changes moving forward. If he's sincere about fundamental change, then, in my opinion, that should almost be enough to come to some sort of a settlement.

He wants to be integral in the

involvement. He wants to dictate things to us, and that doesn't happen because none of us can dictate those things either. So that has to be understood. He's not a dictator no more than we are and we have to work as a team, as a community, to get things done.

MR. SELEP: How do you convince him of that?

MR. HUEBNER: We've got to say -- we got to use his words and go back to him and say: You're punishing the homeowners by asking for this amount of money.

Because first, we can't agree to it. It's too much. If we agree to it, they'd be paying the bill. And that's not consistent with what you want to do. You want to make fundamental changes. Best way to do it is get on the inside of this thing is participate. If you're on the governance committee and you make a recommendation to the Board and the Board doesn't agree with that recommendation, you lose.

MR. SWANSON: Not according to his outline.

MR. HUEBNER: He wants more authority than we can probably legally -- we can't legally give that authority to an advisory group. He's asking for more than we can legally give him.

But on the other hand, his process where he said the governance committee would go to Florida for ethics, or whatever he called it, the process probably isn't wrong. If there's a disagreement between the governance committee and us, and say Counsel says we should send this to Florida --

MR. HEITZNER: As I've said, this Board will do everything ethically correct that's legally correct. The risk we have here is every single thing is going to end up going to this ethics commission, or whoever it is he wants it to go to, and nothing is ever going to get done.

MR. HUEBNER: Maybe there's a way to phrase that in it's a two out of three. We've got the Board, we've got our district counsel, and we've got the governance committee. If all three entities are in agreement; fine, we move forward. If two out of the three disagree, we pursue. If the attorney sides with governance and we happen to dig our heels in and disagree with governance, we would yield to sending it to the ethics committee.

I'm trying to think of a solution.

MR. SWANSON: I get it. So let me just -- so your document, there's some things I don't agree with in here.

But here is the question: Do we legitimately think that the next round and the round after that and the round after that will ever produce anything of value here? I don't -- like you said, we seem to be getting further and further apart. What do we have to lose by rejecting this outright, telling the community we tried, and we move on with, A, we either -- the bond either does or doesn't come through. If it doesn't, we seek assessments to pay for the BAN and the kitchen, and then we scuttle the bond and figure out how to fund these things in some other way. But we get those two moving and move ahead.

This is just going to continue to go on. I don't see him acting in good faith. Certainly not trying to be a bad Christian and judge his heart, but I don't see anything here that is moving in the right direction. So the question becomes: How many more times are we going to do this?

MR. SELEP: To your point on the kitchen, I want to point out by limiting the bond to $9,000,000, we don't have enough money to do the kitchen and pay off the irrigation.

MR. SWANSON: Right.

MR. SELEP: At least with the current design.
MS. CARVALHO: I have a question.
MR. HEITZNER: With any design.
MS. CARVALHO: I didn't get an answer yet, was that acceptable to have a board member in the room with him without the lawyers?
MR. MOORE: It is acceptable. Nothing is binding. It's just a discussion.
MS. CARVALHO: So there could be a potential of doing client to board member or client with representation of attorney with the -- Dean Matt and his representation of attorney? I think that can happen, correct?
MR. BARNEBEY: He couldn't have his attorney there without us there.
MS. CARVALHO: If there's a potential that gets Steve to be part of that conversation to facilitate with the tone, Fred is there, his attorney is there with him in the room, that's acceptable, correct?
MR. BARNEBEY: Yeah.
MR. MOORE: Correct. I mean, I think that that would be the only way I would really recommend going forward with meeting with him. Steve, Rusty,

and Dean meeting, it's the same thing we've already had. We're going to have a great meeting, you're going to agree on some things, and it's going to go through the attorney. Once it gets through that filter, people think we're going in one direction and we focus on --

MS. CARVALHO: But maybe that's an option. The other things is: I don't want anybody to lose sight that this is the first draft. We have never had another draft of a settlement agreement between Dean Matt and the District.

So what do I mean by that is that I think there's some benefit to you guys to go point-by-point and see what is absolutely -- what you can potentially be negotiable versus not negotiable/unacceptable. Or else you guys are going to continue to go round and round.

MR. SELEP: That's why I did what I did.

MR. HUEBNER: Thank you.

MS. CARVALHO: Those are just my thoughts.

MR. SWANSON: It's a valid point. It's a valid point.

MR. HUEBNER: Other observation I have here, Steve, I understand your frustration with this but I don't want to be the first one to walk away.

If we pursue every avenue legally and ethically to try to come to some settlement and the plaintiff walks away, then we've exhausted everything at our end.

MR. SWANSON: What if he doesn't?

MR. HUEBNER: Time will take care of this anyway. We have a settlement, a decision that's going to come from the supreme court at some point. That may happen sooner rather than later.

MR. HEITZNER: 11 o'clock.

MR. HUEBNER: So that could change things right then and there. We have deadlines for what we do with irrigation on timing of things. This could be going on as an underlying thread the whole time and it might just go away because of the time expiring. But I don't want to be the first person to say no.

MR. SELEP: The only --

MR. SWANSON: I don't disagree with that.

MR. SELEP: I don't disagree either, but the problem is we can't fill the open board slot.

MR. HUEBNER: If we go through this item by item, I think there are some -- I skimmed this. I usually have to read things a couple of times to get it. I think there are issues that could be settled in there and I think what will happen is -- I don't think risky -- I don't think Rusty --

MR. SWANSON: Might have been right the first time.

MR. HUEBNER: I don't agree with that disparaging comment. I don't think he wants that in any way, shape, or form. I think he would voluntarily -- he'd have to talk to him -- but this is me knowing him and his character, he would say I'd prefer not to be a candidate than have me part of a settlement. If that's the case --

MR. SELEP: Has he told that to Dean?

MR. HUEBNER: I don't know.

MR. SELEP: I mean, I believe you. I believe Rusty feels that way.

MR. HUEBNER: My point is: If you guys have a conversation on that issue alone and you say: Okay, Rusty is either going to withdraw or this is taken off as a settlement issue, but his name is left in if it's taken off as a settlement issue, you take your chances. You let the board vote and go from there. He has a chance of getting Rusty.

MR. SWANSON: How do you verify that, though? Because we can't get that information to Rusty. We sort of let the chips fall, is that what you're thinking?

MR. HUEBNER: I think you have this three-person meeting. I think that -- I see it as an opportunity to have unofficial mediation over lawyers negotiating, and then we can work out some of the details. I think that you need to be able to say directly to him: Here is a fuse and this is going to go one way or the other regardless of what we give you.

MR. SELEP: So Scott, he's refused meetings twice.

MR. HUEBNER: If he refuses again then our only option is to respond to him via lawyer. At this very moment, I would --

MR. SWANSON: Scott, are you saying we mark this up and have Fred send it back?

MR. HUEBNER: No, not at all. I'm saying we mark this up so Steve knows roughly what we would agree to or not agree to and how best maybe to come to solutions.

It's like when you dictate the $9,000,000 for the kitchen or those things, we have SCS working on a project. Maybe it's a function of saying: We're going to present the project to the community and have them vote yea or nay on the projects. If the community wants the projects, then we have a majority on our side. It's cumbersome. It's a problem. He may not agree to it. But he has no --

MR. SELEP: He has a statement in there that he wants to do a survey. He wants to survey --

MR. HUEBNER: He says a survey. I would go so far as saying: What about a vote? Just say: Do you want a kitchen? Are you prepared to -- let's see what we get for a response. I think we'll get 80 percent favorable answer to that. If we know the kitchen in today's market is X and it's been confirmed with SCS, that's the right plan and everything and the community is in support, I think it should satisfy his needs.

MR. SWANSON: Can I ask a procedural question? As a board are we, through the town hall, my understanding is we've been seeking consensus on what the kitchen is sort of to get buy-in, right? Is it a vote?

MR. SELEP: Not currently.

MR. HEITZNER: We have process stuff on the town hall meeting to talk about. We can't do that in this meeting. Following this one, we open up to the public, we should have a conversation about the town hall meeting and the process.

MR. SWANSON: Is that not a point we can discuss right now? Because it sort of going to what Scott is saying, which is we're looking for the community to vote on individual projects.

MR. SELEP: That's not what he's asking. That's not what Dean is asking. Dean is asking for a survey. He's not asking --

MR. SWANSON: No, I know that --

MR. HUEBNER: -- offer that --

(Crosstalk.)

MR. SWANSON: That's what I'm saying. That's a bit of a deviation from what we've talked about, right?

MR. HUEBNER: It is. It's a concession on our part.

MR. SELEP: It also opens a can of worms.

MR. SWANSON: Well, that's where I was going.

MR. SELEP: It goes back to the basic math. We have 1,300 members. 750 of them are social.

MR. SWANSON: Again, when you two were on the Board and voted for the golf course irrigation, for example, had you gone --

MR. HEITZNER: We were not on the Board.

MR. SWANSON: I'm sorry. When they decided on that funding, getting the BAN to do the golf course, if you posted to the community, all 1,200 members and said: We need 5-and-a-half million dollars to do the golf course irrigation, would that vote have passed? It's a rhetorical question.

MR. HEITZNER: I've always said this. I think the kitchen may be an exception to this. If you vote on individual projects, most of them will fail.

MR. SWANSON: Yes.

MR. SELEP: I agree.

MS. CARVALHO: There was no requirement. For the note that was issues there was no requirement for a vote.

