

Sunset Bay Merritt Island Condominium Association
Minutes of the Board of Directors' Meeting
Thursday, September 6, 2018

Call to Order/Establish Quorum of Directors: President Jeanette Shultz called the meeting to order at 1:05 pm in the clubhouse at 225 S. Tropical Trail. Present at the meeting was President Jeanette Shultz and Secretary Diane Dahmer. Attending by conference phone: Director Robert Moskovitz. Vice President Dale Hartzell and Treasurer Coral Bailey. Lynn Hiott with Reconcilable Differences was also present. No unit owners in attendance.

Approval of the Board Meeting Minutes of June 7th and June 28th: Jeanette made a motion to approve the minutes from June 7th and June 28th as written. Coral seconded, and all were in favor.

Financial/Collections: Lynn reported the following: As of **July 31, 2018**, the operating account at Sunrise Bank showed a balance of **\$66,076**, but of that amount, **\$23,992** was from prepaid assessments, leaving a balance of **\$42,804**. There is **\$289,334** in the Reserve Accounts for future repairs. Valley National Loan shows that we have borrowed \$314,349 of the \$500,000 loan for the seawall and shoreline projects. Accounts Receivable are at **\$9,123**. All owners have paid in full except one owner with a large outstanding balance and they are on a payment plan, currently owing \$4551. The current profit and loss statement show the association over budget by **\$4,189 for the year**.

UNFINISHED BUSINESS:

Seawall Update: Lynn reported that progress has been occurring. The additional 150' of seawall panels have been installed. The concrete cap has been poured and they are filling in currently with the dirt. We look to have irrigation lines repaired in and around the seawall locations this week and then next week to have the sidewalk poured, all depending on weather. Shoreline Construction has been very professional and a great company to work with.

Shoreline Update: Lynn reported that the riprap along the shoreline has been completed, along with the kayak launch area (which everyone loves, and it looks awesome). We have had several rain storms and so far, things have held good.

Roof Update: Repairs were completed on 800 building as there was considered shoddy work from first roof company "Rock Roofing". There was water still intruding units 803 and 804. RanewPro came out and took everything off this peak, replaced the rotted wood around the chimney as well as replaced both chimney caps and encasings. There were interior damages and RanewPro repaired all interior damages right away. No further complaint of leaks since the work has been completed.

Mediation Update: Jeanette and Lynn will be attending another mediation on September 11th regarding the lawsuit pending. We will update at the next Board meeting.

NEW BUSINESS:

Building 300 repairs: We received a bid from Joe with Jag to repair a lot of unknowns with the west wall of the 300 building. This affects units 315, 319, and 323. These units continue to get water inside their units when it rains. The siding is covering a lot of the rot, but clearly water is intruding. With the proposal to repair the wall, we learned that the windows must be removed and cannot be replaced unless they are up to code standards. The owner will have to be responsible for the window costs. However, the Association will have to settle on a contractor to complete this work with the window installation. Lynn has reached out to several window companies and to the contractor JAG. She is negotiating with them to get a good price on the windows. More research must be completed but the Board agrees the wall must be repaired sooner rather than later. Lynn will update the Board amongst her progress. The Board agreed that they would prefer JAG to do all the work including the windows but will have to explore other options for the owners. We have several quotes from Lighthouse, Whitfield, and JAG to make an executive decision. After agreeing to the contract, we will still have 6-8 weeks for the windows to be ordered and county permitting before actual work can be accomplished.

Back Gate/Fence Repairs-Lynn reported that she has contacted and am waiting on proposals from Central Florida Fence, AAA Quality Fence, East Coast Fence, Viking Fence and Professional Grade Fence. We did contact our welder who works for RDS Industrial as he welded the fence a few years ago and is very good. He quoted he could remove the existing pickets, fabricate, powder coat and install 1/2-inch steel pickets with spears for a total cost of \$14,645. As stated we are waiting on bids from the other companies for vinyl fencing and/or aluminum fencing options. The same companies are also bidding the fencing at the south property alongside the 900 building.

Painting exterior of a building: Looking for solutions as the buildings are desperately needing to be painted. Anchor painting gave us a proposal for building 500 cost of \$12,000 and building 700 \$14,000. To do the right painting and sealant for the buildings the cost is higher as it is more labor and thicker paint, cost of 500 building is \$16,455 and building 700 is \$18,995. Lynn stated that the buildings need to be started on a rotation cycle of getting painted. Some owners have requested to update the paint scheme within the community, which would be an ultimate owners vote. The Board requested to get several proposals from other companies for the 500, 700, and 700 buildings. Lynn will reach out to various companies.

Assoc owned website: This was tabled as more research must be completed and reported to the Board.

