



**PHA DELEGATES COMMITTEE MEETING  
AUGUST 14, 2007  
MINUTES**

**ATTENDANCE:**

Julio Bagué	PHA Board & Casillas de Palmas
Luis Lomba	Plaza Resort
Frances Olivieri	Shell Castle Club
Ruben Chamorro	Palmas Reales
Jose J. Martínez	Montecarlo
Isabel Maisonet	Harbourside
Rogelio Fernández	Villa Franca (alt.)
Ivonne Cruz	Haciendas de Palmas
Jose Garcés	Seascape
Rita Molinelli	PHA Board & Beach Village II, V
Daniel Vasse	PHA Board, A. Village & Sunrise (alt.)
Ricardo Collazo	Beach Village I
Víctor Nieto	Fairway Courts
José Colón	La Jolla
Héctor Robles	Montesol
Antonio Roig	Plaza del Puerto (alt.)
José Beauchamp	Harbourlights
Reynaldo Encarnación	Palmanova Plaza
Lizann Pla	Fairlakes Village III
Juan Gracia	Flamboyán Greens
Mirna Rios	PDM Business Association

**Delegates Absent/Excused**

Marie Silvia Rivera	Maralago
Marcos Comas	Beach Village III
Néctor Robles	Crescent Beach
Gladys Fornaris	Palladio
Eva Candelario	Club Villa

Pedro Cosculluela  
Carlos García  
Jaime Fernandez  
Michael Shulevitz  
José Bacardi  
Providencia Walker  
Gordon MacDonald  
Ivonne Cruz  
José Bacardi  
Carlos García  
Agapito Cosme  
José Garcés  
Pablo Quiñones  
Daniel Vasse  
José Pedró  
Walter Fournier

Southeast  
Palmas Doradas  
Las Villas II  
Bahía del Sur  
San Marcos Island  
Palmarina  
San Miguel Island  
Haciendas de Palmas  
San Marcos  
Palmas Doradas  
Sunrise  
Seascape  
Beach Village III  
PHA Board & Anchor's Village  
Tennis Village II  
PHA Board

**Others Present**

Edd Siler  
Antonio Maldonado  
Luis López Lebrón  
Wilfredo López  
Jorge Claudio  
Gabriel Espasas  
Servando Díaz

PHA Board  
PHA Executive Director  
PHA Security Director  
ARB Executive Director  
Palmas Plantation  
Southeast District President  
PHA Board & Costa Verde Resident

**I. CALL TO ORDER**

Mr. José Juan Martínez, Chairman, called the Delegates Committee meeting to order at 6:55 pm. Mr. Martínez expressed his appreciation to the PHA Board and to the Delegates for their support and vote of confidence on his appointment as chair of the PHA Delegates Committee. He also commented on his work style and the way he intends to preside over the meetings. He emphasized friendship and cordiality during meetings since the objective is to seek ways to improve the community through the exchange of meaningful information and the pursuit of solutions to problems and issues affecting the community.

**II. APPROVAL OF MINUTES**

Minutes of the April 13, 2007 and of the June 12, 2007 meetings were approved upon a motion by Mrs. Ivonne Cruz seconded by Mrs. Lizann Plá with the following corrections:

- Mr. Servando Díaz was added to list of attendees
- Page 6, third paragraph, last sentence deleted (superfluous).

Page 9, paragraph 3, line 3 should read 68 acres instead of 86 and 5 acres instead of 9.

### **III. CHAIRS REPORT**

#### **A. ARB Report**

Mr. Wilfredo López, Palmas del Mar Architectural Review Board (ARB) Executive Director, gave a report to the PHA Delegates outlining ARB procedures, ARB fee review, status of new major projects and a sampling of construction rules violations. As part of its efforts to reduce illegal construction violations, the ARB will soon begin to impose penalties and fines to construction activity not approved by the ARB. This action is consonant with the PHA Restrictive Covenants which require all construction to be in accordance with the ARB Design Guidelines. These penalties will be included in the PHA assessment accounts of those members incurring such violations.