MR. SWANSON: Correct. My point in that is using that as an example. I don't think the golf course irrigation would have passed and we'd have an asset out here that was dead.

If we're starting to seek input from the community to vote on the project, is that what as a Board we're trying to do?

MR. HEITZNER: What has to be resolved, in my mind anyway, is the fact they were told that the kitchen is going to cost $3,000,000. It's now 5-and-a-half to $6,000,000. Does that require a new vote? Is that legally feasible given the way that the bond was secured? Which, we're waiting for bond counsel to weigh in on that. We don't even know right now whether we can spend the money it was going to cost to do the kitchen because it's different than what was presented three years ago.

MR. SWANSON: But we're not looking to fund that through the bond.

MR. BARNEBEY: Originally we were.

MR. SWANSON: We were. But we're also seeking alternative -- the runway is closing on that.

MR. HEITZNER: If it's an assessment, not an issue. If we're going to pay for it through the bond, we need to make sure that's legal.

MR. SELEP: The other alternative is if the bond comes through, we're not able to reallocate the funds. It's going to be the bond and an assessment, correct?

MR. SWANSON: Don't you have to spend the money on the projects you outlined? If one is more than the other, does that matter in terms --

MR. BARNEBEY: That's the question.

MS. CARVALHO: That's the question being probed to bond counsel right now.

MR. BARNEBEY: My gut tells me because costs have gone higher that it is likely we can --

MR. SWANSON: Use those funds --

MS. CARVALHO: Reallocate.

MR. SWANSON: -- any way we want on those projects. We can't add to those projects.

MR. BARNEBEY: On those projects. But Bob has those questions right now. Bob Gang. Otherwise, it doesn't make a lot of sense, in my opinion.

MR. MOORE: The court moves faster if that was the case.

MR. BARNEBEY: If the court would move faster, that would solve that problem.

MR. SWANSON: Do we want to address these point by point?

MR. HEITZNER: I think we need to so we, at least, understand where we're are. Whether or not he'll meet with me is another question. We need to understand where we are and what we're willing to assess.

MR. SWANSON: Let's do it.

MR. MOORE: For the first one, settlement payment, is there any amount of money that the Board would be willing to pay to settle? An example would be, we know that if we have oral argument, other things, it's going to cost ten grand. Would the Board offer a cost of defense type of dollar figure? Or, is it easy to offer the in-kind something --

MR. SWANSON: Here is a question: Does the Board have the legal authority to authorize the payments? Whether it's in terms of some cost of 150K, he wants a free lifetime membership. Which he equated to be 150 grand, which is probably about right.

MR. BARNEBEY: Yes, I think you probably do to settle the case.

MR. SELEP: I would offer full membership for as long as he lives in University Park. So not lifetime. If he sells his house and he's gone, he's gone. Okay. And I would offer $10,000, which is his published cost to get the varsity club that we originally denied -- previous Board denied.

MR. SWANSON: I wouldn't disagree with the country club membership because it's some cost and that's probably palatable to a whole bunch of people. Any other cash beyond that in my mind is a wash. I don't think we should pay him any cash.

MR. SELEP: The only reason I say the cash is I think we have -- the way we went about the whole varsity club use was a little bit flawed. We have some culpability in that, I think. He says it cost him $10,000 to get that resolved. Dean, I believe you; here's ten grand. Other than that, I'm 100 percent with you. If it's $10,001, I'm done.

MR. HUEBNER: I have a question. The 2019 bond was contested as well?

MR. BARNEBEY: Yes.

MR. HUEBNER: Do you recall how much we paid in settlement?

MR. BARNEBEY: Well, he had an attorney the whole time.

MR. SELEP: We paid $100,000.

MR. MOORE: I want to point out, though, that wasn't just contesting the bond. That was the District.

MR. SELEP: The creation of the District as well. It was 100 grand or 130 grand.

MR. BARNEBEY: It was over a 100 grand.

MS. CARVALHO: I think it was close to $150,000.

MR. SWANSON: He got a settlement for that?

MR. SELEP: Not him. Garrett.

(Crosstalk.)

MS. CARVALHO: That went through the

insurance. The District public official insurance.

MR. SWANSON: Suing the District is a profitable enterprise. Holy cow.

MR. MOORE: I think his attorney charged him more than 150, though. My memory of that was it went south between him and his attorney because of the fees.

MR. BARNEBEY: He did change attorneys.

MR. SWANSON: But in the settlement piece, for me giving him anything is predicated on what else we decide down the road in the rest of this document. Because some of this stuff is fairly nonnegotiable.

MR. SELEP: I agree, Steve. It's not Bullet Point Number One. It's Bullet Point Number Nine.

MR. HUEBNER: May I also suggest that in addition to being a resident, we define what full membership is and it's limited to the dues. It's not free carts, not free food, it's not --

MR. SWANSON: Well, he asked for trail trees and a lifetime family. Lifetime family meaning him and his wife? Not any extended kids or cousins or uncles or ex-wives or whatever it happens to be?

MR. SELEP: I think our membership specifies that.

MR. SWANSON: Specifically states that, right?

MR. SELEP: He asked for the trail fees --

MR. SWANSON: I don't have an inside voice --

MR. SELEP: -- he can't get a cart across the street, can he?

MR. HUEBNER: Probably dodgey.

MR. SELEP: He lives in --

MR. SWANSON: Yeah, I know he lives in Henley.

MR. HUEBNER: If we got to that point in the conversation, it's a good deal. I like your statement about he must continue to be a resident.

MS. CARVALHO: What about the 10,000?

MR. HUEBNER: Personally, I don't have a problem with that. Recognizing that we could spend that in oral argument. So it's a concession.

MR. SWANSON: Attorney fees for the establishment of his aviation finance club is what we're talking about, right?

MR. HEITZNER: There's different opinions on whether or not that was -- to use your word --

whether we're really culpable on that. Because what he represented that was going to be is different than what --

MR. SWANSON: That's what I thought.

MR. SELEP: Although, there's culpability on both sides. I don't mean to imply we're the only guilty party in --

MR. SWANSON: How about we say: Attorney's fees for the establishment of that. Put a period on that. And then go through the rest of this document and maybe revisit. I also think that the attorney's fees, wasn't it just an invoice that said 10 grand?

MR. SELEP: Mm-hmm.

MR. SWANSON: There was no detail behind that. I think we should ask for the detail that goes for that 10 grand.

MR. SELEP: It's not worth the effort. Here's 10 grand.

MR. SWANSON: Okay. All right.

MR. HUEBNER: Quite frankly, I would -- recognizing that he's probably spent some money at this point on other stuff.

MR. BARNEBEY: That's true.

MR. HUEBNER: I would consider the 10 grand -- personally, I wouldn't say that's a hard number for me. If our goal is settlement, if we get to other things and we're off by -- if it's 20 grand, I wouldn't balk at that.

MR. SWANSON: Steve, what do you think?

MR. HEITZNER: Think we've got residents that are going to go crazy.

MR. SWANSON: You think he'll go crazy?

MR. HEITZNER: No. I think residents will go crazy.

MR. SWANSON: Oh, if we gave him -- if we gave him a lifetime membership and paid his --

MR. HEITZNER: I don't think lifetime membership is a big deal. Cash. So I'm not opposed to the 10K, but the 10K is not going to go over well with much of the community.

MR. SWANSON: So maybe we just put it down as 10K and then move on to the second and go back and revisit.

MR. BARNEBEY: Come back.

MS. CARVALHO: There you go.

MR. SWANSON: Let's just go with one. Go to two and then we go back and revisit it and see if whether we can swallow this.

MR. HUEBNER: I was just going to say, if you look at the deadlines and methods of payment, all that stuff is way too fast and too difficult.

MR. HEITZNER: All those deadlines and everything. The --

MR. SWANSON: We're going to Number 2, right, the governance committee?

MR. HEITZNER: I don't have a document in front of me.

(Crosstalk.)

MR. SWANSON: Establishment of a governance committee.

MR. HUEBNER: First we've established it's not legal some of the stuff he's asking.

MR. BARNEBEY: That's correct.

MR. SWANSON: Right. But the other thing I think centers around this whole thing, if you guys remember, I voted against establishing a governance committee until we established what it was. So I don't think we can do this until we know what the rules of the governing committee are so that he can understand them.

Because he -- this is the most one-sided document I've ever seen.

MR. HEITZNER: So we have agreed to implement a governance committee. We don't know what that looks like at this point in time.

MR. SWANSON: That's correct.

MR. HEITZNER: So we're fine with him giving input into that, but between the Board and SCS and -- we will develop the governance committee and the charter and everything else that is required.

MR. SWANSON: Okay.

MR. HEITZNER: I don't agree with appointing him as the head of the governance committee and I don't agree with him appointing anybody to the governance committee.

MR. SELEP: So we'd give him a seat at the table.

MR. SWANSON: What we're saying here is that we want to see a first draft of this by SCS?

MR. HUEBNER: What?

MR. SWANSON: We want to see a first draft of the charter of the governance committee from SCS; is that what we're saying?

MR. HUEBNER: You will, at the next board meeting, get a rough draft that I put together and counsel's comments. Is it the next meeting we're doing that? So we can discuss as a Board some of the nuances, what goes in there.

So we'll -- and then maybe we get it to

SCS and say we'd like your input since you're an expert at this too, and we explain the process to --

MR. SWANSON: So we're going to, in conjunction with SCS, establish the rules around the governance committee and those would be published forthcoming. Does that sound like a --

MR. SELEP: We're in agreement with Dean in the establishment of the governance committee --

MR. SWANSON: But we don't know what the charter is for that?

