

Sunset Bay Merritt Island Condominium Association
Minutes of the Board of Directors' Meeting
Thursday, August 18, 2016

Call to Order/Establish Quorum of Directors: President Jeanette Shultz called the meeting to order at 6:02 pm in the clubhouse at 225 S. Tropical Trail. Present at the meeting was Secretary Diane Dahmer. Attending by conference phone: President/Treasurer Jeanette Shultz, Vice President Dale Hartzell, and Director Robert Moskovitz. Director Coral Bailey was absent. Lynn Hiott with Reconcilable Differences was also present. Unit owners in attendance were: Will Johnson.

Approval of the Board Meeting Minutes of July 19th: Jeanette motioned to approve the minutes from July 19th as written, Dale seconded, and all were in favor.

Financial/Collections: Lynn reported the following: As of **July 31st, 2016**, the operating account at BB&T showed a balance of **\$223,567** and Sunrise Bank has a balance of **\$24,188**, which both total **\$247,755**, but of that amount, **\$29,837** was from prepaid assessments, leaving a balance of **\$203,730**. There is **\$143,103** in the Reserve Accounts for future repairs. Accounts Receivable are at **\$30,850**. The current profit and loss statement shows the association over budget by **\$32,343 for the year**.

Collections Update: The following accounts were assigned with Alliance in Collections are: Unit 108-89652-\$5049.48; Unit 116-77151-\$4386.82; Unit 219-88115-\$4313.40; Unit 303-77135-\$2942.99; Unit 311-77117-\$1256.52; Unit 421-76969-\$765.27.

Remaining units that are delinquent, management is working with in trying to get their account balanced out or proof of payment shown or just simple information on how to contact them because they are just paying the wrong amounts.

Unfinished Business:

Doggie DNA and Forms: Lynn reported that she reached out to two different doggie DNA companies. Poo Prints and Mr. Dog Poop. Lynn included their FAQ Sheets from their website into the Board packages and she highly suggested that the Board investigate on their own. Poo Prints agreed to come and present his package at the September or October meeting. Mr. Dog Poop sent an introduction package that has all the pieces and parts to testing. It seems relatively easy. Lynn also presented the Board with the registration forms for the dogs. Jeanette made a motion to approve the immediate usage of the registration forms, collecting the \$50 doggie DNA registration fee and starting the data base with either company. Dale seconded this motion, and all were in favor. Lynn stated that each animal would be assigned a unique identifying number once the animal is registered, the dogs will have to wear their registration tags at all times. Lynn also reported that the forms will be placed on the website and added into the Rules and Regulations to better explain the

fining of non-compliance. The first offense is fined \$150, 2nd offense is \$250, and third offense is \$350 and the animal will be noticed to vacate the property permanently. Lynn will get this information out to the owners and the tenants and the Board agreed to make it mandatory for registering the animals with the DNA swabs before January 1, 2017.

Dangerous Breed Update: Lynn reported that she emailed the insurance carrier for a list of dangerous breeds that they feel should be included in our rules. The Association insurance agent replied back and his emailed list includes: Akita, Alaskan Malamute, American Staffordshire Terrier, Bullmastiff, Chow Chow, Doberman Pinscher, German Shepherd, Great Dane, Pit Bull, Presa Canario, Rottweiler, Siberian Husky, Staffordshire Bull Terrier, any wolf hybrid and any mix of these breeds. This is a pretty large list, and management does not agree with listing what breed is allowed and not allowed, but we do support what Sarah stated on the Rule committee and that is: "I'm concerned if the elected Board deems a breed dangerous or a nuisance what will be the guidelines they will follow? For example, State of Florida deems an animal dangerous not a precise breed. That particular animal had to do certain things before it is deemed dangerous that particular dog NOT BREED." This make a lot of sense. If that dog bites someone or another dog, charges get reported and filed, that dog then is labeled "dangerous" and at that time, the Board can then deny the animal the right to live within the community. The Board all agreed to allow this to be discussed within the rule committee and once agreed upon, they will present their version to the Board.

