

**CALIFORNIA-NEVADA-HAWAII DISTRICT
THE LUTHERAN CHURCH-MISSOURI SYNOD
BOARD OF DIRECTORS MEETING**

**-PROCEEDINGS-
“Conference Telephone Call”
August 30, 2007**

1. CALL TO ORDER/PRAYER-First Vice President-The Rev. Dr. Thomas Zelt

2. BOARD ROLL CALL √ = present
 * = voting member

District Officers

President - The Rev. Dr. Robert Newton
√ First Vice President - The Rev. Dr. Thomas Zelt *
√ Secretary - The Rev. Mark Haas
√ Treasurer - Mr. Art Kroeger

Regional Vice Presidents

√ The Rev. Mike Lange (Southern Region)*
√ The Rev. Paul Hoffmann (Pacific Region)*
√ The Rev. James Beyer (Northern Region)*

Regional Directors

√ Mrs. Kathie Lindquist (Southern Region)*
√ Mr. Tom Hurley (Pacific Region)*
√ Mr. Jack Adolphson (Northern Region)*

Commissioned Minister Director

Mrs. Cynthia Rothas, Teacher*

Staff

√ Mr. John Whaley, Mission Counselor

Guest

√ Mrs. Jan Killingsworth, CNH-CEF Representative

3. Regarding Real Estate Contract for 2780 Constitution Drive

Once the “Conference Telephone Call” began, Chairman Zelt turned the discussion leadership to Mission Counselor John Whaley to describe the contract received regarding the purchase of one-half the current Ministry Center. Jan Killingsworth, representing the CNH District Church Extension Fund, contributed additional information for the Board to consider. The contract is one that had been negotiated since the end of July 2007.

The basics of the contract are:

1. All of the 2780 Constitution Drive is being purchased (approximately 12,500 sf.)
2. Purchase price is \$2,725,000.00 (We were originally listed at \$2,832,750.00)

3. Owners will be "Happy Fish Swim Club." Their intent will be to install a swimming pool and conduct business as a swim club. This is a potential sixth operating site that would be open as a seven-day-a-week operation.
4. There are no T/I requirements by CNH (other than the "condo" project) for the project.

Additionally noted:

1. The condo project is in process with a civil engineer. Plans could be available within a week.
2. Closing could take place yet in 2007.
3. One half of escrow/title insurance is to be paid by the buyer.

Discussion items proposed by the Board included:

1. Parking lot congestion, especially if there would be swimming competitions on the site?
2. How large is the pool?
3. Who is responsible for upkeep and wear and tear on the property?
4. Chemical controls?
5. Do we have any other offers?

It was noted that CCRs (Conditions, Covenants, and Restrictions) would designate parking spots, need for permission for overuse of the parking lot, etc. As the "Condo-izing" of the building takes place, HOA (Home Owner Association) type conditions would be in place for liability insurance, maintenance, etc.

After completing its discussion...

It was moved and seconded to accept the offer contingent upon the questions, concerns, and comments expressed by the Board being adequately answered.

It was moved and seconded to amend the previously motion to identify John Whaley, Jan Killingsworth, Tom Zelt, and Kathie Lindquist as the Board's representatives to negotiate the response to the offered contract and accept the offer when satisfied with the response.

It was moved and seconded to approve the amended motion. Chairperson Zelt polled all involved in the telephone conference call. The motion carried unanimously.

Respectfully submitted,

Mark W. Haas
CNH District Secretary