MR. SELEP: Yet. But we're in agreement. 30 days -- to your point, 30 days, we're never going to make 30 days under the Sunshine Law. I think we're in agreement to say he's got a chair at the table, but the committee --

MR. HUEBNER: Seat at the table.

MR. SELEP: Seat at the table but the committee will vote for the chair.

MR. HUEBNER: I'm in agreement with that.

MR. SELEP: He is welcome to propose four other people and then we'll decide the same way we did with the other committees.

MR. SWANSON: Why wouldn't we just let people propose themselves? Why do we have to let him propose them?

MR. SELEP: In essence, they will. He used Chris Edwards as an example. Okay, Dean, if you want Chris Edwards on the committee, have him put the application in.

MR. SWANSON: Perfect.

Let's back up again. So what we're going to do is we're going to establish this charter via our efforts and the efforts of SCS to review them. At that point, we'll understand what the governance committee's charter is. Can we say that?

MR. SELEP: Yes. And we agree that Dean can have a seat at that table but that the rest of that committee is decided upon and the chair is voted upon, because that's what we've always done.

MR. HUEBNER: It's also critical we want people to volunteer to be on this committee. If they're volunteering to be on a committee that is dictated a certain way, they may not be encouraged to volunteer. So if they have a say in who serves as chair, then I think we'll get more volunteers.

Again, we're trying to get buy-in by the community, not limited. So his request to be the chair assigned the next candidate, it's too much.

MR. SELEP: It is, but now -- I'll be Dean. Looking at it from my point of view, I want to control that committee.

MR. HUEBNER: I understand. It could go either way.

MR. HEITZNER: He had an opportunity to run for the Board. He applied and then he withdrew. If he really wanted to have a seat at the table, run for the Board.

So what we've got so far: We're okay with him having a seat on the governance committee. The committee will vote on who the chair is. The Board will decide who goes on the committee.

MS. CARVALHO: He's welcome to propose.

MR. SELEP: But he's welcome to solicit candidates to put their name in the hat.

MR. HEITZNER: Charter is going to be established by working through SCS on the Board, right? Chris Edwards can apply, just like anybody else can apply.

MR. HUEBNER: I want to stop right there real quick.

Chris Edwards, I know, he's a really good guy. I know him really well. I had a lot of conversations with him. I don't believe he has a close association with Dean Matt. So I don't want him to be judged negatively just because his name has come up. But he has been instrumental in a number of things since we've put the club together.

So just my knowing him. I want to defend --

MR. SWANSON: That's good to know. Unfortunately, he is associated with Dean via Dean supporting him. That's probably a hard sell, but I get it.

MR. HEITZNER: So we're not okay with every single disagreement between the governance committee and the Board is going to be litigious, contested --

MR. SWANSON: No, but that would come out of the governance, the charter, right? That can be stated in the charter.

MR. HEITZNER: The finance committee makes recommendations to the Board. We do not have to accept everything that the finance committee has put forth, which we didn't.

MR. SWANSON: Right. I mean, we took their advice on something and made a --

MR. HEITZNER: -- changes on some things.

MS. CARVALHO: In essence, the charter will --

MR. SWANSON: Define that.

MS. CARVALHO: -- define the

responsibility.

MR. SWANSON: That's probably enough meat for the conversation you're about to have, wouldn't you think?

MR. BARNEBEY: By the way, anybody can file an ethics commission complaint. In fact, I've had two filed against me by Dean.

MS. CARVALHO: I've had one.

MR. BARNEBEY: And so I don't think the committee, governance committee, should get that authority. I don't think we should get the AGO involved with that. That's your -- you have that authority, but they -- I don't think they'll allow that.

MR. SWANSON: What's the AGO?

MR. BARNEBEY: Attorney general's opinion. Neither one of those are appropriate for the --

MR. SWANSON: Attorney general State of Florida?

MR. BARNEBEY: Yes.

MR. MOORE: Explicitly stated: This committee is governed by the Sunshine.

MR. SWANSON: Are we good on that? Are we good on Number 3?

MR. BARNEBEY: Remind you, we do have a

current request in front of the -- the ethics commission, AGO on that, but we could go through the AGO if we want to as a Board.

MR. SWANSON: Number 3: Appointing Rusty. What's everybody perspective? I know you like that idea. What does everybody else think?

MR. SELEP: I think the statement there -- or the question to Dean is: Rusty doesn't want to be appointed.

MR. SWANSON: He wants to...?

MR. SELEP: He wants to be elected or voted in, not appointed by this legal document.

MR. SWANSON: You say by Dean's perspective or is that Scott's?

MR. SELEP: No. I'm saying from our perspective, I think we tell Dean Matt: Look, Rusty doesn't want to be put back on the Board by a legal mandate. He wants to be put back on the Board by a vote.

Now, in my -- if Dean says: Nope, Rusty gets appointed and we acquiesce on that point, my question is: What do I get in return for that?

MR. SWANSON: Quid pro quo.

MR. SELEP: Mm-hmm.

In my little write-up, Rusty is a

negotiable. I don't necessarily think Rusty is the best candidate out of that group of candidates. But to Scott's earlier point, Rusty has been on the Board. He's got experience.

MR. SWANSON: How does this get represented when Steve goes and sits with him?

MR. SELEP: I think it gets represented by: Dean, that's not how Rusty wants to get back on the board. Do you want to leave that in or take that out?

MR. SWANSON: Rusty will be at this meeting?

MR. HUEBNER: If it happens.

MR. SWANSON: Assuming it happens. And I think that's what we're doing assuming, we're assuming it's going to happen, which is why we're trying to arm you with the information.

So we're going to say for number three: He doesn't want to be appointed. He wants to be elected.

MR. HUEBNER: I think prior to the meeting you're going to have a conversation with Rusty, you can ask him point-blank.

MR. HEITZNER: Well, he's already told me that. He's already told me he does not want to be --

MR. SWANSON: Be forced back.

MR. HEITZNER: -- he doesn't want to come back on the Board because of a settlement.

MR. SWANSON: Under these circumstances.

MR. HEITZNER: He wants to earn it.

MR. SWANSON: How does this get articulated in your meeting?

MR. HEITZNER: I can articulate that. It's not a difficult one to articulate. It might be a hard one to negotiate it.

(Crosstalk.)

MR. SELEP: I don't think we have to negotiate that. If he leaves it in, he leaves it in. But then the question is: What do we get out of that? Rusty doesn't have to accept the seat. Rusty could withdraw. Part of this is up to Rusty, frankly.

MR. SWANSON: Yep.

MR. SELEP: Dean has put him in a difficult position.

MR. SWANSON: I agree.

Can we go to number 4? I'm trying to get us through this and then maybe we can go back and review them.

What does everybody feel about this, restructuring PBM? Because does that not expose everybody here?

MR. HEITZNER: So my opinion, I'm in favor of restructuring PBM. I don't know what that looks like. I don't know what we can do legally. I don't know what we can do structurally. I don't like the way it's set up.

MR. SELEP: What don't you like?

MR. HEITZNER: We've asked SCS to look at that and to see what -- is there a better structure out there?

MR. SELEP: Well, what part of the structure don't you like?

MR. HEITZNER: It's not well run.

MR. SWANSON: I don't think there's a lot of dispute over that. It could be better run, put it that way. Wasn't it --

(Crosstalk.)

MR. SWANSON: -- not formed in the express purpose of hiding and shielding the salaries from the public, is that not --

MR. BARNEBEY: Part of it.

MR. MOORE: Remind everyone to not talk over each other for the court reporter.

MR. SWANSON: Sorry.

What were the other reasons it was formed?

MR. BARNEBEY: Primary reason was to employ the staff we had. But yes, one of the key issues there was to get the -- get those issues out of public view; salaries, all those sorts of things.

MR. SELEP: Let me say this. It's in my write-up again.

If you read Dean's statement and you go back to Rusty's campaign, I think it's roles and responsibilities. I think we need to clarify those rules and responsibilities. It's the word "reporting" I think is going to be an issue because PBM -- the HOA has ownership of PBM. I agree with -- I don't disagree with the restructuring, but I would restructure or state this a little differently and say we need to clarify the roles and responsibilities.

The GM should work solely for the RD, okay, on the RD side. The manager should work for the HOA on that infrastructure side.

MR. SWANSON: The manager being?

MR. SELEP: I had a brain aneurysm.

MR. SWANSON: Patrick?

MR. SELEP: No, Patrick's boss.
MR. SWANSON: He's PBM. Maybe we say here that this is worthy of consideration. Restructuring, we don't know what that looks like. We're going to do something that we're doing with the governance committee is we're going to propose the structure or work with SCS to come up with a better way?
MR. SELEP: I would say we would clarify the roles and responsibilities but the reporting structure, that's HOA.
MR. SWANSON: Right now it is.
MR. SELEP: Well, now you're talking about having two general managers and two separate structures. That's a cost consideration there as well.
MR. BARNEBEY: Which also was another factor in how this was designed.
I will say this just for the purposes of discussion as to whether or not how this comes out. The Board has not really had a discussion with PBM as to what you want them to do.
MR. HEITZNER: They won't respond to my request for a meeting.
MR. BARNEBEY: And that's a problem.

MR. HEITZNER: I got all kinds of issues. I don't like it at all. Very clear about that.

Question you asked last time. So right now the HOA pays 25 percent of Curtis, 15 percent of John Fetsick, 10 percent of Paul, 10 percent of Linda the HR, and 5 percent of Don.

MR. SWANSON: That's what the HOA funds for those people?