Vending machine contract: Management has reached out to a few in the area, but none of them have gotten back to us as of this meeting. This topic will be tabled for further research. Lynn updated the Board that Brevard County School vending machines were only earning a 6% commission on their sales, where currently the association is receiving 20% commission.

Seawall Issues: Management has reached out to Pete Kaiser with Shorelines about him getting the engineer drawings started. This is in the works and will be updated to the Board by the next Board meeting.

Management also contacted Joe with Lake and Wetland about the Shoresox (shoreline preservation) and coming for a presentation. He is currently on vacation, but I have requested that he attend the September meeting. He will try to attend the September meeting to discuss his contract with the Board.

Roof of 300 Building: Management reported that they reached out to Total Home Roofing, and they submitted a proposal for \$48,000 for the replacement of the 300 building roof. Craig with Rock Roofing stated \$50,000 would cover the replacement of the roof, all replacement plywood, and upgrading from the felt to the peel and stick underlayment. Jeanette agreed that this roof needed to be done ASAP, so wanted management to get a written contract from Craig stating that the \$50,000 tag would cover everything. Management will get with them and get something in writing to show this.

Security Camera System: Lynn reported that she has tried to reach out to several local dealers for proposals and none of them have been returned. Innovative Surveillance has given a reasonable proposal and management feels confident in their abilities. Due to all the damages being done, Jeanette agreed to approve Innovative Surveillance contract up to \$3500. Dale seconded this motion and all were in favor. Lynn will get this started immediately.

Committee Updates: No committee members were at this meeting, so there are no updates.

New Business:

Fire Sprinkler Opt Out Amendment to send to Owners: New Fire Sprinkler Requirements: Lynn reported that the units are not sprinkled individually, so in order to sprinkle each unit, it would be in excess of \$10,000 for each unit to sprinkle. To retro-fit these areas would be extremely costly, but Florida Statute wording has been changed to require this retro-fitting within 5 years unless a majority of the owners vote to “opt-out”. The attorney has been asked to write up the ballot and cover letter to help all owners understand. Once we have the requisite votes, the attorney will file that vote with the county, and the association should be safe from future requirements to retro-fit. These areas would include the common areas as well as inside the units. Jeanette implied that the cover sheet was very important to this vote and had to be detailed for the owners to understand the importance of voting. Jeanette made the motion to approve the mailing of the Opt out vote to all owners, Dale seconded this motion and all were in favor. Lynn will email this vote to those emails that the office has, and those that we do not have emails for will be sent by regular mail. Lynn reported that all votes must be returned by October 10th.

AC Condenser lines: Lynn reported that there have been multiple concerns expressed over these “wall units” which there are 24 of these. The AC units do not have condenser lines attached to them and so they continue to leak all over the balconies into the unit below them balconies and this is doing severe damage to the common elements. The wood continues to rot away. Management asked an AC company to come in and write up specs and give us an estimated cost per line to add, so we can then approach the owners with the spec guidelines to follow have them get it done within a certain amount of time or Association can do it and charge their account accordingly. Better Built AC & Heat returned the specifications and are stated as: Cleaning the AC drain pans for 8 lower units and 8 upper units as were shown to us, cut away the existing drain lines if any, install new CPVC ¾” drain lines. The new drain line will follow the building wall and will be a minimum of 12 inches from the patios and come out 12 inches from the building. The drain line will be secured to the building with PVC straps and tap cons. The PVC straps are a gray color and the PVC drain line and fittings are a dull yellow. The cost for the lower units are \$159.39 each. The cost of the upper units is \$265 each.” Dale made a motion to approve this company to complete the work after contacting all the owners this affects. The association will complete the work so everything is uniformed, but then the owners will be billed accordingly. Jeanette seconded this motion and all were in favor.

ARC Requests: Debbie Unit 708 was approved in 2014 to tile the unit, however she did not tile at that time, so is asking for current approval. Due to this already being approved, Jeanette approved this work in-between meetings. Jeanette makes a motion to ratify this approval, Diane seconded and all were in favor.

Unit 611-Charles requested to install cedar planks and a ceiling fan in his enclosed balcony. The Board all agreed that this could not be approved due to the changes of Limited common elements. Management will get him the denial letter sent immediately.

