

**MINUTES OF MEETING  
OF BID-A-WEE BEACH PARK, INC.  
BOARD OF DIRECTORS  
Saturday, September 27, 2014**

The regular quarterly meeting of the Board of Directors of Bid-A-Wee Beach Park, Inc. was held at the public Library on Saturday, September 27, 2014. Eleven (11) Directors present were: Jeannie Krohn, President; Kathy Ledbetter, Vice President; Dee Gibson, Secretary; Wanda Manning, Treasurer; Debbie Edmondson, Membership Chairperson; David Smith, Debbie Brown, Dallas Marshall, Juddy Stephenson, Peggy Steele, and Mack Carter, Parliamentarian; creating a quorum for the transaction of business. Lynda Sheets was absent. Due to the resignation of Jim Beahon, one Director vacancy exists from the Bid-A-Wee Lane/Court Section. The President, Jeannie Krohn, called the meeting to order at 9:15 AM and Dee Gibson, Secretary, recorded the minutes.

All Directors introduced themselves and welcomed new Directors elected at the Annual Meeting, David Smith and Juddy Stephenson.

The President called for approval of minutes of the May 31, 2014 meeting of the Board of Directors and a draft of minutes of the June 7, 2014 Annual Meeting of Members, both of which had been previously distributed via email. The Board Minutes and Annual Meeting Draft Minutes were approved as distributed. The President explained parliamentary procedure for approval of minutes. A 'draft' is distributed by the Secretary to the Directors via email, requesting edits. Minutes are then approved at the next meeting of the Board and posted on our website. For the Annual Meeting, the same procedure is followed except the Board approves a "Draft" to be submitted to members for approval at the next Annual Member Meeting and the "Draft" is posted on the website.

Since we have new Directors the President reviewed guidelines established when she and the current officers were elected following the 2013 Annual Meeting. Jeannie explained:

- The Board of BAWBP, Inc., a beach park association, is responsible for the maintenance of the walkways, fencing, gates, locks, insurance, dunes and protection of our dedicated beach, which is the property south of Front Beach Road, from the State Right-of-Way to the Erosion Control Line. We are not a Homeowners Association. A clear line exists between getting involved with properties within our community and adhering to our beach property responsibilities.
- Before accepting nomination for the office last year, she required and all Directors agreed:
  - All Directors must work with her, not against her. Responsibilities must be shared throughout the Board. All officer positions must be filled and each of the officers must fulfill all the responsibilities of his/her office as described in our corporate documents.
  - Correspondence between Directors by email should be controlled and professional. Because of professional job requirements, we have Directors that prefer BAWBP emails be directly related to business of the Board requiring immediate attention that cannot wait until our next scheduled meeting. She asked Directors to come to her with issues in the interim.
- Regarding confidentiality, the Board previously agreed: 1) it will avoid divisive situations and communications intended for Directors on the Board should not be forwarded or blind copied to people that are not current members of the Board. Please notify the President if others are receiving information so she isn't blindsided if confronted about an issue. 2) Do not take an idea

around the neighborhood until the entire Board has discussed it and properly voted on it to avoid the development of unnecessary conflict.

- We, as a Board, do not have to agree, but if we are serving well, when we walk out the door, we will have taken a vote and then speak with one voice.

The President then invited any Director with objections to these guidelines or other items he/she may feel have been or are being done incorrectly to express their concerns. There were none. Jeannie then stated she has a great group of officers working with her and they do a lot on a daily basis.

Treasurer's Report: Wanda Manning, Treasurer, reported we have a checking account balance of \$16,352.44. We have two certificates of deposit totaling \$17,000 for unexpected emergencies. Projected expenses through the 2015 Annual Meeting are \$11,513, which allows approximately \$2500 for repair of #5 crosswalk, \$1500 for new fencing and \$4620 liability insurance renewal.