MR. HEITZNER: So we look at how much work does John do for the HOA? On paper, it's 15 percent.

MR. SWANSON: How do we word this so that you have something to walk into this meeting with?

MR. HEITZNER: Well, I don't think that we can define this. I think we are charging SCS -- I've already told Dean this. We're going to charge SCS --

MR. SWANSON: With helping to define this.

MR. HEITZNER: -- helping us looking at the structure to determine whether or not -- maybe it's the best structure possible. Maybe there's something else. Can the RD be pulled out of whatever so that it doesn't have to abide by the Sunshine Laws? Not likely.

I'm just saying, we want them to look at all of this. I've had these conversations with SCS a few times.

MR. SWANSON: Okay. So you have a talking point then. It's very similar to what we're talking about with the governance committee, right? Basically, we're going to work to define how to better --

MR. HEITZNER: This isn't going to be a 30-day solution. This one is going to take some work.

MR. SWANSON: Sure.

MR. SELEP: And some collaboration with us and the HOA.

MR. HUEBNER: Could we, the RD, hire John Fetsick as our general manager as our one and only, our direct employee?

MR. HEITZNER: I don't know. That question should be answered.

MR. HUEBNER: And then his fiduciary duty would be to us to keep close tabs on Park Boulevard Management, make sure things are operating in our best interest. Right now, his first obligation is to the owner of Park Boulevard Management, even though I believe he does a good job taking care of our interest.

MR. SELEP: So you would pull him out of PBM and make him?

MR. HUEBNER: An employee of the RD.

What I'm suggesting, maybe short-term leave PBM where it is, don't touch anybody else, and wait for SCS to come back to us with an answer.

MR. BARNEBEY: Just as a thought. If that happened John doesn't have direct control over any employees in PBM. So that would be -- I think the SCS discussion is probably the best way to handle that right now --

MR. SWANSON: We also don't know if doing that would cause John to leave.

MR. BARNEBEY: Also true.

MR. SELEP: I think the four of us are saying the same thing. We want to use the consultant to review that structure. We need to get clarification on the roles and responsibilities. But the word "reporting" may be an issue.

MR. SWANSON: I think we state that we're going to review this with SCS and we all agree that there should be some restructuring of PBM that serves the interest of University Park.

Can we go with that? He may have a -- he may explode over that. But in reality, you can't get this done that fast.

MR. HUEBNER: In that process the governance committee will be a key part of the evaluation of how we move forward with or without Park Boulevard Management and in what way, shape, or form.

So he would be one of five people put into the process. So we can't get there in 30 days, ten days, whatever the timeframe was. But if he wants to be part of this change, it puts him in a place to have input.

MR. SELEP: Good point.

MR. HUEBNER: If he wins, great. If he loses, we all have to yield to a majority.

MR. SWANSON: In the governance committee would, as all of the committees would do, they would make recommendations to the Board we can accept or reject those, correct?

MR. HUEBNER: Right.

MR. SWANSON: I'm good with that.

MR. HUEBNER: That puts him in a place to participate. He's trying to dictate. We can't do that. We just don't know enough, right?

MR. HEITZNER: Correct.

MR. HUEBNER: If he's sincere about

material change and getting involved, this might appeal to him.

Move on to the next one.

MR. HEITZNER: Give you more examples --

MR. SWANSON: This one is super sticky.

He's suggesting that only golf course members, full golf course members -- here is what I don't understand. Part of the financing -- so that doesn't retire the entire debt because we're only going to raise --

MR. SELEP: A million and a half.

MR. SWANSON: -- a million and a half.

MR. SELEP: You skipped 5A. That's the consultant to review the capital plan. They're going to do that anyway, so okay.

MR. SWANSON: Yeah. I mean, I think that's fine.

MR. SELEP: 5B is a show stopper because no more than $9,000,000, we're not doing the kitchen.

MR. HEITZNER: Where that came from. He asked me when I met with him we would have to -- do we have to spend all of the money that we're getting through the bond? So the answer to that question is: No, we don't.

So if we wanted to pay off the irrigation and do the kitchen and then have SCS help develop a plan and how we're going to build and finance the other amenities that are a part of this -- of what we discussed, we would do that. Nine million -- we can't use $9,000,000 because that's just a number that was thrown out there.

MR. SWANSON: Thrown out.

MR. HEITZNER: We know how much the irrigation was. We have a proposal for the kitchen. It's more than $9,000,000.

MR. SWANSON: The two combined?

MR. HEITZNER: What I do think that we can say -- and then you guys can give feedback on this. I've said this before -- we've got to pay off the irrigation, we should do the kitchen. That's going to leave us with not as much money as needed to do the --

MR. SWANSON: Rest of the projects.

MR. HEITZNER: -- the vision of the fitness center and vision of the activity center. There's not enough money to do that.

So we say: Time out. We still have whatever money is left. But we say time out while SCS works through a plan to determine what should fitness look like here, what should the activity center look like here, and how much will it cost to do that in a way that isn't throwing money away.

Because we don't want to build something in two years we say: Why did we do that? So I don't think -- it's not like we pay off -- we do irrigation, do the kitchen. Now we're starting the fitness center. We don't have the money to do what we're talking about.

So can SCS help us figure out how do we get there in terms of what it looks like structurally; and two, how do we pay for it?

MR. SWANSON: So you strike this entire thing then or saying put a range on it or something?

MR. HEITZNER: I don't think we should commit to a dollar amount. I think we should commit to a philosophy.

MR. HUEBNER: Agree.

MR. SWANSON: So we're going to strike that?

MR. HUEBNER: To that point, when I first ran for the Board I felt the administrative building and the community center was too expensive overall. But given the increase of cost on everything else, where I was thinking I didn't want to spend 21 million, maybe 12 to 15 million, something less. It seemed like too much money. Due to the increase cost I've come to realize -- well, today, even doing the projects reduced -- is probably going to be $21,000,000. So the economy and the advent of time has -- that has changed my position just because costs have gone up.

Philosophically, I don't want to do some of the wasteful -- what I consider wasteful, but some of that just costs have gone up.

MR. SWANSON: Do you want to do this on the fly, so to speak, and let him know that we won't agree to this but we will agree to refuelling it? I mean, what are we looking here?

MR. SELEP: Which is what's in A.

MR. BARNEBEY: A I think you've already said you're going to do. B, the nine million --

MR. SWANSON: Maybe A and B get the dovetailed together.

MR. BARNEBEY: But B puts a cap on you and you can't --

MR. SWANSON: Well, I mean, gets dovetailed together in a sense that the outcome from A will drive --

MR. BARNEBEY: May drive what B is.

MR. HUEBNER: The other issue --

MR. SELEP: B and C --
MR. BARNEBEY: C is a different problem. C has a problem because you're binding future boards and I don't think you can do that. Because they may elect a whole new set of board members in a few years and they may say: We need to do this now.
That's their right. You can't bind them beyond -- most of the stuff is all current. You just can't bind them beyond that. C you can't do, in my opinion, as it's worded. You can say we're not going to do it --
MS. CARVALHO: Defer it.
MR. BARNEBEY: -- not our current plan to do it. I think that's fine.
MR. HUEBNER: I like that as a response. We can't do that because it binds the hands of future board members. Two, it puts a number on something we can't quantify yet. So it's binding to us.
The five-year plan is okay.
MR. BARNEBEY: Five-year plan is fine.
We need to put a five-year plan. Five-year plan may end up showing you're going to do it, but -- that can be amended too, by the way.
MR. SWANSON: So how does that get worded?

Basically, I don't know that needs to be legally worded.

Steve, are you comfortable representing A, B, and C in some capacity when you're speaking with him, or do we want to try to wordsmith that now?

MR. HEITZNER: No. We should wordsmith it now.

MR. HUEBNER: Other consideration, again, he's going to be part of the process if he's on that governance committee. We don't have to pick hard numbers now in advance. We'll work it through as a team.

MR. HEITZNER: I think I'm okay with it.

MR. SWANSON: So that brings up letter D. What is his theory on one-and-a-half million when that doesn't pay off the BAN?

MR. HEITZNER: I don't know.

MR. SELEP: The golfers would pay a bigger portion --

MR. SWANSON: No, I understand that. If you look at it, it's approximately $5,000,000, which is $4,100 a home if you assessed every home in the community. He's saying just the 450 golf members.

MR. SELEP: For 1.5 million.

MR. SWANSON: Right. What about the remaining four million that the BAN has to be paid. Where is that coming from?

MR. SELEP: It would either come from the bond or come from the assessment of all the members. It would have to.

MR. SWANSON: But it's not even specified in here. This leaves us $4,000,000 short.

MR. SELEP: He wants the golfers to pick up --

MR. SWANSON: The bulk. Not even the bulk of it.

MR. SELEP: 20 percent. Pick up a million and a half.

MR. SWANSON: So the golfers would pay a million-and-a-half and then we reassess the entire community of 1,200 members. So the golfers would pay way more than that.

MR. BARNEBEY: Correct. Your assessment is going to have to be -- I think because of the way the BAN is written -- I think the assessment is going to have to be $5,000,000.

Now, if you do a specific assessment to the golfers, I think you can do that --

MS. CARVALHO: Separate and apart from the five million.

MR. BARNEBEY: -- but the assessment is going to be five million. I don't think there's a way around that because I think that's what we've committed to and the bank is expecting. Because that they know they're going to get.

MR. SELEP: We had to pay it off in one lump sum.

