



**PHA DELEGATES COMMITTEE MEETING
JANUARY 15, 2008
MINUTES**

ATTENDANCE:

Julio Bagué	PHA Board & Casillas de Palmas
Luis Lomba	Plaza Resort
Rafael Santos del Valle	Aquabella
Rubén Chamorro	Palmas Reales
Reynaldo Encarnación	Palmanova Plaza
Miguel Santiago	Fairlakes I
Ricardo Collazo	Beach Village I
Carlos García	Palmas Doradas
Daniel Vasse	Anchors Village
José Beauchamp	Harbor Lights
Mirna Rios	Business Association
Frances Olivieri	Shell Castle Club
Graciela Roig	Villa Franca
Heriberto Silva	Palmas Plantation
Providencia Walker	Palmarina
Ronaldo Cintrón	Palmas Reales
Gladys Fornaris	Palladio
Agapito Cosme	Sunrise
Juan Gracia	Flamboyán Greens
José Garcés	Seascape
Antonio Maldonado	Palmanova (alt.)
Servando Díaz	PHA Board & Costa Verde

Delegates Absent/Excused

Marie Silvia Rivera	Maralago
Ivonne Cruz	Haciendas de Palmas
Héctor Robles	Montesol I
Radamés Acosta	Montesol II
Marcos Comas	Beach Village III

Néctor Robles
Eva Candelario
Michael Shulevitz
José Bacardi
Lizann Plá
José Bacardi
Isabel Maisonet
Gordon MacDonald
Rita Molinelli
Pablo Quiñones
Joseph Barlia
Miguel Guiot
Pedro Cosculluela
José Colón
Jaime Fernández

Crescent Beach
Club Villa
Bahía del Sur
San Marcos Island
Fairlakes III
San Marcos
Harborside
San Miguel Island
Beach Village II & V
Beach Village III
Las Villas
Crescent Cove
Southeast District
La Jolla
Las Villas II

Others Present

Manuel Morales, Jr.
Luis Rodríguez
Edd Siler
Félix Santoni
Luis López Lebrón
Wilfredo López
Joseph Maqueda
John Orta
Benjamín Orengo

PHA Board
PHA Board
PHA Board
PHA Board
PHA Security Director
ARB Executive Director
Palmas Reales Owner
Casillas de Palmas (alt.)
St. James Security

I. CALL TO ORDER

The meeting was called to order at 6:55 pm by Mr. Servando Díaz, acting Chairman, in the absence of Mr. José Juan Martínez. Mr. Martínez had to excuse himself from the meeting for reasons beyond his control. Mr. Díaz wished all the Delegates a prosperous and successful year 2008 and thanked the Delegates for their collaboration and support.

II. APPROVAL OF MINUTES

Minutes of the November 13, 2007 meeting were approved upon a motion by Mr. Luis Lomba seconded by Mr. Agapito Cosme.

III. CHAIR'S REVIEW OF OLD BUSINESS

A. Xmas Parranda

The annual PHA Christmas Parranda was a huge success. More than 700 people plus children attended the event which was held for the first time in Palmanova Plaza. The cart

parade, food and entertainment were fantastic and a great time was enjoyed by all in attendance. A special recognition and a word of thanks to Mr. Daniel Vasse and Ms. Denise Love for mobilizing the Business Association community to support this event.

B. Artificial Reef

A new proposal for the construction of the Artificial Reef was received from Zenón Corporation. This proposal is a turn-key project with costs at approximately \$11.5 million. The Artificial Reef Committee will be evaluating this proposal during the coming weeks.

As previously indicated, Moffet & Nichol has been contracted to evaluate the technical viability of this project and render an opinion. Paperwork for the Categorical Exclusion and the Joint Permit Application is being prepared by Mr. Frank Torres.

C. Childrens Park

Site preparation work to get the Children's Park parcel ready is underway. Playground equipment to be installed at the park has been ordered through City Parks. The site preparation plan and the selected equipment were approved by the Architectural Review Board.

D. Recycling Program

The Recycling Program for Palmas del Mar will commence on January 29, 2008. Recyclable materials include plastics, aluminum, newspapers and corrugated carton. Pick up will be on a house-to-house basis every Tuesday beginning at 8:00 a.m. Materials should be placed in clear plastic bags or in bags where contents can be determined from the outside. Black bags will not be accepted. The program will initially cover the areas of Palmas Plantation, Palmas Reales, Villa Franca and Haciendas de Palmas. Once the program is up and running in these areas it will then be expanded to all other areas within Palmas del Mar. There are no costs associated with this initiative.