Membership Report: Membership Chairperson, Debbie Edmondson, reported at the conclusion of the Annual Meeting, membership was 248. Many people told us this Annual Meeting was the best they had ever attended. In an effort to grow membership, we created a leaflet, which was made up from the information approved by the Board for presentation to members at the annual meeting. About September 1, we mailed the leaflet to all those residents that had not joined. As of September 27, we have 348 members (50 memberships after mailing the brochure, of which 7 paid \$100). We have received 18 new members that did not pay last year. Membership is at 55% of total parcels/lots in our community. Debbie explained our continued 100% success rate with each New Resident Welcome packet we deliver. Several formats for the membership cards for 2015-16 were passed around and Directors selected the format by initialing his/her favorite.

#### VOTING ON AMENDMENTS TO ARTICLES OF INCORPORATION:

The President expressed the importance of documenting, for the record, the entire process for voting on the Amendments to the Articles of Incorporation, and the results. The President explained:

- We reviewed corporate records for the procedure used for the most recent Amendments, the 2009 Amendments to the Articles of Incorporation, for Directors, Section VII, which determines the number of Directors on the Board from each area. According to the minutes of the June 6, 2009 Annual Meeting, the 2009 Amendments were approved by a vote held at that meeting.
- This Board's interpretation of our Articles was that to approve Amendments two-thirds of allotted members are required to participate in the vote. Although we are not aware of ever having two-thirds of membership attend an annual meeting, we cannot go back all those years and undo that process. However, the review of the 2009 process caused us to closely study our governing documents to insure this Board moves forward following the required processes.
- The Board determined official ballots must be mailed to reach all members to receive the required two-third participation. At the end of August, we mailed 279 ballots, which was the number of paid parcels/members when volunteers stuffed the envelopes and sealed them.
- We entered the membership number on the bottom of the ballot to match the mailing label for each paid member. Those members that had paid dues for more than one lot received a ballot and membership number for each paid parcel. We included a self-addressed envelope in each.
- After mailing out the ballots, the President checked our PO Box almost daily. A couple residents hand delivered their ballot/s in sealed envelopes. Each envelope remained unopened but was date stamped and placed in the ballot container used for the Annual Meeting. At that point, it was a final official cast ballot. No taking back votes or changing votes once it has been sent as an

official ballot. The President then asked if all Directors agreed that the ballots were final at that point and no Director expressed disagreement.

- We were concerned about receiving a total of two-thirds of the ballots mailed out. When we did not have two-thirds of the ballots returned, the Secretary sent out an email asking that ballots be returned to meet the two-third participation requirement. A few requested they scan/email their ballot. The entire email chain was printed, sealed and placed in the ballot box.
- At this time, a past Director began sending emails to some on the Board, and then to member and non-member residents, expressing concern about the Amendment to Section VII on the ballot. The email to residents also asked if they had already voted "Yes" to the Amendment, that they notify BAWBP to change their vote to "No".
- The President was concerned whether the Board had done anything incorrectly regarding the Amendment for Section VII and reviewed our procedure. At the January working meeting with members, she gave examples of what we were trying to do and explained that we were trying to prevent, for example, a Seaclusion person from representing Front Beach Road. There were no objections. The Amendment was also read, word-for-word, from the ballot and Board discussion in the presentation at the Annual Meeting. Again, no one expressed concern.
- There is no question regarding the number of Directors on the Board because our Articles, Section VII, exactly state that number. 5 from A-N. 2 from 1st Addition. 2 from Bid-A-Wee Lane/Court and 4 from Seaclusion. None of those numbers can be changed without two-thirds of the vote of the membership approving a specific change. All we were trying to do was to assure a Director lives in the section he/she represents on the Board.
- For the opening and counting of ballots, Juddy Stephenson and Peggy Steele represented the Board and Don and Mary Ellen Rice represented members. The process was done twice for accuracy. Don and Mary Ellen cross-referenced and marked off the membership number on the ballot from a master sheet of all assigned membership numbers (no names). Juddy read out the vote and Peggy marked YES, NO, or NO VOTE on a tally sheet, all of which has been entered in the corporate record book. This is how we arrived at our total participation and total count for each amendment.
- We were elated that we had two-thirds of membership respond and everything was counted. Then Juddy Stephenson stated he read the section in the Articles regarding approval of amendments and asked if we understood that it is not the majority vote of two-thirds of members participating, but it is a YES vote of two-thirds of members that is required for an amendment to pass. We agreed to check it again and asked Juddy to further check into it.
- The Article states: "These articles may be altered, repealed or amended upon the affirmative vote of members holding two-thirds of the total votes allocated to the members pursuant to these Articles and a majority vote of the officers and approval of the majority vote of the Board of Directors".
- Juddy Stephenson then explained to the Directors he had substantiated by legal opinions that it is two-thirds of the membership that must vote "YES" for an amendment to pass. For example, he explained voting to amend the articles at a membership meeting, where you must have a quorum present at a meeting to conduct business, which is 30% of membership, the two-thirds "YES" vote of membership requirement to amend the Articles of Incorporation is not met.
- While this is an excessively restrictive article for a non-profit organization, this Board has determined that it must conduct business correctly. Therefore, this Board must follow existing guidelines until at some point they are improved.
- Jeannie explained that was the entire process and that it was very professionally handled.