MR. BARNEBEY: You could assess -- you could do, essentially, a capital assessment related to the --

MR. SELEP: Steve, I think the way the BAN is worded, it has to be paid off in a lump sum. So there's really not a way to assess just the golfers 1.5 million.

MR. SWANSON: So those numbers -- doing his math -- that's 3,300 per home and then 3,300 for the golfers. So $600 for the golfers.

MS. CARVALHO: But that's straight line. Your assessment of dollars is not based on pro rata share of five million by 1,202 units. It's on a 50 percent. It's on the market value of the home --

MR. SWANSON: Right. It's less for some and more for others. But round numbers, doing simple math here, it's 3,300 for each community member plus 3,300 for the 450 golfers.

MR. SELEP: Right.

MR. SWANSON: Is that acceptable?

MR. SELEP: No. We just said we really can't --

MR. HEITZNER: The way they have this worded we have to pay the full five million by assessment.

MR. BARNEBEY: Now, you can do it capital charge to the golfers, but that won't reduce the amount of the assessments.

MR. SWANSON: No. It doesn't matter -- let me see if I understand what you just said.

You can pay the BAN off any way you want. You have to pay it all at once. Assessment or bond or whatever, but you just have to pay it all at once, right?

MR. HEITZNER: Correct. So what do we do with the one-and-a-half-million to the golfers?

MR. SWANSON: You're going to have a whole bunch of people unhappy with that.

MR. HUEBNER: This is a brand new idea that was never on the table before this point. We don't even know how to digest it at this very moment because it changes everything that's happened historically.

MR. SELEP: Turn it over to the finance committee.

MR. HEITZNER: Governance committee. We have to be careful here because there are a significant number of residents here that don't think they should pay anything for golf.

MR. SWANSON: I agree. Which is why the golf course irrigation would not have passed if it was voted on. Is he a golf member today?

MR. HEITZNER: Social member.

MR. SWANSON: So then this would apply to him. If we gave him a golf club membership he would have to pay into that, right?

MR. HEITZNER: Yeah.

MR. HUEBNER: The other thing to factor in, with this membership with initiation fees the way they are, he's also avoiding a $25,000 initiation fee as you calculate the benefits.

MR. SWANSON: It's actually more.

MR. SELEP: It's 30.

MR. HUEBNER: We raised it to 30 and the other one to 50, right?

MR. SWANSON: That's a really good point. We'll give you a lifetime membership. You have to pay the initiation fee.

MR. HUEBNER: I'm not trying to show added value to him.

MR. SWANSON: I know where you're going. I'm going the other way.

MR. HEITZNER: If we gave him a lifetime membership it saved him 30 grand in initiation fees. So that ten is now 40.

MR. SWANSON: Are we good on D for your meeting?

MR. HEITZNER: Saying we can't do the -- we can't do --

MR. HUEBNER: Very least at this point saying for the first time we don't know how to digest it.

MR. SWANSON: We would have to ask the finance committee to go back and recalculate it. Can we do that? Because this is Sunshine Law, can we ask them to go back and -- can we propose to them something and say: Can you calculate this out for us?

MR. BARNEBEY: What is it you're asking to calculate?

MS. CARVALHO: I think he wants to calculate the 1.5 million.

No, I think you should not go to the finance committee. You go and approach this is the first time, as Scott mentioned --

MR. SWANSON: But if he accepts this could we ask the finance committee to calculate this?

MR. HEITZNER: What do you want him to calculate?

MR. SWANSON: What the cost per home is on all this.

MR. HEITZNER: Well, it's cost per member.

MR. SWANSON: Cost per member.

MR. HEITZNER: So there's 450 members, it's $3,000 --

MR. SWANSON: That I get. But the remaining part that we would assess the rest of the community is not going to be simply 1,200 homes divided by $4,000,000.

MR. HEITZNER: It's five million.

MR. SELEP: You have to do the whole five million based on the BAN.

MR. SWANSON: You have to pay it off, but how you acquire the money doesn't matter.

MR. BARNEBEY: Well, the bank wants us to assess -- a $5,000,000 assessment because they know they will get paid.

MS. CARVALHO: There's an assessment of dollars already been noticed and issued that if nothing changes that will be on a tax roll for that $5,000,000.

MR. SELEP: The 1.5 million doesn't reduce the $5,000,000.

MR. SWANSON: I know it doesn't. But the 1.5 million doesn't get us there. You have to get the other four from the rest of the community and that would be done on the basis that you talked about. 50 percent is your market value and 50 percent is -- right, that's what we just talked about. That's the only thing I was trying to get to. I know what it's going to be for the golf members. That's simple math. This one is --

MR. SELEP: Let me try again. Based on the BAN, the way the BAN is worded, we have to assess the community for $5,000,000.

MS. CARVALHO: The entire.

MR. SELEP: The entire amount. That's the wording from the bank. So we can't --

MR. SWANSON: Unless the bond comes through.

MR. SELEP: Unless the bond comes through.

MR. SWANSON: I gotcha. I'm good. I

didn't know that that was a requirement from the bank. I don't think they cared how they got their money. So it then makes this a nonissue?

MR. SELEP: Correct. Now, if we want to assess golfers for something -- 1.5 million dollars for something else, like the deferred maintenance we put off, we can go do that.

MS. CARVALHO: That's what Mark is saying --

MR. SWANSON: I'm good. I didn't think the bank cared how they got their money.

MR. HUEBNER: Before you were on the Board I sat in one finance meeting and there was a discussion about the bank requiring payment to be made by an assessment. It was made clear at the meeting by one of the gentlemen -- I can't remember his name -- sitting there relative to me. He said: But when you get down to practical matters if the bank gets its $5,000,000, that's more important to them than how it was collected.

MR. BARNEBEY: That may be. In the practical side of that. However --

MR. SWANSON: That's where I was trying to go with this.

MR. BARNEBEY: -- we have to get clearance from the bank and they might not do that. Our assessment is much more reliable --

MR. SWANSON: True, but --

MR. HUEBNER: If we walk in there with a check for $5,000,000, why would they say no?

MR. SWANSON: The bank doesn't care who pays off my home, right, as long as it's paid off.

MR. HUEBNER: That was what the one gentleman was making clear. The Chair also made it clear that it is stipulated in the agreement how it's to be funded if it isn't paid off earlier some other way.

MR. SELEP: I think for this conversation with Dean, I think we keep it simple and clear. We don't control that. The bank's got wording in there that says: This is how you're going to go pay this off.

MR. HUEBNER: Moving on.

MR. BARNEBEY: Move to E.

MR. SWANSON: D is a nonstarter; is that correct?

MR. BARNEBEY: Yeah.

MR. SELEP: Yes.

MR. HEITZNER: Which one was that, the nonstarter?

MR. SWANSON: D, the 1.5 million.

MR. BARNEBEY: B, C, and D are all --

MR. SWANSON: As far as E goes, does that not go back to what we stated earlier about the establishment of the governance committee?

MR. SELEP: And tasking the consultant to do the five-year plan.

So you get down to F and this is where he wants the survey, which is also part of what the consultant's deliverable list is. So that's fine.

MR. SWANSON: Can we go back to EII: Provide a whole list of review UPRD's current financial condition.

That's already -- he can see that. Those are audited and published financials. What is he looking for? Maybe what he's saying: All future revenue sources currently being considered.

But those are also public record because the finance committee has spoken about them.

MS. CARVALHO: He's refers to PBM.

MR. BARNEBEY: First of all, he's got this information but he thinks it should be part of a five-year plan. He thinks the plan needs to be much more detailed and much more discussion. Because the plan is not very detailed on these issues.

MR. SWANSON: So this gets all rolled up into the previous part about what we're talking about with the governance committee?

MR. SELEP: Well, not just the governance committee. It's really the strategic planning committee, the development of the five-year plan, the approval of the five-year plan.

MR. BARNEBEY: And finance.

MR. HEITZNER: What he wants is strategic planning committee as the lead on this five-year plan, but he wants the finance committee to be a part of that because he wants the two to tie together, which they should.

MR. SELEP: They've already done one joint meeting. So that process is in play --

MR. SWANSON: In fact, at 11:30 I have a call with them, with SCS. Call they're all reaching out to everybody about.

MS. CARVALHO: Where are we at?

MR. SWANSON: I know we're on F, but the question becomes: Does this all get sort of rolled up into that whole governance structure/SCS review approval --

MR. BARNEBEY: Wrapped up into the SCS --

MR. SWANSON: Yep.

MR. SELEP: In reality those are deliverables. There's no -- we're not contending --

MR. HEITZNER: Everything there I talked to them about yesterday.

MR. SWANSON: Let's go to 6.

MR. BARNEBEY: On F, is that an SCS deal too?

MR. SELEP: Yes.

MR. BARNEBEY: That was good. I like that. SCS makes that decision.

MR. SWANSON: I have a question on this whole dismissal. The last statement here is: The parties stipulate that the Court shall retain jurisdiction to enforce this agreement to the fullest extent permitted by law.

Can you explain it as it relates to the sentences above it?

MR. MOORE: So what you typically do in a settlement agreement when there's active litigation, you have your settlement agreement and in order to avoid having to file a whole new lawsuit for breach of that agreement, you have a stipulation signed with the Court entering an order dismissing the case. All parties -- you say all parties pay their own fees and costs and say the Court is reserving jurisdiction to enforce the terms of the settlement agreement.

So you simply pay a $50 reopen fee for the file, someone files a motion to enforce, and then the Court can go right ahead and enforce the settlement. As opposed to filing a breach of contract lawsuit where you have to work through the whole trial process.