The ARB has appointed a special committee to evaluate the fees it charges for the review of remodeling and new construction projects. The objective is to make sure that the ARB remains solvent while charging a fair fee for the review of submitted projects. Mr. Walter Fournier, member of the PHA Board of Directors and a PHA Delegates is a member of the ARB Fee Evaluation Committee.

The ARB has begun to coordinate meetings with regimes or residential areas neighboring future projects or that may be directly impacted by these developments. The objective of these meetings is to inform the residents of these areas about the project, answer questions and receive inputs that may be taken in consideration by the developers in shaping these projects. Coordination for these meetings will be conducted by the ARB through PHA and the respective regime Boards and PHA Delegates. Projects to be presented to communities include Sunrise III, Solarea and Los Lagos. In addition to these regime-oriented presentations, developers will be asked to give similar presentations to the PHA Delegates Committee for community-wide information purposes.

Mr. López concluded his presentation with an update reflecting status of projects such as Palmas Inn, Caleta de Palmas, the Catholic Church, Solarea and the Views (Sunrise III). He also shared some before-and-after pictures reflecting corrective actions taken on several construction violations detected throughout the Palmas community.

Mr. Antonio Roig informed the Delegates that the Catholic Church Project has been approved and the construction firm has been selected. Work on the church parking should commence in two to three months.

Mr. José Beauchamp suggested that new project presentations to the communities be given before these projects receive final review approval by the ARB. This will allow for developers to take in consideration any inputs from the affected communities as it was done with the Palmas Inn project during the preliminary review stage. Mrs. Frances Olivieri suggested that the ARB should consider including in its rules the imposition of fines upon projects that are not completed within a stipulated time frame. Mr. López indicated he will take both recommendations to the ARB for further consideration.

Mr. Luis Lomba pointed out that the ARB should consider imposing fines to the Palmas Inn new project. Since the demolition of the old Palmas Inn facilities nothing has occurred; however, the construction fence is falling apart and the vegetation in that parcel is growing out of control. Mrs. Ivonne Cruz added that the areas around the old Coquí Park need to be cleaned. Mr. Antonio Maldonado, PHA Executive Director, indicated that Plaza del Mar has been using the old Palmas Inn parcel for parking their construction workers. Once Plaza del Mar stops using this area for parking the area will be completely closed and the beach easement between Plaza del Mar and the Palmas Inn parcel will be cleaned and reestablished.

Mr. Victor Nieto suggested that the ARB should require new projects to install golf-cart electrical outlets in parking areas. This may encourage homeowners to use electrical carts instead of gasoline carts thus alleviating the air pollution problem.

Mrs. Lizann Plá asked for clarification on expiration dates for violations for regimes under the Horizontal Property Law. Mrs. Rita Molinelli informed Mrs. Plá that under the Horizontal Property Law violations have a two-year limitation.

Mr. Martínez thanked Mr. López on behalf of the Delegates Committee for his informative presentation.

## **B. Youth Committee**

Mr. Rubén Chamorro reported that the Youth Committee was very active during the summer. In coordination with PHA management an excellent program was put together to include the use of a temporary hire to direct the program. Activities included field trips, hiking, arts and crafts, pool parties and beach sport activities. The activities planned were based on the inputs provided by Palmas students through a survey. The beach sport activities attracted most participants.

A Youth Sailing School program, is being coordinated by Mrs. Tuti Taboas and her husband Dr. Iván Aponte. The Palmas Academy has already incorporated this program into the Academy's After School Program. The sailing classes focus on children ages 8-13 for optimistic class and ages 14-17 for splas Laser and 420 class. The school will operate out of Anchor's Village 3:15 to 6:00 pm Monday through Thursday. An expert instructor recognized as one of the best in the world, Mr. Gonzalo Pollitzer, has been contracted as the school sailing director and instructor. Mr. Daniel Vasse has been providing major support to this program.

Mr. Rogelio Fernández, underscored the importance and the significance of this type of sailing program in the Palmas community. Such a program could attract a lot of sailing enthusiasts at an international level. Puerto Rico and more specifically, some Palmas youngsters, have already competed at a world-class championship level and have done extremely well in the Optimist Class. This program could be the precursor of international regattas at the Optimist and Laser type class coming to Puerto Rico.

