

SPECIAL MEMBERSHIP MEETING
October 28, 2010
Hunters Ridge Clubhouse Main Dining Room
3:00 PM

1. Call Meeting To Order By Sandi Morgan, President. All Board members were present.
2. Establish Meeting Quorum Sandi Morgan, President.

Sandi Morgan asked Fred Forbes, Secretary, to verify that a quorum was present. Mr. Forbes stated that between those members voting by Proxy and those members voting in person (431 total) at the meeting that there was more than a legal quorum present.
3. Questions from the Members Prior to Voting.

Sandi Morgan asked if anyone had any questions regarding the proposed purchase of the Hunters Ridge Utility Company of Lee County, Inc. prior to voting. No questions were asked at that time.
4. Voting By Members
5. Other Discussion and Questions Regarding the Purchase of the Utility Co.
 - a. Dave Bourgeau, attorney representing Board Attorney Chris Davies, answered questions regarding the purchase:
 - i. He indicated that closing would either be Friday, October 29th or Monday, November 1st, 2010.
 - ii. He indicated no liens or liabilities have been found on their title research.
 - iii. He further stated by purchasing 100% of the stock from the existing shareholders, Hunters Ridge Community Association became the owner of all assets of Hunters Ridge Utility Co. including all land, the sewage treatment plant, all easements owned or controlled by the utility company, all lift stations and all sewer lines, manholes and related accessories.
 - b. Hole Montes Engineering Firm was represented by Dawn Bernard. She stated the existing utility plant is in very good condition. She indicated the new water quality standards adopted by the EPA do not apply to Hunters Ridge Utility because the effluent is not discharged into a creek, river, the gulf or the ocean.
 - c. Harold King, Treasurer pointed out the \$18/monthly charge would be added to club statements. In response to questions about whether a member could pay off the \$18/month for 5 years by a single lump sum payment, President Morgan and Treasurer King stated no. Members will be billed monthly as part of their club bill.
6. Announcement of Vote Count by Sandi Morgan, President

A total of 431 ballots and proxy ballots were cast with 426 voting YES to Purchase the Utility Company and 5 voting NO against the purchase of the Utility Company.

7. Resolution (see attached) for the Hunters Ridge Community Association to purchase the Hunters Ridge Utility Company by Sandi Morgan was made and seconded by Dave Miller. The Resolution was passed by vote of all members present and by the proxies that were voted.
8. Adjourn - Motion was made and properly seconded to adjourn this Special Membership Meeting.

Respectfully submitted,

Fred Forbes, Board Secretary

RESOLUTION

It is resolved that over $\frac{3}{4}$ of the members of Hunters Ridge Community Association have voted to acquire the Hunters Ridge Sewer Treatment Plant. This is to be accomplished by a down-payment from our reserves in the amount of \$300,000.00. The balance of \$975,000.00 will be in the form of a five year loan from Don Redford in the amount of \$975,000.00. The interest rate will be 4% and quarterly payments will be made from the collection of \$18.00 per month from each resident and from the annual surplus of approximately \$100,000.00 from the club and utility plant operations.