MR. HUEBNER: From a legal perspective, do you -- does any of this give you pause?

MR. MOORE: No.

MR. HUEBNER: It's kind of boilerplate stuff?

MR. MOORE: The only thing I don't care for is B. It's releasing UPRD claims pending litigation settlement claims only. He doesn't define settlement claims. I can only go back to the beginning to assume what those are. That being --

MR. SWANSON: Do those need to be spelled out here?

MR. MOORE: I would prefer it because I want clarity with drafting the release. I would include in the release that UPRD, its officers, directors, agents, insurers, all that would be in there. But it sounds like he's trying to carve out as much of those pieces as he can. I think if we say: Officers, directors, board members, that would likely -- I want to do research -- likely release -- if he wanted to sue Sally, for example, I think that would release Sally by not being specifically named.

MR. SWANSON: Are you good with discussing this?

MR. HEITZNER: We really don't have an issue with this one. The attorneys will work out --

MR. SWANSON: Okay. I'm good.

7, UPRD's release.

MR. BARNEBEY: Here he is more specific as to who he's going to release.

MR. MOORE: The Board is going to release.

MS. CARVALHO: Backwards. So much for UPRD.

MR. SWANSON: Including the District and all of its current and former officers, board members, agents, consultants, blah, blah, blah.

MR. BARNEBEY: Can't do that. That part of it.

MR. SWANSON: So we basically irrevocably and unconditionally release him from everything from here to eternity.

MR. BARNEBEY: I don't think we can release anybody but ourselves. Can we? The District.

MR. MOORE: Correct. I mean, because if -- go back to the old Chair wanted to sue. It would be in the capacity as District. If you want to sue personally, we've not released any personal claims she has against Dean Matt.

MR. SWANSON: We can't do that.

MR. MOORE: You can't. It wouldn't be enforceable even if we put the words on the page and signed it.

MR. SWANSON: We don't have the authority to provide a release for a private citizen to be able to seek --

MR. MOORE: Right. It would only apply with respect to claims UPRD has.

MS. CARVALHO: How does it work with agents?

MR. SWANSON: You?

MR. MOORE: To the extent your claim solely comes through UPRD, it would be released. To the extent you have an individual claim because he defamed you individually, let's say, that's not being released because you didn't sign off on it.

MR. SWANSON: Why is this in here if it's not legally enforceable? Why would his attorney place this in here if we don't have the ability to do that?

MR. MOORE: A lot of times what you trying to do -- quite frankly, I think this release should be a joint mutual release. If we're going to do a general release, we're going to do a mutual general release of any and all claims. I think that's the appropriate way. That way we're not wordsmithing anything.

MR. SELEP: You would combine 7 and 8?

MR. MOORE: I would combine -- yes. Yes. Essentially, that's what I would do. I think if we're settling this, we're trying to heal everybody here.

MR. SWANSON: This doesn't do that.

MR. MOORE: It carves out and gives people the ability to still hang a sword over someone's head or make threats.

MR. HEITZNER: I don't see this as a discussion point with me and Dean Matt.

MR. SWANSON: This is the attorneys. But do you say sort of what Fred just suggested, this needs to be a mutual release --

MR. MOORE: Say exactly that. This is getting complicated. The Board is willing to release you fully, but you need to release UPRD fully as well.

MR. SELEP: The show stopper for me -- this is F, 8F, because now he specifically eliminating the election and whatever the surveillance camera issue is --

MR. SWANSON: I hadn't gotten to that one just yet, but I had a question --

MS. CARVALHO: You're on 8 now.

MR. SELEP: If we're talking about combining 7 and 8, I'm pointing out that 8F is an issue.

MR. MOORE: That's why you do the mutual general release. We're releasing any and all claims from beginning of time to the date this thing is signed.

MS. CARVALHO: 6, 7 and 8 you're combining?

MR. SELEP: No, 7 and 8.

MR. SWANSON: 7 and 8. Just the releases.

MR. HUEBNER: I don't remember ever signing an agreement unless there was a mutual release in a settlement.

MR. MOORE: I have dealt with it. I have tried to do carve-outs. Every single time there are problems. Whether it's trying to craft the language or after it's signed, now you're getting threats. That's included. That's not included.

That's why it's always hard to continue doing business with someone to where you have to do that carve-out. You're like: Well, what does that carve-out really mean? A good lawyer can get creative and say: That's excluded from that carve-out even it was intended to be.

MR. SELEP: I think your words are: We want to do a mutual release. We'll combine 7 and 8 and let the lawyers work out the language.

MR. HUEBNER: If you get that far.

MR. SWANSON: Under -- when he says: Claims not released, that's ridiculous.

MS. CARVALHO: I don't understand that either on F.

MR. MOORE: Particularly if you're paying -- we're not offering 300. If you're offering him $300,000, UPRD wants to be done.

MR. SWANSON: He's leaving them in here.

MR. MOORE: Right.

MR. SWANSON: Steve, are you good with talking points for 7 and 8? Basically it's a mutual release crafted by the attorneys.

MR. HEITZNER: Mm-hmm. Yep.

MR. SWANSON: Number 9.

MR. SELEP: 9.2.

MR. SWANSON: Before we get to 9.2, he seems to determine what is disparaging and defamatory on his own accord.

MR. BARNEBEY: Yes, he does.

MR. SWANSON: So how do we -- what do we do with this?

MR. MOORE: I'm never a big fan of non-disparagement agreements. It's hard to police. Hard to sue under. You do try to put a liquidated damage provision like they've done, which is something they can grasp to.

MR. SELEP: He also doesn't define who decides whether it's a penalty or not a penalty. So we're going to give him $5,000. But the question is: Liquidated damages, who decides what's a material breach?

MR. MOORE: Ultimately, if you didn't pay it would be the Court. He'd sue you for breach or enforce this agreement claiming a breach and he'd present those statements to the Court and the Court would be the one to decide if it's disparaging. If it's disparaging, he gets $5,000 for each.

MR. SWANSON: So can -- does it make

sense -- I don't think we can ever reach a settlement without some sort of -- I don't want to call it a public apology, but for lack of a better term -- you crafted something very well in one of our first meetings that basically says: In the interest of moving forward, blah, blah, blah. No claims were mentioned. It's the RD and Dean Matt are the only ones mentioned. Not former board members, nothing.

Can we suggest that language be dropped back in here and wipe out 9 all together, or 9.2.

MS. CARVALHO: Replace.

MR. SELEP: My take on that, Steve, is this is his version of the apology letter Fred wrote.

MR. SWANSON: Right. Basically what he's saying -- yeah, it is because it's in quotes.

MS. CARVALHO: But he hasn't seen his apology letter.

MR. SELEP: Yeah, he has.

MS. CARVALHO: No, he hasn't.

MR. SWANSON: You didn't share that with Dean Matt. Remember you crafted that one time a mutual, sort of, apology between both parties.

MR. MOORE: As I sit here I don't believe I did, but I couldn't say for certain that it was shared in any meaningful way.

MS. CARVALHO: This is the first time you're doing settlement. So that wouldn't have been -- probably loose discussion, right, but it wasn't like in writing.

MR. SWANSON: Do we agree --

MR. MOORE: My memory is I drafted it and I only shared it in the shade meeting.

MR. HEITZNER: Pretty sure that's correct.

MR. SWANSON: Do we agree then that that would be appropriate to drop in here? A mutual --

MR. SELEP: If he's agreeable to it.

MR. SWANSON: We can only suggest it.

MR. SELEP: I would look at it two ways, Steve. I would bring that letter and say: Look, in the interest of trying to heal the community and move forward together, you're going to be part of the governance committee. So now you're part of the team. Here's a mutual apology.

If he comes back and says: Nope. I want you guys to apologize. The change I would make to 9.2 is I would take the names out. I'm okay with putting positions in there, but I would take Dickson, Murphy, Fetsick and Johnson out.

MR. SWANSON: I don't know that this

language works.

MR. BARNEBEY: Want to say: The Board regrets the actions of former board members.

MR. SWANSON: No. At the end of the day, I've got to live with these people. There's a whole bunch of people that I know that would be completely unhappy with that kind of language. I live in this community and I don't want to move. I can't do that. At least I would vote against that. Put that on the record.

MS. CARVALHO: Vote against what exactly?

MR. SWANSON: Pretty much this entire paragraph.

MS. CARVALHO: But you like what Fred --

MR. SWANSON: I have to go back and revisit it but that was far more acceptable than this.

I mean, this Board regrets the actions of the former board? Are you ever going to talk to David Murphy, Sally, or anybody else in this community you see up at the club again if you do that? Rhetorical question.

I can't do that, sorry. That one is a nonstarter for me.

MR. BARNEBEY: I will note as to this statement should be part of this in 9.2, I don't think we control what UPCAI does. We don't have any control over that.

The others we can do, that's fine.

MR. HUEBNER: My recommendation on that is try to use his framework here, incorporate some of the stuff you had in yours maybe, and take out the names, whoever possible, if you want to be that specific.

MR. SWANSON: Honestly, where he says: Further, the District withdraws any contention that Dean acted unlawfully, improperly, dishonestly or in bad faith; could anybody here in this room say that? I'm not sure about the unlawfully. But improperly, dishonesty, or in bad faith? Am I not supposed to be asking these questions?

Let's move on.

MR. BARNEBEY: I would suggest that you might want to propose Fred's language --

MR. SWANSON: Absolutely. 100 percent.

MR. BARNEBEY: -- at this point, but that's up to you.

MR. HUEBNER: I also think we've got several hurdles to get through before we get to that language.