Mr. Luis Lomba indicated that there is a navigation course for parents and children offered by the “Power Squadron” that should be considered by the Committee for inclusion in Palmas program. Mrs. Mirna Ríos also recommended that the El Faro Animal Shelter be considered for inclusion in the youth activities as part of the community service aspect of the program.

Mr. Antonio Roig pointed out that he is a Director at the Turabo University Museum. Archaeological artifacts recovered at Punta Candeleró several years ago are being kept at the University. Mr. Roig expressed his willingness to have an exhibition of these discoveries made available to Palmas Youth so they become acquainted with this important part of Puerto Rico’s cultural heritage.

#### **C. Traffic Circle Fountain**

Mr. Julio Bagué informed that, no decision has been reached on the final design of the art piece to be placed at the traffic circle fountain in Palmas Drive. However, Mr. Bagué added, he has been working on this matter personally with Mr. Jaime Morgan, President of PDMPI, and has seen some of the artistic conceptual renderings submitted. A proposal by Mr. William Quetzalcoatl seems simple but attractive. This is an ocean-life theme cylindrical structure approximately 20 feet high and 8 feet in diameter. Other options are still under consideration.

#### **D. Artificial Reef**

The Artificial Reef Committee met on June 27, 2007 to review the permit process and to discuss a proposal for the construction of the Artificial Reef submitted by Del Valle/Caribbean Marine consortium. The proposal presented is based on rocks only technology. Rocks are to be trucked from the quarry to a site in Yabucoa then by barge to the proposed reef site. Sea conditions will affect the pace of work and the type of barges required. Their proposal is based on producing and placing the rocks according to the design. However, this proposal does not take in consideration underwater marine activity, insurance and other aspects of the project that may raise costs considerably. There are several other aspects of the project that require further consideration. These include logistics aspects, type of barges and additional studies such as underwater borings to determine sea bottom compacting or settling for rock placing purposes. Once contract is awarded it is estimated it may take up to two years to complete the project.

It is understood that a project of such a magnitude will require a financial scheme with participation from homeowners, developers and the government. Some estimates have placed this project at a price tag as high as \$15 million. Other options such as core lock technology only and a combination of rocks and core locks are still being pursued.

#### **E. Beach Access**

Ms. Rita Molinelli, chair of the Beach Access Committee, informed that she recently met with Attorney Carlos Lázaro from Muñiz & Zavala developers of Solarea to discuss the access between the Solarea Project and Crescent Beach. The developer of Solarea has agreed that the turn around circle at the end needs to be enlarged and that rocks blocking the access should be replaced with bollards to ease movement of people through the area. The addition of bathrooms along the easement as well as the installation of a wall to replace the construction fence will be considered by the developer.

Ms. Molinelli also informed that meetings are being held with Mr. Jaime Morgan, President of PDMPI and Mr. Luis Muñiz, Solarea developer seeking to establish another beach easement in the PDMPI parcel between Solarea and the Beach Club. PDMPI had promised a temporary easement in this area, however, the construction staging for the Solarea project is using that parcel. Also, archaeological investigation restrictions place additional limitations in the area. In spite of these limitations good efforts and disposition is being shown by PDMPI attempting to satisfy this community need.

Ms. Molinelli also reported that new signage indicating location of beach accesses and hours of access have been posted. However, she feels that bigger signs are needed so that people may see them with more ease.

Mrs. Isabel Maisonet asked about the cart-path Mr. Juan Ramón Zalduondo had promised through the Palmas Inn parcel. Mr. Maldonado clarified that what Mr. Zalduondo had promised was a golf cart path access between Palmanova Plaza and the new Palmas Inn project to be able to move from Harbourside to Beach Village. Since the new Palmas Inn project is on hold it is difficult to predict when such an access will become available.