E. Marbella Park Lawsuit

Settlement proposals have been discussed with Marbella Club, Candelero Point Partners (CPP) and Palmas del Mar Properties Inc. (PDMPI). The case is being handled by the corresponding lawyers. Regarding Marbella Club and CPP agreement in principle has been reached in all negotiated areas except defining the type of recreational playground equipment to be installed at the park. Regarding PDMPI, the draft of Memorandum of Understanding is being reviewed by its corporate lawyers and a final proposal is anticipated within the next few days. We are told by the parties that the proposals from Marbella Club, CPP and PDMPI are expected to be in line or within parameters previously negotiated.

Mr. Joseph Maqueda suggested that the access to the park and to the beach in this area be opened at 8:00 am instead of 9:00 am to be consistent with the schedule of other accesses and allow early bird joggers to enjoy the facilities.

F. Cart Path Luminaries

Installation of Cart Path luminaries remain pending for approval by the ARB. The project is scheduled for review by the ARB at its next meeting on January 17, 2008. All required information has been submitted to the ARB.

Mr. Servando Díaz indicated that he has visited the areas where the lights have been temporarily installed and finds them of great benefit in illuminating those particular dark areas. Regarding the poles and the fixtures, he considers them attractive and in line with those installed at the main entrance to Palmas and at Costa Verde. Mr. Díaz is a resident of Costa Verde.

Mr. Rafael Santos Del Valle, Delegate from Aquabella, stated that he has no objection with the lights installed in front of Aquabella and has not received any complaints from any Marbella resident. Residents directly in front of the lights and the solar collectors have not expressed any opposition to the lights. Mr. Santos added that the lights have greatly improved the illumination in those areas.

Mr. John Orta pointed out that the areas along the cart path behind the greens in hole number two (2) and hole number six (6) are very dark and solar illumination should be considered for these areas.

Mr. Frances Olivieri indicated that the two lights at the entrance to Shell Castle Club and the two lights in Surfside behind the Kolodziej project remain out of service. These lights have been out for too long and require a solution soon. Mr. Wilfredo López, ARB Executive Director, replied that he is working with the developers the fixing of these problem areas. However, the installation of transformers to correct the problems must be approved by ARPE and the developers are working with that agency to obtain the approvals.

Mrs. Mirna Ríos brought up a similar problem with a light at the entrance to Villa Franca II. This light pole was damaged by the contractors. PREPA will not fix it since they claim it is a developer responsibility. Mr. López from the ARB will follow-up.

G. South District Control Point

Mr. Julio Bagué informed that Gabriel Espasas and representatives of the South District are working on this project and have a meeting with Mr. Jaime Morgan, President of PDMPI, in an effort to resolve the differences over the project. Mr. Bagué added that PHA fully supports the construction of the South District Control Point, has assigned funds for the construction of the guard facilities and has given its endorsement to the

project. The South District is following the required permit process to insure it complies with all legal requirements.

Mr. José Beauchamp indicated that he had understood that the project had all the required permits to proceed with the construction. Mr. Maldonado pointed out that the endorsement given by ARPE was a preliminary one and that the final endorsement was subject to the endorsement by the municipal assembly and by the ARB. Endorsement of the Municipal assembly is pending public hearings requested by the South District to comply with the law, thus insuring that everyone is heard on this issue. Endorsement by the ARB is pending a letter from PDMPI who opposes the project.

Mr. Luis Lomba pointed out that the ARB must remain neutral on this matter as an independent organization. Mr. Lomba added that this issue is beginning to look like the Hotel Candelero issue where PHA had to over-rule the ARB and provide a required endorsement to the project. According to Mr. Lomba, if the ARB insists in doing nothing, then PHA must “grab the bull by the horns” and provide the necessary endorsements to the project. Mr. Julio Bagué indicated that PHA endorsement to the project has been given and that he understands that such endorsement is acceptable to the Municipal Assembly as part of the process required by ARPE to approve the project. Mr. Carlos García indicated that if PHA has given its endorsement to the project, PDMPI should not be considered an obstacle to prevent the endorsement from the Assembly.

Ms. Frances Olivieri observed that she understands that PDMPI objections stem from the fact that the project did not take in consideration the future development of Guayanés. She believes that these objections have nothing to do with the project or the South District as that area was completely removed from the PHA Covenants. Additionally, she said, that the Guayanés area belongs to the Yabucoa Municipality while the South District and the Access Control Project are under the Humacao jurisdiction.