MR. BARNEBEY: Well, that's probably fair.

MR. SELEP: That's fair.
MR. HEITZNER: I think we're going to have a hard time using anything other than something close to what Fred wrote.
MR. SWANSON: I agree.
MR. SELEP: Say that again.
MR. HEITZNER: We're going to have a hard time getting any kind of consensus here of using any language other than similar to what Fred wrote.
MR. SWANSON: I agree.
Have we moved on to --
MR. BARNEBEY: 10.
MR. SWANSON: -- no. No. No. 9.3.
MR. HEITZNER: Dean is very focused on -- he wants to come out of this as a winner. He wants to come out of this that the community does not hold any grudge against him. He made the statements to me that we've turned him into a pariah and he wants -- he doesn't want that image.
I tried to say: We need to focus on going forward and stop living in the past.
MR. SWANSON: None of this does that?
MR. SELEP: Fred's does a better job.
MR. HEITZNER: Fred's is acceptable.
I was trying to get him to think about

moving forward.
MR. SWANSON: This is part of my inherent problem --
MR. HEITZNER: Kind of like you continue to hear about people still fixated on the fact whoever bought the club just that we overpaid. There's not anything we can do about that. Why are we spending any time on that right now?
MR. HUEBNER: Not by today's numbers.
MR. SWANSON: He's turned himself into a pariah.
Can we address 9.3? Can you explain that to me, $5,000 per occurrence any material breach of Section 5? I mean, that's just an open door for money flowing to Dean Matt for anything he perceives to be an egregious assault on his person.
MR. MOORE: I don't even understand. He's referring back to Section 5. Section 5 is all the things we're going to do.
MR. BARNEBEY: Right. If he doesn't think we've done it --
MS. CARVALHO: Clarification.
MR. BARNEBEY: -- Section 5, he gets $5,000.
MR. SELEP: If we haven't done it to his

satisfaction, he gets five grand.

MR. MOORE: Typically, that would defer back to 9.1, the disparaging comments. You've called me an asshole; so therefore, I'm entitled to liquidated damages --

MR. SWANSON: Five grand.

MR. MOORE: -- five grand. Which is why I don't necessarily like the non-disparagement. I could say: No false, misleading, defamatory, disparaging.

I mean, it could be you're sitting on your back deck with a couple of neighbors drinking a cocktail and you say: Man, that Dean Matt is an asshole. And then, is that disparaging? Is that your role of UPRD or is that just you sitting there?

Creates too many issues. One of the reasons why I generally avoid non-disparagement.

MR. SWANSON: Does this go away with the non-disparagement clause? Go ahead.

MR. HEITZNER: I would take this out.

MR. SWANSON: I felt it was worthy of asking.

MR. HUEBNER: The other way to look at it is if it's in an agreement and you can't take the agreement, it has to apply to you too.

MR. BARNEBEY: I was about to say that. It could be both ways.

MR. SWANSON: I've got to read your retraction, your public apology. I thought there was something in there about that.

Mutual thing moving forward, etcetera. Agreement not to have any more conversations about it --

MR. HUEBNER: If the goal is to have a fundamental change in things, I think we're moving in that direction. If the goal is to heal the community, then both sides need to move forward and forgive and forget and move on. This holds a cleaver over our heads moving forward unnecessarily.

MR. HEITZNER: It's not in good faith.

MR. SWANSON: No.

So number 10. In my mind, do you know what this is? This is the last page of a retraction by the New York Times for something they publicly put on the first page disparaging whomever and no one ever sees it.

Does this get incorporated, Fred, into your statement in some way?

MR. HEITZNER: He's going to be on the governance committee now under Sunshine Laws. So is this...

MR. MOORE: I think that there's nothing wrong with the, quote, the past is resolved pursuant to a settlement agreement. That's fine.

I think even A through D is fine. But it should say: However, UPRD or Matt will make truthful statements --

MR. BARNEBEY: I think we're still on 10.

MR. MOORE: Oh, that, to me -- that is a standard thing just saying: Just because we settled doesn't mean that any of us are liable. Same with him. Mutual statement.

MR. BARNEBEY: I think that's good. I don't like the first clause. I think we just say -- this agreement constitutes a compromise of disputed claims and shall not constitute admission of liability, wrongdoing, period.

MS. CARVALHO: Instead of the except, you mean?

MR. SELEP: I think 11 I like your wording better. It's not however Matt may. It's Matt and the Board.

MR. BARNEBEY: Yeah, that's mutual.

MR. SWANSON: Something like: However, all parties may make truthful statements concerning.

MR. MOORE: Yes.

MR. SWANSON: Number 12 that needs to go both ways.

MR. BARNEBEY: Yeah, I don't know what this means. I'm concerned about this. I want to go back to what -- some of the stuff that happened, which occurred in his meetings. He promoted certain stocks. That resulted in a request for us to look at whether or not that was appropriate and gave us liability as a District in him promoting stocks on our property in one of our club meetings.

Haven't gotten into a lot of detail about that, but that's what happened.

So I don't know what this means. To the extent that it doesn't affect us, I think that's fine. Just need to make sure if it affects our potential liability, then it's something we need to look at. There needs to be an exception to that.

MR. SWANSON: This one is under attorney review?

MR. BARNEBEY: Kind of. We have to modify it to make sure -- in reality, it ought to go both ways, frankly.

MR. MOORE: I don't know that it's necessary because you're already released for past conduct. What this is really doing is now saying when he does something in the future: Oh, you're retaliating against me. As opposed to making it clear: No, anything in the past is in the past. Anything in the future, that's fair game for anyone.

MR. BARNEBEY: Anything we do related to Dean Matt related to this is -- he's going to think is in violation of this section.

MR. MOORE: If you get this far with him, you simply say this is covered in the release.

MR. HEITZNER: 12.0, you're saying, is covered in the release?

MR. MOORE: Yeah. We can't take action with regards to anything that has happened in the past.

MR. HEITZNER: We say strike this?

MR. MOORE: Yes.

MR. SWANSON: Is 13 reasonable?

MR. MOORE: Standard term. I will say, some clients, they don't want to ever have attorney's fee provisions in their agreement because it creates a negotiating imbalance. Particularly, some people it means they think they're right and they need to get their attorney's fees back so they're going to go all the way to the end. It just depends.

There's other people: Hey, if we're going to get sued or we're going to sue, we want to be able to recover our attorney's fees.

MR. HEITZNER: So we're okay with this?

MR. MOORE: Yes.

MR. SWANSON: Is there anything else going forward from 13 through 18 that needs to be struck or reviewed, or is that standard?

MR. MOORE: Boilerplate.

MR. SWANSON: Steve, do you have what you need to meet with him?

MR. HEITZNER: No, I don't have this agreement with --

MR. SWANSON: Right. I mean, you have what you need based on this to go and represent our thoughts on this?

MR. HEITZNER: Yeah.

MR. HUEBNER: For what it's worth, Steve, you have my trust as you go in to talk to him. So whatever you can do to get to some settlement, if you feel it's good, you have my vote.

MR. BARNEBEY: It will have to come back.

MR. HUEBNER: I understand. I'm just trying to give him --

MR. SELEP: I'll second that.
MR. SWANSON: Yeah. I've said it before: The key thing is is that what you agree to there will go back to an attorney, come back to Fred and Mark, and we'll be sitting here again. Do we set up another meeting?
MR. SELEP: I have one other question for us. If this face plants, are we done?
MR. HEITZNER: We've got to define face plant? Meaning he says we're done. Before this came out, he said we're done. If he comes out and says, we're done, then I say we're done. If he counters this, then we have to talk about it.
MR. SELEP: If he counters it in writing?
MR. HEITZNER: Yeah.
MR. SWANSON: Writing like this through his attorney?
MR. SELEP: Right. Because he has made statements -- $75,000 in three conversations have been $300,000. I'm okay with another loop in writing.
MR. HEITZNER: Let me throw this out there because I'm sort of envisioning this.
I'm going to talk to Rusty about setting up this meeting. That's the only way I can get it

set up. So I'm going to talk to Rusty about getting this meeting set up. He's going to go talk to Dean Matt about trying to get this meeting arranged. My guess is Dean Matt is going to say: I've already given them my response.

MR. SELEP: Okay.

MR. HEITZNER: Then the question is what do we do? We know what we're going to do -- we agreed to meet --

MR. SWANSON: That would constitute a face plant.

MR. SELEP: That's where I'm at, Steve. If he comes back and says: Okay, we're done. We'll wait for the Court and we'll respond accordingly. This has taken up a lot of time, a lot of effort --

MR. SWANSON: A lot of money.

MR. SELEP: -- and a lot of money.

MR. HEITZNER: We're not necessarily going to wait for the Court because we want to move forward on this project. We got an assessment. Whether it's assessments, whether it's a five-year loan, whether it's -- whatever it is, we've got to move forward.

MR. SWANSON: Didn't he say in one of his last messages to us recently that he was going to sue if there was any attempt to assess the community?

MR. BARNEBEY: Yes.

MR. SELEP: Yes.

MR. BARNEBEY: But we talked about that. Won't he not have to post a bond if that happens?

MR. SELEP: Yes. We have talked about that. We can't --

MR. MOORE: I don't recall.

MR. BARNEBEY: You said that.

MR. SELEP: I recall.

MR. SWANSON: I only ask that because at a minimum we have to assess for the golf course irrigation.

MR. SELEP: That's already voted on by the previous Board.

MR. SWANSON: I know but can he file a lawsuit to try to prevent that?