#### **F. Marbella Lawsuit**

Ms. Rita Molinelli reported that there has been negotiation discussions with Marbella Club and Candelerio Point Partners. There is agreement in principle to divide the park into two major recreational areas. One area, close to the entrance of the park will be a children's recreational area containing playground equipment, bathrooms, golf-cart parking and landscaping. The second area, located where the existing park is located will be a passive recreational park with gazebos, bathrooms and parking to golf carts. A paved cart path will run throughout the parcel connecting all areas. The area will be landscaped to Marbella standards. Park will remain open to the Palmas community from 9:00 a.m. to 6:00 pm and will be maintained by the Marbella Club.

Regarding negotiations with Palmas del Mar Properties Inc. (PDMPI), Ms. Molinelli informed that negotiations continue with PDMPI along the lines reported at the last Delegates meeting. Currently both PHA and PDMPI lawyers are working on the Memorandum of Agreement, to be approved by both parties, outlining the conditions for the dismissal of the lawsuit. These conditions include the creation of a conservation trust where PHA will become the administrative agent of the Palmas Forest preserve, the transfer to PHA of approximately five (5) acres of land adjacent to the Forest for use as a passive park for visitors to the Forest, the establishment of an easement by public deed for the use of parking spaces next to PDMPI Executive Offices and the transfer of all green areas, except for 600 meters in Surfside, to PHA.

Mr. Luis Lomba wanted to know if PDMPI was asking PHA to donate to them the 600 meters in Surfside. Mrs. Molinelli replied that PHA is not donating anything or giving anything away because PDMPI is the title holder of the green areas in question. It is up to them to determine what will they transfer. She feels that the community stands to gain a lot and in her view the proposed negotiations represents substantial benefits for the community in general.

Mr. Lomba indicated that in his view the negotiations do not benefit the community. He added that the green areas were transferred to PDMPI by Caribe Canal for one dollar and there are restrictions regarding construction in these areas. He also believes that by accepting the green areas less the 600 meters in Surfside PHA will be giving away the 600 meters and allowing PDMPI to build another house in that property. In regards to the transfer of the Forest, he believes that PDMPI will benefit from a corporate tax credit while PHA will have the costs of restoring and maintaining the Forest.

Mr. Gabriel Espasas pointed out that PDMPI will be eligible for a corporate tax credit regardless to whom they transfer the Forest. If the Forest is transferred to another entity, such as the Puerto Rico Conservation Trust (Fideicomiso de Conservación de Puerto Rico), the community will have nothing and PHA will have no saying as to the future of that amenity.

Regarding the transfer of green areas Mr. Espasas indicated that some of these areas have already been transferred by PDMPI. This is done through a government mitigation process which allows you to change the use of such lands as long as you provide a piece of land of equal size elsewhere within the project. Examples of these exchanges are some land areas around the golf course and next to the Forest which were used to mitigate the use of certain green areas elsewhere to facilitate the development of other projects within Palmas del Mar. There is a consultation process that the proponent must follow and involves consulting the neighbors of the green area for which the change in use is being sought and approval by the Puerto Rico Permits Administration (ARPE).

Mr. Espasas view is that the community stands to gain a lot through negotiations while stopping the tremendous drainage of funds that the Marbella Lawsuit is causing PHA as well as to the other parties involved in the case. According to him there are too many positive opportunities in these negotiations of which the community should not lose sight.

Having an adequate recreational park with good beach access next to Marbella, a Forest preserve with an incredible ecological value, additional acreage to build a large passive park next to the Forest and possession of more than fifty acres of green areas for future community recreational projects, are all significant amenities that the community needs and has been seeking for a long time.

Ms. Frances Olivieri asked if neighbors will be consulted about the possible change in use of the 600 meters in Surfside. Mr. Bagué replied that it will be the responsibility of the proponent to conduct such consultations in accordance with the covenants encumbering these areas and to obtain the appropriate government agency permits or approvals.

Mr. Ricardo Collazo inquired into the status of the inventory of the green areas. Mr. Bagué indicated that title studies and the inventory of the green areas is in progress. This inventory includes identifying encroachments and violations of these areas.

