

**SPECIAL Meeting of Briny Breezes Inc. Board of Directors**

**Friday July 31, 2015, 10:00am**

**Briny Breezes Community Center**

- I. Pledge of Allegiance was recited and a Moment of Silence was observed.
- II. President Michael Gallacher called the meeting to order at 10:00 a.m. Roll Call was taken. Present were Directors Brannen (via phone), Coyner (via phone), Gallacher, Long (via phone), McMorrow, Oglesby, and Stewart. Gross absent with notice. GM Theresa Pussinen was present.
- III. Proof of notice was posted on July 28, 2015 at 2 p.m.
- IV. Approval of the minutes for May 22, 2015. Secretary Brannen asked for any amendments to the minutes as written. None were requested. **Director Brannen moved that we waive the reading of the minutes and approve as written.** This was seconded. No discussion. ***The vote was unanimous 7-0 by voice vote.*** Minutes were approve.
- V. Reading of Correspondence to the Board – No correspondence was received relative to the agenda items
- VI. Report of Officers – None for *special meeting*
- VII. Committee Reports – None for *special meeting*
- VIII. Unfinished Business- None
- IX. New Business
  - A. Board clarification of “Rule C. Sales and Rentals 2. Procedures e.) Stockholders who have acquired a second unit will be permitted to only rent one unit per season.” **Director Brannen moved that a shareholder (includes any person with an interest in that property) may rent only one unit per season.**  
Discussion: Director Oglesby reminded us that we were not changing the rule just clarifying it. Stockholder’s comments- How does this affect folks who have previously rented more than one; rule has been here for a long time; Consider some suggestions to modify under hardship conditions; **Vote was unanimous. Motion carries.**
  - B. Board approval for additional funding for pins/anchors to bag seawall per Qualmann revision for more complete stabilization. **Director Oglesby moved that we authorize up to \$9,000 to be paid from the operating budget line #524 to**

**pin pile and anchor the cap over the bagged portion of the seawall along Bay Drive to stabilize it.** Seconded. Discussion included that Qualmann had indicated they would not know well until into the project what they thought would be best, and if the cap needed to be the same height in this area; that this should minimize pressure build-up and stabilize the cap at a consistent height with the remaining cap; **Vote was unanimous. Motion passed.**

C. Board response to unsolicited offer on purchase of the park

President Gallacher summarized what was in the Bugle last month and what his thoughts were to date on the now written/e-mail proposal to purchase Briny. We had been approached several times using several different tactics by a real estate agent trying to sell Briny; now via e-mail he has put in a proposal to our manager as well we suspect to select other shareholders on behalf of Fortune Capital Partners, Inc. Purchase offer of \$350,000,000. President Gallacher in preparation for the discussion and possible follow-up read from a letter he prepared on behalf of the Board to see if the Board agreed after discussion. This was to be sent to the Stockholders with the Bugle. In summary, the letter highlights the proposal's basic tenets pointing out that it neglects to include some critical safe guards to our community, which had informally been discussed with the real estate agent. Clearly any decision to sell is a Stockholder decision; the proposal provides 10 days to sign; it would be a confidential agreement allowing no other offers to be entertained; all deposits from Fortune Capital Partners would be refundable and Briny residents would have no recourse but to sit of the sidelines for 24 months to determine if it was a done deal; the tax implications are not known given the intent is not to buy the corporation, just the property. The proposal and the "summary" letter will be sent with the August Bugle. President Gallacher noted that the proposal was sent via e-mail; the offer contained errors in the names of towns and appurtenances; grammatical errors etc. He further stated that proposal was no better or really different from the recent proposals (Ocean Land 2005; Keene 2012) in that they also left waiting for years with no guarantee of income, repayment of

incurred expenses or sale. **President Gallacher made a motion that the Board vote to allow this offer to expire and advise the buyer the same via certified mail to this effect.** Seconded.

Stockholders: In 2007 we voted to proceed with a sale for \$510,000,000. Does not that mean we should not entertain any offer less than \$500,000,000? *Response from Board: Nothing from 2007 binds us from something different in 2016. Shareholders and circumstances have changed; as fiduciary agents of the Stockholders we have to look at any offer; we do not have to agree to proceed.* Shareholders- why are choosing to respond; *Response from Board: We believe it appropriate to respond in a businesslike and professional manner;* **Question was called and roll call vote was taken Directors Oglesby Yes; Long, Yes; Brannen, Yes; Coyner, Yes; McMorro, Yes; Stewart, Yes; Gallacher, Yes. Vote was unanimous. Motion passes.**

D. Board approval square dance club final dates for 2015/16 season. President Gallacher moved that we approve the following dates for the Square Club group to hold dances. Dates are: forward with these dates:

November 29 - special dance in honor of Marian Boyd's 105th birthday

December 20th - originally December 13th

January 16th

February 14th

April 10th

September 18th - first dance of our next season.

Seconded. No discussion. **Vote was called and it was unanimous. Motion passed.**

E. Board approval of Committee member changes:

**Director Oglesby moved to approve new members Sue Thaler, finance committee; Nancy Boczon to Rules and By-Laws and Michael Weir to Violations and Fining;** This was seconded; Discussion by stockholder: Should we not require persons to resign in writing from Committees.; Board and others thought that to be too cumbersome and unnecessary. The process should work through the Committee chair and the Board Liaison. The whole Board will then

accept these resignations at a meeting; Question was called. **Vote was unanimous.**  
**Motion carried.**

X. Adjournment: **Motion was made by Secretary Brannen and seconded to adjourn at 10:44 A.M. vote was unanimous.**

Respectfully Submitted by,

Susan J. Brannen, Board Secretary

Approved September 2, 2015