

## ITEM E.1

### Review of Director Appointment Procedure

At the Board of Directors meeting of October 2<sup>nd</sup>, 2012, the Board voted in the replacement for outgoing Director Alex Martinez whose term expires in December. The term of incumbent Director Ambrose Masto also expires in December of this year. However, Director Masto had expressed his desire to remain on the Board for a new four year term and was unanimously voted in as well.

In addition to these appointments, the Board was notified on the afternoon of the October 2<sup>nd</sup> Board meeting by Director Bell that it was his intention to resign his position after six years of service to the community. While this unexpected resignation came subsequent to the posting of the meeting agenda, the Board felt there was a need to take immediate action to replace Director Bell and chose to vote in his replacement concurrent with that of outgoing Director Martinez.

The results of the appointments made at the October 2<sup>nd</sup> meeting are as follows:

- incumbent Director Masto returning for a four year term Expires in Dec. 2016
- outgoing Director Martinez replaced by Max Trette Expires in Dec. 2016
- resigning Director Bell replaced by Kurtis Breeding Expires in Dec. 2014

The Board received a written communication from homeowner Sheila Bullock with an added footnote by homeowner Wayne Schafer on about October 8<sup>th</sup> expressing concern with a possible Brown Act violation regarding the appointment procedure of replacement directors conducted at the October 2<sup>nd</sup> Board meeting.

In a special meeting held on October 15<sup>th</sup>, the Board subsequently reviewed the meeting procedures and posting and community notification requirements with District legal counsel. The attorney has assured the Board that there were no violations and that the unplanned and unnoticed replacement of resigning Director Bell was legally acceptable on the grounds that the Brown Act was suspended by the State Legislature in July and therefore, the October 2<sup>nd</sup> appointments will stand as recorded at that meeting.

However, the Board is aware of the need for a set of guidelines and will be developing a comprehensive written policy for all future Board of Director elections and appointment procedures. The Board understands that the appointment procedure effectively deprives property owners of the opportunity to participate in an election process and has set a goal to encourage more community involvement well in advance of Directors' terms expiring so that property owners have the utmost opportunity to participate in electing their leaders.