Landscaping Committee Update: Lynn reported that as soon as the sod is available and not a huge amount of money, we will begin to get pallets brought in by landscaper to help in the areas that were damaged by machines for the shoreline, as in behind the 900 building and 400 building to start with. Cypress Mulch and sod returned a price per pallet with labor putting it down at \$205 for Argentine Bahia and Seville per pallet is \$280. Mulch was \$105 per cubic yard with a \$315 minimum. Our landscaper, Precision Grounds quoted us at Bahia \$120 delivered and installed and Floratam at \$190 delivered and installed. Mulch was \$600 truck load of 21 yards installed. Sod is with a minimum of 6 pallets for the pricing. The Board was all in agreement to get sod placed as soon as we had irrigation and the sod farms were releasing the sod.

Budget Discussions: Jeanette, Coral and Lynn will be discussing the proposed budget to get it prepared for Board to discuss. However, some of the projects we are looking into for 2019 to budget for are: Pool/spa to be resurfaced and updated to LED lights in the pool; Replacing stack of balconies (two at a time) inhouse; replace the golf cart, install sod with new plants; LED lighting throughout the community going with solar lights; painting 1-2 buildings, repairs on stacks that are partially enclosed, back gate and fence repaired and fence replaced behind 900 building.

Mailbox Repairs-Tabled for further information.

Pool Resurfacing-Tabled for further information

Amendment for Assoc to approve new buyers/renters with an administrative fee applied for a background/credit check to be completed by BOD. (Need to send to owners for a vote with Annual Meeting) Attorney wrote an amendment approving new tenants and new buyers by completing a background check on each listed occupant. The cost is \$49.99 for a background/credit check. These are done nationwide. The Board will be looking for felonies and can they pay their HOA dues monthly (for new owners). With this amendment, the Board can then require all residents to register with the office before move in. If the resident has felonies that are forbidden (sex predator, armed burglary, drug charges, etc.) this could give the ability to the Board to deny residency here at Sunset Bay. If two names are on the lease, both occupants pay the \$50 per person and get background checks on both. Under 18 is not required to complete checks on. It will clean up the community for sure. Currently, the Board has no authority to approve or disapprove anyone living in the community. The Board requested that a clause could be added to the form allowing the owner of the unit to also receive a copy of the reports. Attorney wrote: Section 17.8 Leases No portion of a Unit (other than an entire Unit) may be rented. Leasing of Units shall not be subject to the prior written approval of the Association as more particularly set forth herein, however No Unit may be leased without the advance, written approval of the Association. No portion of a Unit may be leased separately, and subleasing shall be strictly prohibited. All leases shall have a minimum duration of twelve (12) months. The Association shall be entitled to conduct a criminal, credit and background check for all proposed occupants over the age of eighteen (18) with the cost to be borne by the proposed occupant. Grounds for denial include, but are not limited to, any criminal conviction or an adverse credit history as

reported by any credit reporting agency. No Unit Owner delinquent in any monetary obligation owed to the Association shall be permitted to lease their residence. The Association shall require completion and submission of an application by the Tenant as part of the application process which may include disclosure of the social security and driver's license information of all proposed occupants over the age of eighteen (18) as well as the make, model and tag of all motor vehicles which will be used by any proposed occupant, in addition to such other information deemed necessary by the Association to render a decision. Any lease not approved in writing prior to occupancy shall be deemed null and void and the occupants shall be removed by the Owner at the direction of the Association. Failure to do so shall entitle the Association to undertake eviction proceedings in accordance with Florida's Residential Landlord Tenant Act and the Association shall be deemed the Owner's irrevocable agent for purposes thereof. Should the tenants violate the terms of this Declaration, any Use Restriction or Rule, all as amended from time to time, on more than two occasions, said violations shall be grounds for immediate eviction of all occupants under Florida's Residential Landlord Tenant Act and the Association shall be deemed the Owner's irrevocable agent for purposes thereof. In the event a Court of law shall determine that the Association is not entitled to proceed under Florida's Residential Landlord tenant Act, Association shall be entitled to such equitable or legal relief as the Court shall deem proper to effect removal of the occupants, including the remedy of ejection. All costs incurred by the Association in enforcing the terms hereof, including all attorney's fees and costs, whether suit be brought or not shall be recoverable through imposition of a Specific Assessment. For purposes of this leasing provision, leasing shall be defined as the exclusive occupancy of a residence by someone other than the Owner for a period greater than thirty (30) days.

Manager's Report: Lynn will be out of the office October 2-8th, the office will be closed with a sign on the door. She will be available for all calls and emails as she will be out of state during this time. This is budget time, so she will still be working remotely with vendors and owners. The Board were all in agreement that the office did not need to be manned during this absence.

Owner Input: None.

Set Next Board Meeting: The Board will meet Thursday, October 11th at 1 pm to approve the draft budget to mail to the owners. The Board hopes to have the Budget approval meeting on Thursday, November 2nd. Once budget is approved, new coupon books will be ordered and mailed.

Adjournment: There being no further business to discuss, the meeting was adjourned at 1:49 pm by Jeanette Shultz.

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