Mr. Luis Lomba pointed out that PDMPI cannot do whatever it wishes with the green areas transferred to them by Caribe Canal. These areas are supposed to be eventually transferred to PHA thus they cannot be swapped or mitigated. Mr. Maldonado clarified that the Deed that transferred these areas from Caribe Canal to PDMPI makes reference to the Deed of Restrictive Covenants that establishes the use and ownership of open spaces (also known as green areas). Such covenants stipulate that open spaces will be transferred to PHA for, among other uses, recreational purposes. However, in the early 1990's some portions of these areas were swapped for others to accommodate private developments. These exchanges were approved by ARPE.

#### **G. Alternate Energy Committee**

The Committee met last time on August 10, 2007. The name of the committee was changed to "Palmas del Mar Energy Efficiency Equipment and Renewable Energy Sources Committee. Key items discussed at the meeting included:

1. First strategy step is to identify opportunities to reduce energy consumption or to improve efficiencies in consumption. An educational plan must be developed to raise community awareness about the benefits of using alternate energy sources.
2. A logo will be developed for the Committee.
3. A meeting will be planned to present renewable energy alternatives to the community. There is committee consensus that design alternatives must be introduced in the ARB Design Guidelines to allow for the incorporation of new energy sources technologies.
4. The Committee will represent Palmas del Mar in lobbying for legislation that will allow government to pass the Net Meter Law (Ley de Medición Neta) which will be of significant benefit to the community.

5. Information will be distributed through the PHA web-age to educate the community on energy efficiency and consumption. There will be educational seminars free of charge for the community.
6. The Committee will support every legislation activity that will allow the sale of renewable energy to PREPA.
7. The second phase of the plan will be to continue evaluating alternatives for the production of energy from renewable sources at a large scale to minimize the community dependence on fossil fuels or PREPA.

An article titled “ The need to promote the use of renewable energy in Puerto Rico and possible applications” published by Dr. Albith Colón, a member of the Committee, was distributed to all PHA Delegates.

#### **H. Palmanova Park**

This parcel was transferred free of charge to PHA on July 17, 2007. The \$5,000 deposit was returned to PHA. A land survey will be done to stake out the area and begin site clean up followed by the installation of drainage improvements. Ana Eva Cueto from City Parks has been contacted for development proposals in terms of park layout and equipment. She has visited the site and was extremely impressed with its potential for a first class recreational facility.

Mr. Jaime Morgan has advised PHA that PDMPI will include in its 2008 budget \$50,000 in matching funds for the development of the park.

### **IV. PHA EXECUTIVE DIRECTOR’S REPORT**

#### **A. PHA Building**

This project has entered its final phase with the installation of carpet and furniture. Paving of parking areas and landscaping is also scheduled to start within the next two weeks. Once PHA trailers are removed the front parking and the landscaping will be terminated. The new facilities are programmed to be operational by mid-September 2007 offering all the services to homeowners from the new locale.

#### **B. Cart Path Illumination**

Project is under review by the ARB. Equipment is on order and is expected to arrive in September 2007. First phase of the project is to install illumination in critical dark areas along Candelero Drive.

### **C. Trashcans and Signage**

Additional trashcans have been installed along cart-paths. Large drum-type trashcans have been installed along the beach accesses. Also, signs identifying beach accesses and beach access hours have been posted.

### **D. Security**

On July 31, 2007 PHA changed security service companies from Palmas Security and Protection Services to St. James Security Company. A two-year contract has been signed with the new company at excellent rates although higher than the rates previously paid to Palmas Security and Protection Services. The new services represent a significant improvement in quality and effectiveness.

Year to date there has been a decline in burglaries and illegal appropriations while interventions and individuals detained and turned over to the police has increased. No homicides, sexual aggressions, aggravated assaults or car thefts have been reported. Three robberies have been reported so far in 2007.