- Jeannie then asked the Secretary, to give the count so it is official for the record.

Dee Gibson stated 279 ballots were mailed, 202 returned, and required YES votes to meet a two-third approval was 186. (Official executed vote results - Attachment 1 to these Minutes.)

1. Section VII. Directors: changing to "up to" 13: 178 YES; 22 NO -- that is 8 short of two-third yes requirement. Failed to pass.
2. Section IX. Registered Agent: changing registered agent from Jim Smith to the President of the Board: 187 YES; 13 NO Passed by one over the two-third requirement.
3. Section XII. Bylaws: added "and the majority of members where a quorum is present." YES - 193; NO 4; Passed by 7 over two-third required.
4. Section XIII. Amendments to Articles of Incorporation and Bylaws: removed 'and Bylaws' from the title. YES 187; NO 8. Passed by one over the two-third required.

Dee then distributed a letter, validating the outcome of the vote. She explained since an email from a previous Director was sent to residents and we have received feedback from all over the community, the Officers felt, if the Directors agree, the Board should address it in the official vote result letter. The President expressed she is very concerned about the situation with the emails but could not control it and asked that the Board carefully review the letter and give us comments. Following a request from the President at the conclusion of the meeting, no edits or comments were received from the Directors and it will be emailed and posted on the website as written.

The Directors had lengthy discussion regarding recent emails to some Directors and residents, some no longer members. It was reported that some residents in the community had questioned privacy issues regarding distribution of emails, without expressed permission, to email addresses obtained through service on the BAWBP Board. Residents with concerns were assured that while we cannot control actions of people who had access to resident's email addresses in prior years, all emails authorized by the Board of BAWBP, Inc. now come only from the corporate email account, where resident email information is maintained. No longer does any Director maintain in their personal email account, the email address provided by any resident for BAWBP business. Discussion continued regarding emails to the Board that blind copy or include past Board members in an unsuccessful attempt to cause conflict. Several Directors expressed their frustration in receiving the recent emails and their intent to block those email addresses to avoid receiving further communication. Directors agreed this Board is very cohesive and works very well together.

Vice-President's Report: Kathy Ledbetter, Vice President, reported that she had spoken with our insurance representative and she is seeking quotes and expects our premiums to be reduced this year.

President's Report: The President then reported she had received an email from the district office in Chipley and 2 new crosswalks on Front Beach Road will be recommended: one at Albatross and one at Dolphin. Including Argonaut, we will have three pedestrian crosswalks and will have signs at each end of our beach stating pedestrians will cross for the next one-half mile.