Mr. Rafael Santos del Valle pointed out that the creation of two additional associations and the overlapping of common interests and problems is going to create very difficult legal and operational problems for the community. Thus, in his view, it is important that lawyers get involved early in this process to sort out the issues and these potential problems. Mr. Julio Bagué replied that preliminary conversations on these potential problems have been held with Mr. Morgan and he has agreed to discuss them again in the future as well as defining how these associations will contribute to the general services PHA may provide to the residents of those areas.

IV. ARB REVIEW

Mr. Wilfredo López presented the 2007 ARB Activity Report to the PHA Delegates. The report outlined the most important resolutions taken by the ARB in 2007 and gave a summary of all the activities conducted by the ARB during the past year. Activities included actions taken by the Modifications Committee and by the ARB Board to include a summary of the plans reviewed and the projects approved. The report also detailed the

results of the inspection program conducted by the ARB and the status of multi-family projects in Palmas del Mar.

V. SECURITY SITUATION REVIEW – ANTONIO MALDONADO

After more than 12 years without experiencing a homicide in Palmas del Mar, one took place in the San Miguel area toward year end. Information provided by the Police CIC indicates that the victim of this crime was the subject of investigation by various law enforcement agencies and already had a criminal record. According to the CIC the individual got into the wrong business and thought he could safely operate out of Palmas. The individual had been renting a villa at San Miguel for three months.

The CIC indicated that thanks to the camera surveillance system installed by PHA at the main gate the CIC was able to establish the circumstances, time and identity of individuals involved in this homicide. The CIC Deputy Director thanked Colonel Luis López, PHA Security Director, and St. James Security for their outstanding collaboration which led to the quick clarification of the crime. They pointed out that this was an isolated homicide that would have taken place anywhere and there are no indicators that may lead them to think that this event may represent a dangerous situation for the community.

Regarding the six burglaries that took place in Las Villas de Palmas in December, the CIC has indicated that polygraphs have been administered to all suspects except to one who has refused. He is confident that this case will be clarified very soon. In relation to the gang leader (“El Chino”) responsible for most burglaries that took place in the August–September time frame, this individual has been declared a habitual criminal and has been jailed for a minimum of twenty (20) years. Two other members of this gang were apprehended and sent to jail. The CIC is investigating the latest incident at Mr. Schultz house in Roble Valley. They are attempting to match fingerprints with known criminals in the area.

Aside from the homicide at year end already discussed, other significant activity during the month of December included eight (8) burglaries, six (6) of them consisting, according to the CIC, of a single burglary operative in Las Villas de Palmas. The other two burglaries took place in Sunrise and Cocoloba. Seven (7) illegal appropriations were also reported during the month of December. These appropriations were scattered throughout Palmas. There was a stolen vehicle in December associated with the homicide in San Miguel previously. This vehicle was recovered by the CIC. Twenty eight (28) individuals were intervened and six (6) of these were detained and turned over to the police. Three (3) rescues were performed by the Beach Patrol in December bringing the total for 2007 to nineteen (19).

Annual statistics reflect an increase in burglaries reported to PHA Security by fifteen (15) over those reported last year (49). However, burglaries reported to PHA in 2007 (64) are twelve (12) below those recorded by the police (76) in 2006. A significant drop in illegal appropriations reported to PHA Security was noted in 2007 (49) compared to 180 in 2006.

This has been attributed to more effectiveness in security patrols and the number of people being intervened and turned over to the police. Also, homeowners are more vigilant and are promptly reporting to security unusual activity or suspicious people in the neighborhoods.

PHA has requested P.R. Police criminal data for 2007 to compare with PHA Security reported activity and reconcile the data for accuracy and official reports purposes.

PHA has been working for several months now in the development of a proposal for a Perimeter Surveillance System that will help in closing security gaps in the most sensitive areas of Palmas del Mar. The objectives are to enhance security's ability to respond to developing situations, reduce the number of intrusions, safeguard homeowners property and reduce the cost and time for the surveillance of critical areas. A proposal has been received from Virtual Eyes Surveillance Company and PHA is evaluating this proposal. A presentation of this system was made to the PHA Security Committee and to the PHA Board.

Ms. Frances Olivieri observed that she had received a call from Mrs. Mediavilla, who suffered a fire at her house in December, to bring up at this meeting that the St. James people who had responded to the situation were not prepared to handle such emergencies. According to Ms. Olivieri, Mrs. Mediavilla had knee surgery three days before and her daughter asked the St. James supervisor at the scene for assistance to move Ms. Mediavilla but was ignored. Ms. Olivieri understands that in a situation such as this one personnel must have the adequate training to be able to respond in a proper fashion to render the proper assistance. She suggests that this family be contacted to get first-hand information on what happened and, if necessary, appropriate training be given to the security personnel.