During the month of July there were no major crimes reported. There were six (6) burglaries, three of them in Harbourlights, and seven (7) illegal appropriations reported. A trend was identified in Harborlights and immediate action was initiated. Coordinated action with the Police and with the CIC included lifting of fingerprints, identifying potential perpetrators through interviews with neighbors, analysis of avenues of approach and laying out courses of counter measures. Actions implemented included assignment of security tactical elements to this area at night, doubling the frequency of security and police patrols, clean up of perimeter fence areas to including cutting down trees and building a 20-foot fire-wall and conducting meetings with victims to recommend individual measures to enhance the security of their properties.

Ten rescues were performed by the Beach Patrol saving thirteen (13) persons from drowning. Nearly 100 golf-cart fines were issued during the month of July. It was noted that in spite of a very busy summer with an extraordinary number of visitors and guests at Palmas, there were no major problems or incidents reported in residential or commercial areas associated with this high level of activity.

### **V. OTHER REGIME NEIGHBORHOOD ISSUES**

Mr. José Beauchamp expressed his concern with the abandoned home at the end of Harborlights. This place has become a dangerous playground for young teenagers and is a potential hide out for criminal activity. The swimming pool is full of stagnated water that is a health and safety hazard to the neighbors. Mr. Beauchamp indicated that he understood that action had been taken by PHA to have this place declared a public nuisance (estorbo público) by the municipality and wanted to know the status of such an

action. He believes that there may be a link between the burglaries in Harbourlights and the abandoned house.

Mr. Maldonado explained that last year PHA requested that this house be declared a public nuisance in accordance with a new ordinance recently passed by the Municipal Legislature. In response to PHA request the Municipal Legislature Security Commission inspected the house and declared it a public nuisance giving notice to its owner. The Municipality established contact with the owner and he requested additional time to dispose of the property. Follow up with the Security Commission is being pursued by PHA.

Mr. Maldonado also informed that during the past several months several youngsters have been apprehended and removed from the abandoned house. Parents of these youngsters have been briefed on the dangers of this place and the need to keep them away. Following an incident where an abandoned vehicle also located at this house was set on fire, four teens were apprehended and turned over to the police. Again the owner of the property and the municipality were contacted about the problem.

There has been one registered incident where people from outside of Palmas were detected at this property but ran away before the police could apprehend them. The police has not established any relationship between the abandoned house and the burglaries taking place in other parts of Harborlights. According to the CIC the distance from the abandoned house to the burglarized homes is significant enough that would force any movement between them by foot along the Harborlights road making such a possibility an unlikely alternative.

It was asked if a security guard could be posted at this house. Mr. Maldonado indicated that he will refer this matter to the Security Committee for further consideration. Also, a meeting will be coordinated with the Municipal Legislature Security Commission to follow up on the status of this house and to express the community concern with this situation. PHA as well as representatives from the Harborlights community should attend this meeting.

Mr. Maldonado suggested that the Harborlights regime may want to consider contract a security guard to keep surveillance of this area. Such a resource, in addition to the security resources already assigned by PHA to that particular area, should provide added tranquility and comfort to neighbors closer to the abandoned property. Mr. Beauchamp rejected Mr. Maldonado's suggestion indicating that PHA has more resources and funds and thus should provide these services. Mr. Maldonado pointed out that the Harborlights regime collects dues from its residents and perhaps some of those funds could be used by the Harborlights regime to help tackle the concern brought forth by Mr. Beauchamp.

Mr. Servando Díaz inquired why so many visitors are allowed into Palmas at very late hours. Mr. Maldonado explained that visitors are turned away at the entrance if they indicate they intend to visit an establishment that is already closed. However, if they indicate they intend to go to the Casino or an open establishment and it is still open you

cannot prohibit the entrance. Additionally the Municipal Code of Order establishes closing of business at midnight, Monday through Thursday, and 2:00 am Friday through Sunday. In addition to the Casino there are two establishments at Palmanova Plaza that remain open until these hours.

Mr. Ricardo Collazo inquired into the percentage increase in St. James security service expenses by PHA. It was indicated that the change in services represented a 17% increase in costs to PHA.

## **VI. ADJOURN**

The PHA Delegates Committee adjourned at 9:35 pm upon a motion by Mr. Ricardo Collazo seconded by Rita Molinelli.