MR. BARNEBEY: Anybody can file a lawsuit.

MR. SELEP: He's going to keep filing.

MR. MOORE: Yes. If he filed suit if we're already moving down the path, the only way he's going to be able to stop it is for an injunction. In order to get the injunction, he has to post the bond. That refreshed --

MR. HEITZNER: Only reason -- the reason we couldn't get an injunction on the bond -- so we won in the court of appeal -- we won in circuit court, but if it gets appealed to the supreme court, it's an automatic stay?

MR. MOORE: For the bond. This is the process for the bond. The point of it being to the supreme court and everything is to make sure that you have the lawful authority to be able to issue bonds and then it's fully settled.

But in this instance he would be at a trial court level filing a lawsuit making some claim that the assessments are improper, illegal, and he would have to get an injunction if he was -- temporary injunction, that is, because he would have to move in quickly, have a fast hearing. He has to prove his elements, prove that there was potential likelihood of harm. And then in order for the Court to then issue the injunction, he has to post a bond.

That's based on an evidentiary hearing of what we claim our damages are potentially.

MR. HEITZNER: Okay. Back to my original question. So the previous Board secured a bond. Matt sued to stop it. Went to the circuit court. Circuit court said it's fine. He appeals.

Once he appealed, we no longer have the ability to get access to money even though the Court ruled in our favor because it's automatically stayed?

MR. MOORE: That's the bond validation process. The process -- the assessment is something completely different.

MR. HEITZNER: I understand that. I'm only asking about the bond.

MR. MOORE: No. So he would post the bond at the trial level if he had an injunction issue. If we appealed it, the bond is still in place.

MR. HEITZNER: I'm not referring to any of that.

MR. BARNEBEY: To answer your question. I don't think anybody would buy the bonds with this pending, even if it wasn't on a bank statement, because it wouldn't be sure --

MR. SELEP: Too much risk.

MR. HEITZNER: There is an automatic stay, right?

MR. BARNEBEY: I don't know the answer to that question off the top of my head.

MR. MOORE: You cannot lawfully issue the bonds until the supreme court has ruled with finality.

MR. HEITZNER: Even though you won in the circuit court?

MR. MOORE: Correct. Which is why the statute is they're expedited, in quotes.

MR. SWANSON: Do we need to set --

MR. HEITZNER: It's 11:02, can you check?

MR. MOORE: I've been checking.

MR. SWANSON: Do we need to set up another shade meeting?

MR. HUEBNER: There's no such thing as an emergency shade meeting. They have to be advertised ten days in advance. I mean, what if the place is on fire, we just can't get -- you have to run an ad and it has to be 10 days in advance? Hope the fire gets put out.

MR. BARNEBEY: It's part of a meeting -- general meeting. Public knows they can come either beginning or at the end.

MR. HUEBNER: Just seems challenging. If Japan attacks Hawaii, we can't have a meeting about it for 10 days because we have to advertise it. That's my example.

MR. BARNEBEY: Understood. No, we have to notice it.

MR. SWANSON: Try to get something on here because you're out.

MS. CARVALHO: Almost done with the closed session so I can start the recorder, or not yet?

MR. HEITZNER: Not yet.

MR. HUEBNER: I need a two-minute break.

MR. BARNEBEY: Once we get out of the session we'll take a short break.

MR. SELEP: I'll be flying back in. You guys have to give me some notice if we're canceling it.

MR. SWANSON: You're out starting the 11th?

MR. HEITZNER: Yeah.

MR. SWANSON: So it has to be before that.

MR. HEITZNER: Is it workdays or calendar days?

MR. BARNEBEY: Ten calender days, but you've got to give time for the notice to be run.

MR. HUEBNER: I'm good any time 8th, 9th, 10th, 11th.

MR. SWANSON: 9th is the town hall.

MR. HEITZNER: Which we have to talk about.

MR. SWANSON: So should we pick Monday the 8th?

MR. BARNEBEY: Can we get the notice done in time for that?

MR. HUEBNER: Has to go out today.

MR. SWANSON: It has to be published in the paper?

MR. BARNEBEY: Yes, sir.

MR. SELEP: Let me ask a question.

MS. CARVALHO: We should be fine.

MR. SELEP: What's the rush to do the next shade meeting? You're going to be gone until the 11th. What if we did it when you came back? What's the rush?

MR. SWANSON: I'm going to be gone from the 24th through the 14th. My point is to have it on the books that way we can cancel it.

MR. SELEP: I get that part. You're going to have to time -- for one, you don't know when you're going to have the conversation or if. Right? What's the rush? Why wouldn't we drag our feet a little bit and wait to see if the supreme court comes through?

MS. CARVALHO: That's a tactic.

MR. SWANSON: What makes us think it's supposed to come through? What is supposed to happen at 11:00?

MR. HEITZNER: Every Thursday at 11 a.m. is when rulings come out.

MR. MOORE: No, nothing.

MR. HUEBNER: I'm inclined to suggest we advertise it, we set it up. We can always postpone it upon further consideration, but we can never accelerate it. As far as dragging our feet, I'm not inclined to do that. Things go slow enough under the Sunshine Laws.

MR. SWANSON: Your thought process is that that just lends credence to him by us continuing to meet in these shades?

MR. SELEP: Well, I don't -- I think Steve has to have the meeting. I think there's going to be results from that meeting that need to be digested by these three people before we get back together. I don't see that happening in 10 days or nine days.

MR. SWANSON: We can always redo it. We can always pick a different date.

MR. SELEP: That's what I'm saying.

MR. SWANSON: I mean, we can always have a date -- better to have a gun and not need it then need a gun and not have it.

MR. SELEP: I don't know that we're going to need it. I think this meeting needs more time to happen and be digested versus trying to cram it through. Therefore, the shade meeting wouldn't be required until mid June or later. I don't think there's any risk in that. I think if the supreme court comes through, the answer is that we don't need the agreement at all.

That's my point. I mean, whatever date --

MR. SWANSON: I just won't be part of it then. I'll be gone. I'm gone for three weeks.

MR. HUEBNER: My recommendation is we go back to the first plan. We schedule the meeting. Find out if we can have the meeting in advance because that could kill the whole thing.

MR. SWANSON: You're thinking, Greg, I'm sure, you're thinking I've got to book flights.

MR. SELEP: That's a minor part of it. The major part of that is when is the meeting going to happen and when can the information get digested. What I don't want to do is spend two hours in this room and go: Well, we thought this was going to happen and it didn't happen.

MR. SWANSON: We would know that ahead of time. I mean, we can communicate that through Vivian and go: It's dead. Or hey, we've got something worthy of reading.

I don't know. You guys let me know what you want to do.

MS. CARVALHO: The 8th, what are you guys thinking about? I'm not available in the afternoon.

MR. SWANSON: Morning is fine. Whatever works.

MR. HEITZNER: Are we still in favor of going through with this town hall meeting given this discussion?

MR. SWANSON: I think if we cancel the town hall our credibility --

MR. HEITZNER: We haven't announced it, have we?

MS. CARVALHO: We sent an -- there's an agenda posted or -- no, it will be posted. Hasn't been posted yet. They're talking about in meetings --

MR. HEITZNER: We've been talking about it in meetings but we haven't published a date.

MS. CARVALHO: We have not finalized the agenda for the day that the Board discussed at the last meeting, which that's supposed to happen by Tuesday, June 2nd.

MR. HEITZNER: So I'll ask the question and say, if we were to say we weren't going to have it, we could say in a public meeting, we have ongoing negotiations right now with the litigation and it's in everybody's best interest for us to -- I think we can get around that, but we have it on the calendar.

So if we're saying if we're not going to have the town hall meeting, we can have the shade meeting then.

MR. SELEP: The risk is the bond doesn't come through and August 1st comes around.

MR. HEITZNER: We've got to talk about the assessment. We have to talk about that.

MR. BARNEBEY: Let's not get too far off this. The reason I kind of let it go for a little bit because it affects when we're going to have our shade meeting. We've now got to decide.

MR. HUEBNER: Decide on advertising or not advertising the shade meeting. Let's look at advertising Monday morning, the 8th, at 9 a.m. That's my recommendation. Let's close the private part so I can go to the restroom. I apologize for that inconvenience.

MS. CARVALHO: So we're looking at June 8th at 9 a.m.

MR. SWANSON: I have to be on with SCS at

11:30. I'm going to have to get out of here.

MR. BARNEBEY: Everybody okay with that?

MS. CARVALHO: Are we ready to go back? I'm going to start the recorder so we can go back into the shade.

MR. HEITZNER: June 8th is a week from Monday. So even if he's willing to meet with me, whether we pull it off --

MR. SWANSON: Right. We can always change it if we have to.

MR. BARNEBEY: If not we can reschedule it for later on.

Going on now?

We're out of private session.

MS. CARVALHO: The time is 11:12 a.m.

MR. BARNEBEY: We're going to take a five-minute break.

MS. CARVALHO: 11:12 a.m. we're going to recess for five minutes.

(Shade Meeting ended at 11:12 a.m.)

CERTIFICATE OF REPORTER

STATE OF FLORIDA)
)
COUNTY OF MANATEE)

I, JENNIFER MARIE SIROIS, Notary Public, State of Florida, I was authorized to and did stenographically report the foregoing proceedings; and that the transcript is a true and accurate record of my stenographic notes.

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

Dated this 14th day of June, 2026.

Jennifer Marie Sirois

Jennifer Marie Sirois, Notary Public
State of Florida at Large
My Commission Number: HH411725
Expires: September 19, 2027