Mr. Antonio Maldonado indicated that she has been in contact with Ms. Wanda Mediavilla, daughter of persons who had the fire, and had discussed the fire and the circumstances of that event. Ms. Mediavilla had not indicated any problems and gave the impression that the situation was handled satisfactorily. Nevertheless, Mr. Maldonado added, he will contact the Mediavilla family again to investigate further and take whatever action is necessary to insure that such situations are handled correctly and that people have the necessary training to provide assistance as may be required.

Mr. José Beauchamp suggested that a color code system be implemented for visitors to different areas within Palmas del Mar. Mr. Daniel Vasse informed that such a system has already been implemented and is working well. Commercial and residential passes are color coded to assist security patrols identifying vehicle outside of authorized areas.

Mrs. Graciela Roig informed that now that the Villa Franca facilities have been improved more people are using that area and is resulting in more vandalism. This is an area that requires police and security surveillance. PHA assistance will be greatly appreciated.

Mr. José Beauchamp inquired into what could be done to reduce long lines at the registration lane at Palmas main entrance. Mr. Maldonado informed that the procedure in these cases is for the guard at the gate to call the shift supervisor who in turn should open the center lane for use as an additional registration lane. Mr. Maldonado gave instructions to the Security Director and to the St. James services coordinator to look into why the procedure is not being followed.

Mr. Joseph Maqueda asked if commercial employees could obtain AVI cards. He was informed that the access control rules allow for business and domestic employees to authorize their employees to have AVI cards. Letters of authorization are required from employers and AVI cards can be programmed to control hours and the entrances that may be used for accessing Palmas.

VI. NEW BUSINESS

A. Kite Flying Activity

Mrs. Graciela Roig informed the Delegates about the Kite Flying activity to be held in Villa Franca at the end of February. This is a very entertaining activity that draws a lot of people and everyone is invited to attend and participate. As it did last year PHA will sponsor this activity.

B. Teen Center

Dr. Ruben Chamorro reported on the latest developments of the Teen Center. He informed about the layout of the center and the equipment being acquired. It is expected that the Teen Center will be operating by mid-February 2008. The idea is not only for the Center to serve as the focus of activities but also as the Teen Headquarters for other planned activities in Palmas del Mar.

C. Palmas Magazine

Mr. Julio Bagué informed the Delegates about the new PHA Magazine published under the title LIFE IN PALMAS. This initiative will replace the traditional PHA newsletter. It is being published by professionals in this line of work and the costs to PHA should not be more than what it costs to publish the present Newsletter. The magazine will focus on community wide news and the shortfall in production costs will be paid from advertisement published in the magazine itself. The magazine will be open for inputs from everyone in the community. It will be published six times a year. The first edition should come out by the end of January.

D. PDMU

Mr. Rey Encarnación reported on PDMU operations, initiatives and results. PDMU is operating very efficiently, is making good investments in improvements and capital investments and is attaining excellent operational and fiscal results. The water loss has been reduced dramatically and compared to PRASA and other similar entities it surpasses them by a large margin. Mr. Encarnación also discussed other challenges being faced by PDMU such as dealing with infiltration problems and the infrastructure running through or nearby private properties. He also discussed the problem of several bad meters that were not registering consumption although water is being used.

E. Drug & Alcohol Education

PHA and the Palmas Academy are sponsoring a Drug and Alcohol Education Program to be held in the new PHA building on Wednesday, January 16, 2008. This is a significant initiative of great importance to the entire Community. It is open to everyone.

F. Speed Bumps

Mr. Juan Gracia requested that speed bumps be installed in Country Club Drive near the entrance to Flamboyán Greens to prevent a serious accident in that area. This request was made more than sixth months ago. Mr. Maldonado informed that PHA did install two speed bumps as requested by Mr. Gracia; however, Mr. Jaime Morgan called and had them removed the same day they were installed. Since PDMPI owns this road he suggested they be contacted on this matter.

G. Academy Verbena

Mr. José Beauchamp informed that the Academy will be hosting a major fair (Verbena) at the school grounds on February 15 through 17. Rides, food and entertainment will be available to everyone. The activity is to raise funds for the Academy.

VII. ADJOURN

The Delegates Committee adjourned at 9:05 pm upon a motion by Rafael Santos del Valle seconded by Myrna Ríos.