The Directors then agreed the renovation of Crosswalk #5 would be our priority this year. We are repairing rather than completely rebuilding. Frank Sheets, along with volunteers, renovated #6, and he estimates \$2000 to put new posts where needed, new handrails and walkway boards from the road down to the section with the benches. The steps down from the road will be removed. Mack

Carter agreed to report to Jeannie the rental company and fee for a dumpster. The Board decided that when total estimates are reached, an email will be sent to the Directors calling for a vote to approve the expenditure for #5. The fencing purchase was approved last year by membership.

Jeannie stated we have a goal to renovate one crosswalk each year and simply maintain the others until they are renovated. Mark Lane and volunteers did #1 and #6 has been redone. #3 will be removed since the removal of #3 and the old #4 was approved by the vote of membership with the construction of the new #4. When #3 comes out, we will have to leave a path from the beach up to the flag warning pole. We will have to close off fencing at the old #3, put up hurricane fencing to keep people off dunes until they develop toward the flagpole. We need fencing from the thick brush to #2, which leaves fencing at #2 and #1, with a break from #4-#5. We are taking care of fencing sections as we have funds available.

Dallas Marshall discussed a possible mitigation agreement with the DEP when we take out #3. Jeannie asked Dallas, and he agreed, to attempt to get a certificate or something in writing since he knows the correct contacts.

Jeannie stated when we take down #3 we will have an extra gate that will fit in our storage building. It will need to be powder coated, which must be done every five years @ \$98 each. She also stated that all the gates are going to need powder coating soon along with brackets.

The President explained everyone wants the locks but no one is willing to step forward and help take care of them. Her husband, Charles, and Al Gibson, are keeping them repaired but they aren't getting any younger. At the Annual Meeting this year, she will explain to members if they want the locks, they must volunteer and create a committee responsible for maintenance of the gates and locks. If a committee cannot be appointed, we will be forced to contract with a lock company to come out and repair and maintain the locks. Kathy Ledbetter volunteered to contact local lock companies to obtain fees and availability and report to the Board.

The Directors discussed whether anything had been done regarding being able to exit the beach without entering the code. Directors discussed the liability issue if an emergency occurs, such as sudden inclement weather or a medical situation, and someone is trying to get off the beach and cannot get out of the gates because the lock has stopped working. It was also noted that it seems a great deal of the vandalism occurs when people are trying to get off the beach and do not have the code. Directors were reminded that with only two people working on all these locks, it is a real frustration. Eliminating the ones on the beach side reduces the number of locks being maintained.

Jeannie reported the city recommended we place signs with the flag system and rip tide information at each walkway. Juddy Stephenson volunteered to look into pricing good quality signs and perhaps we could place the signs strategically on the gates to prevent people from reaching around to open gates if we removed the codes from the beach side. He will also investigate costs of "No Parking - BAW residents only" signs for the west end of the beach and one sign saying "Beach Patrol Only" for the dune area approaching the flag pole when we take down #3.

Jeannie announced that Beach Clean Up Day will be October 11. Meet at #4. Dee will send emails, and post on Facebook and the website. Jeannie then opened the floor for Directors to discuss any issues.

OPEN DISCUSSION:

Kathy Ledbetter, VP, expressed her appreciation for all the hard work Jeannie, Wanda, Dee, and Debbie have done with the membership brochures, getting ballots out and other issues.

Juddy Stephenson commented that every organization and business has a culture and BAWBP, Inc. is going through a cultural change. He made the observation that in all previous years, the President did 90% or more of everything that was done within the Corporation, and had he not done that, a lot of things would not have been done. However, we as a Board are positioning ourselves, and the organization, with a totally different culture than how it has operated in the past. The discussion occurring at this time within the Board is important and part of the change. This Board has become more active. More people are accepting responsibility and doing things that do not require the Board's approval or micromanaging such things. He stated he applauds the Board. We may make mistakes that can be corrected but emailing people in the community is unnecessary and unhealthy and is what we are trying to work on improving.

