

Region 4 BOD & Club Presidents Teleconference

Meeting Minutes

August 22, 2007

Call to order

Dave Mikels called to order the teleconference meeting of the **Region 4 Board and Club Presidents** at **9:15 P.M.** on Wednesday, **August 22, 2007.**

Roll call

Officers present: Dave Mikels (Regional Director), Bill Perry (Assistant Regional Director), Kim Mathias (Secretary), Michelle Troyer (Treasurer), Rob Stambaugh (Safety), Pete Hawkins (Tech), John Klimowicz (Publicity)

Club Presidents present: Rob Stambaugh (Buckeye), Rick Thomason (Mini Indy), Mark Wilsdon (Lansing), Kevin Bodine (Kokomo), Brian Leffel (Miami Valley), AJ Troyer (Mac-O-Chee), Eric Rankine (Toledo), Jim Cremonesi (Waterford).

Dave stated that the purpose of tonight's meeting is NOT a conference call to discuss Region 4 leaving QMA. Dave wanted to bring everybody up to date on the selection of the new management company, spec tire committee, and Tier III motors.

Management Company Selection

- A vote for the new management company was taken amongst the National Board. The two choices were Karen Altunno-Edmiston and Gaches, Braden & Barbee Associates (GBBA).
- The vote was 4 - 2 for Karen Edmiston (For - Pepe, Tanner, Mostek, Tankersly / Against - Cook, Bailey)
- Dave expressed his concern with Karen. He felt that one person can't do the job. In the 70's there was a problem with two National board members and she was one of them.
- Dave was unclear of the fees that GBBA and Karen were asking. There was speculation of Karen's fees being similar to the management company but not offering the same services and she was asked about lowering her price. Karen is requesting a computer, cell phone, printer, and for QMA to pay her bonding. In addition, she will only be available via phone from 8AM-5PM EST.
- Bill Perry requested more information about the candidates from HR Cook to review with the presidents this evening. HR did not respond to his requests.

- The club presidents discussed the advantages of GBBA over Karen
 - o Lobbyists could help tracks that were being forced by local municipalities to close. An example would be the Pomona track
 - o Certified accountants
 - o Web experience
 - o More resources

The club presidents discussed the disadvantages of a single person doing the management of QMA

- o One person watching QMA \$\$ with tire spec deal and memberships
- o Too similar to Kim Kendall. If money goes astray, QMA will be in the same boat. With a corporation there are more avenues to take to retrieve money.

Question – Does QMA still have access to USAC law team?

Answer – (Dave) Good Question. I will find out.

Question – Where is the financial statement?

Answer – Dave indicated that he should receive it this evening (8/22).

Question -- We need to know what the fees are, both for Karen and GBBA.

Answer (Dave) – Will try to get that info from HR. There is a 90 day out clause and the contract is for 18 months.

Question – Any reason why Karen was chosen?

Answer (Dave) -- some reasons he heard were:

- it would take too long for a corporation (GBBA) unfamiliar with QMA to get up to speed

Question – Karen hasn't been involved in daily operations of QM racing in 20 years? How did she get back involved? Will she get up to speed faster? There have been many changes in paper work in 20 years. What happens if Karen is sick, on vacation, or unavailable? Who takes care of QMA business then? What is the plan?

Question – Is Karen a CPA or have experience in corporate accounting?

Answer (Dave) – I don't know.

Question – What were USAC fees?

Answer (Dave) – I don't know for sure. I think approximately \$70,000. But, Courtney did not receive that entire amount as a salary.

Question – If Karen is only working 8–5 EST, how are the West coast people going to get information?

Answer (Dave) – I don't know. I know that Courtney worked late because I talked to her sometimes after 8PM.

Question – When do we get details on the proposals? The proposals should have been made public on the website or mailed to club members.

Answer (Dave) – I don't know. I will ask that the information be made public.

Question -- What choice or recourse do we have if the selection is a done deal?

Answer (Dave) -- Formal letter from region to National and all Regional Directors stating region 4's concern over the choice of the management company. In addition, Dave stated that an RD meeting is scheduled for next Monday and he will bring this concern about the management company to the meeting.

Motion to send a letter of concern to RD and National board about the selection of a management company. (Mark Wilsdon / Kevin Bodine). Carried unanimously. Bill Perry will compose email to send to the Regional Directors and the National Board.

Spec Tire Committee Update

Bill read email that Dave received from Scott Benning. Email below:

Tire Committee

We need to decide on a Spec Tire and transmit our decision to the NBOD for approval so the Spec Tire can be announced Sept., 1, 2007.

Both Jerry and Myself attended all three grands, we observed tire usage and we talked tires to anyone and everyone. At the Eastern Grands, Scott T., Scott C. & Dave M. observed the use of tires and talked tires to the members. C2C ran an interview type article on the "Spec Tires" explaining what was going on and requesting input from the membership. To date I have received 15-20 calls but only 3 E-Mails. It would seem that we have done our due diligence and should now be in a position to make a final decision.

Please attend the spec tire committee phone conference immediately following the Tech conference call on Monday. We will discuss and vote then.

Thank you for your time and dedication in implementing the "Spec Tire".

Scott B.

Dave said that he was surprised to receive this email and that he and another member of the spec tire committee feel that a decision has already been made.

Comments made from the club presidents and other board members:

- C2C opinion poll was only on the .com site. It was buried among other items and is hard to find.
- Where is the test data? We need charts and graphs. Decision should be based upon scientific data, not personal opinions.
- Tracking of monies and number of tires sold will be an administrative nightmare.
- What will the money be spent on?
 - o Dave said that Scott Tankersly suggested paying for club's track insurance or create a scholarship fund. Dave also said that Jerry Mostek suggested purchasing a QMA tech trailer for the Grands.
- Where are the returned responses from the Request for Proposals?
- Isn't the purpose of the spec tire to contain cost?
 - o Dave indicated the spec tire committee is proposing to bar code the tire. You would qualify on the tire and then run the A main on that tire. If you qualified into a lower main, you could run a different tire, but you must use the tire you qualified with for the A main.
- What's the consequence for not adhering to a spec tire?

Question – Dave have you tested any tires?

Answer (Dave) – I have tested four brands of tires, all on my own dime.

Question – What can we do?

Answer (Dave) – Members should contact members of the spec tire committee and inform them of their concerns. Dave will also bring these concerns to the RD meeting and spec tire committee meeting.

Tier III Motors

Dave talked about the two different options to make the Tier III motors equal to the existing GX120 and GX160 motors. The timing is different in the Tier III, making the older motors faster. To make the motors perform equally two things can be done. The first option is to use a flywheel. However, the flywheels are not readily available from Honda. But, if QMA put an order in for 1180 flywheels, for \$70,000, then Honda could have them in 90 days. QMA would then sell and distribute them for approximately \$60 each. The second option is to use an offset key in the Tier III motor. This would cost approximately \$5.00 each. There is already a timing spec, so you would tech the motor by making sure they met the specification.

Comment – Seems as if the motor dealers stand to make a lot of money in this deal.

Dave indicated he would also address this concern in the RD meeting next Monday.

Adjournment

A motion to adjourn the meeting. M. Wilsdon/P. Hawkins. Carried unanimously.

Dave Mikels adjourned the meeting at **10:40 P.M.**

Minutes respectfully submitted by: **Kim Mathias**