



MARTIN DOWNS PROPERTY OWNERS  
ASSOCIATION, INC.  
3501 SW CORPORATE PARKWAY  
PALM CITY, FL 34990

**APPROVED**

**MINUTES OF THE  
ATTORNEY-CLIENT CONFIDENTIAL  
MEMBER REPRESENTATIVES/  
BOARD OF DIRECTORS SPECIAL MEETING  
MDPOA MEETING ROOM  
January 20, 2024**

In attendance were the following:

**MDPOA Board:** Timothy Graham, President  
Patricia Brimlow, Vice President  
Laura Cardinale, Treasurer

**MDPOA Staff:** Jody Armstrong, Administrator  
**MDPOA Attorneys:** Elizabeth Bonan, Esq., REB Law  
John Carrigan, Esq., REB Law  
John Chiocca, Esq., CSK Law

**Member Representatives:**

Carla Musselman, Admiralty (49); Carol Vertesch, Charter Club (204); Salvator Milazzo, Clubhouse Court (48); Diane Ranaldo, Eagle Lake (114); Luis Rubio, Heronwood (157); Carol Paprotna, Islesworth (123); Todd Rosenhaus, Mallard Creek (43); Jay Mahoney, Manero's (8); Jay Mahoney, Martin Downs Business Park (355); Joe Carr, Meadows (832); Bobbie Howard, Monarch HOA (526); Mary Grover, Monarch Club (60); Bob Leach, Montebello (20); Brian Wenrick, Palm City Golf (32); Dave Phillips, Pheasant Run (30); Rick Mariani, Pine Ridge (300); and Rose Wright, Sunset Trace (596).

**CALL TO ORDER**

The Member Representatives meeting was called to order by Timothy Graham, President, at 10:02 a.m.

**QUORUM**

President Graham verified that a quorum was present.

## **KATZ LITIGATION**

President Tim Graham, Liz Bonan, Esq., John Carrigan, Esq., and John Chiocca, Esq. gave details regarding the lawsuit brought against Martin Downs Property Owners Association, Inc. (MDPOA), Shenandoah General Construction Co., and Dennis Rohan (then President of MDPOA) by David Katz and Barbara Katz regarding a surface water drain pipe found under the Katz' residence at 3926 SW Creekside Terrace, Palm City, in 2015, installed by the original developer, Southern Land Group, in the 1980's, prior to a builder building a home in 1986 on the parcel containing the drain pipe. The drain pipe went undiscovered until found during normal maintenance inspections by Shenandoah as contracted by MDPOA. Once found, it was determined by South Florida Water Management District, Shenandoah Construction, Culpepper & Terpening Consulting Engineers and others, that the best and normal correction was to install a new drain pipe in the correct Drainage Easement location, shown on the original Plat from the developer, and to abandon the drain pipe the developer had installed incorrectly under the residential parcel of land, by filling the drain pipe with "concrete", thus making it solid and no longer a working pipe carrying drainage water from the street to the creek. The most recent demands from Katz' were for \$1,500,000 Damages and \$1,400,000 attorney fees. The Members were advised the attorney fees would increase based on the length of the upcoming jury trial, and again if there were any future appeals. In addition, Scottsdale Insurance had recently provided a Reservation of Rights Letter warning they might not pay for some of the 13 counts if Katz' prevailed, or the Plaintiff's attorney fees.

John Chiocca, hired by Nationwide / Scottsdale, to defend MDPOA and Dennis Rohan, and John Carrigan, legal counsel to MDPOA, provided insight into possible outcomes of the jury trial, due to begin Monday, January 22, vs settling the case in advance of the trial. And further, the reasons why REB Law believed a settlement should only be considered by MDPOA / Rohan if it was global, rather than setting aside those fees for judgement, especially considering Plaintiff's legal fees were currently alleged to be \$1,400,000.

After much discussion, a Motion was made and seconded as follows: Motion to Approve the Association President with Settlement Authority of up to the following to bring global resolution to the litigation:

- (i) \$550,000 to purchase the Katz Property, subject to an inspection and appraisal
- (ii) \$500,000 in cash
- (iii) dismissal of case with prejudice and general release (and other customary settlement terms and conditions)

The Motion passed unanimously.

## **ADJOURN**

A Motion was made and seconded to adjourn the meeting. The Motion was unanimously approved, and the meeting was adjourned at 12:30 p.m.

Respectfully submitted,

Jody Armstrong, CAM  
Administrator