Following extensive discussion, the Directors concluded the Membership Committee has been designated to handle membership matters and acted within its authority in its successful efforts to grow membership with the distribution of the leaflets and to coordinate mailings for recruitment of members. Further, the Board concluded that the Officers were elected to conduct the everyday business of the corporation. Many Directors expressed confidence in the officers. Directors agreed if an officer does not state he/she officially represents the corporation, or is not making commitments or promises on behalf of the corporation without Board approval, he/she can and should, on a personal basis, contact officials or business contacts for general information for better knowledge of a situation.

Following discussion by the Board, Juddy Stephenson volunteered to review our governing documents, including our Articles and our Bylaws back to the original document in 1997, with Minutes, to determine exactly where we stand and report to the Board at its next meeting, so that going forward we strictly abide by the guidelines provided in our governing documents. Jeannie made the motion to formally request Juddy complete the task and Dee Gibson seconded the motion. All Directors verbally voted "Yes" to the motion.

Juddy stated following his review of minutes since BAWBP was incorporated, he recommends that Minutes always include a specific number at each meeting rather than simply saying "a quorum" or "unanimously". Further, when a vote is taken, it should accurately record the number of 'yes and no' votes. The President stated that the current Secretary is very good about accurately reporting numbers.

There being no further business, the meeting was adjourned at 10:50 AM.

/s/ Dee Gibson, Secretary

**ARTICLES OF INCORPORATION AMENDMENTS VOTING RESULTS:**

**NOTE TO MEMBERS:**

An email from a member was distributed to numerous members and non-members. As a result, we received five requests that their votes be changed in addition to two comments, all of which are being kept with the record of the voting.

To clarify the issue, the Amendments were explained at the January 2014 working meeting and were formally presented to membership at the 2014 Annual Meeting, with detailed explanation through visual slides. Time for open floor discussion was also provided and we received no feedback at either meeting.

It was never the intent of this Board to reduce the number of Directors serving on it. The exact number of Directors for each section of the community (i.e. the 'minimum' number) is clearly defined in our **Articles of Incorporation Section VII: Directors. 1-4** and would require a vote of two-thirds of members to reduce that number in any section. As previously explained, the amendment was recommended by the Board for guidelines when a volunteer cannot be located for a section, so that business may be continued until that vacancy is filled by a volunteer before, or by election at, the next Annual Meeting.

Because we are trying to operate strictly as a professional non-profit, you may understand we could not change a vote once it has been submitted. No professional organization or corporation would do that. After further review, this Board has determined that, as always, it will proceed in accordance with customary parliamentary rules and practices.

Board of Directors

On Tuesday, September 23, 2014, two Members of the Community, Mary Ellen and Don Rice, and two Directors, Juddy Stephenson and Peggy Steele, opened all envelopes and emails containing ballots and counted votes. Jeannie Krohn, President, and Dee Gibson, Secretary, observed and validated the count.

**Totals:**

<b>SECTION VII: DIRECTORS</b>	<b>YES 178</b>	<b>NO 22</b>
<b>SECTION IX: REGISTERED AGENT</b>	<b>YES 187</b>	<b>NO 13</b>
<b>SECTION XII: BYLAWS</b>	<b>YES 193</b>	<b>NO 04</b>
<b>SECTION XIII: AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS</b>	<b>YES 187</b>	<b>NO 08</b>

**NUMBER OF BALLOTS MAILED TO MEMBERS OF RECORD: 279**  
**NUMBER OF BALLOTS RETURNED: 202**  
**REQUIRED "YES" VOTES TO MEET TWO-THIRD APPROVAL: 186**

- The Amendment to Section VII was 8 votes below the required votes for passage and was not approved by Membership.
- Amendments to SECTIONS IX, XII, and XIII are hereby approved by Membership and the President, Jeannie Krohn, is authorized to cause these Amendments to be recorded:

/s/ Dee Gibson  
Dee Gibson, Secretary