Bright House Internet and office phones: Lynn reported that currently the clubhouse is open to all residents to utilize the “Free Internet” as a perk of living in Sunset Bay. The problem with this is the association is now held reliable for anyone doing anything on their internet, looking at porn, fraudulent activities, etc. So in order for the association to not be responsible, they need either a split line that allows the users to sign on and waive the associations responsibility or just simply a separate internet feed. To add a guest Wi-Fi feed, there is an upcharge of \$50 to the account. This would separate the office from the residents. Right now, a good computer person can get into all of the office computers and see or do what they would like. Basically the office is not secured by sharing the IP address with the residents. If you want to continue to allow them to have internet at the clubhouse, then the only way to go is to approve the upcharge of \$50 so that they are now on their own. Bright house also has a “Hotspot” which most businesses have for their owners to use which cost the association NOTHING, but the residents must have internet with bright house at their own unit to utilize the free hot spot, which I am finding out, most tenants do not elect to get cable and internet, so they utilize the clubhouse so they would not benefit from the Hotspot. They would have to pay per daily or minutes to use their hotspot Wi-Fi. I have the numbers for the breakdown. Basically we are paying \$156 for what we currently have, and by adding the guest Wi-Fi we will raise the bill to \$197 per month without taxes and fees. Jeanette made a motion to approve moving forward with allowing Bright house to add a secured 2nd internet line in the clubhouse for the residents at a \$50 upcharge. Diane seconded, but Dale opposed. Majority said yes, so this motion was approved. Management will get with Bright house to get this work completed.

Owner requested “Parking Spots”: Will Johnson would like the Board to consider going like the Documents are stated and assigning parking spots especially in front of the buildings. Apparently, parking is a problem here and he stated that at times some residents have to park away from their unit due to the excessive number of cars that residents own. So in the Docs, it clearly shows at one time there were assigned parking spaces. The Board will look into this further and discuss at another meeting. The Board does like the committee suggestion made by management and Dale agreed to Chair this committee. Once he is back in Florida in a few months, he will get with Will and present something to the Board at a later time.

Owner requested “Bicycle storage”: Will also brought this request forward. Management went and looked at the garages and they are full with bicycles. Some of these bicycles have been sitting for so long they have tons of cobwebs on them and flat tires. Management suggested implementing a decal/registration system for all bicycles and kayaks. During the interim, management will give residents until November 10th to come to the office and register their bicycles and kayaks and get a decal for their items. Those that are not registered after November 10th, we will hold in a secured garage and if not claimed within 15 days, those bicycles will be donated locally. The Board were in approval of this process and suggested that the website hold these forms and for the newsletter to discuss this as well. The rules will be added regarding registration. Management will get the decals ordered.

Manager’s Report-Unit 409 management was demanding the association to be responsible for an invoice from LB Drywall for repairs inside the unit that were allegedly during the roof repairs. The Board all agreed that they did not grant permission for this work to be completed and if there was something agreed upon with Rock Roofing, then they had to go through Rock Roofing, not the association. Management will let this property manager know.

Lynn reported that the office will be closed with notice posted on August 25th for her to attend continuing education class for her CAM license. Also, the office will be closed on September 1st as she is going on vacation. The Board were in approval of these dates as long as there were signs posted on the office doors.

Lynn also brought up if the Board was in favor of us asking the owners to vote to lower the requirement of the end of year financials from an Audit to a review. The cost of an audit is \$4900 and a review is estimated at \$1900. The Board were all in agreement to ask the owners to vote for the lower requirement for 2016 financials.

Owner Input: None.

Set Next Board Meeting: It was agreed that the next meeting will be held on **Thursday, September 22nd at 3 pm** in the clubhouse. This meeting will hopefully be the approval to mail out the proposed budget to the owners and vendors come to speak.

Adjournment: There being no further business to discuss, the meeting was adjourned at 7:17 pm by Jeanette Shultz.

Respectfully Submitted,
Lynn Hiott, CAM #35322
Reconcilable Differences, Inc.