

Sunset Bay Merritt Island Condominium Association
Minutes of the Board of Directors' Meeting
Thursday, June 7, 2018

Call to Order/Establish Quorum of Directors: President Jeanette Shultz called the meeting to order at 1:08 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 were absent. Lynn Hiott with Reconcilable Differences was also present. Unit owners in attendance were: Holly Feltner, Barbara Webb, Nina Corbellini, and Willie Johnson.

Financial/Collections: Lynn reported the following: As of **April 31, 2018**, the operating account at Sunrise Bank showed a balance of **\$222,155**, but of that amount, **\$27,479** was from prepaid assessments, leaving a balance of **\$194,676**. There is **\$229,579** in the Reserve Accounts for future repairs. Accounts Receivable are at **\$6,844**. The current profit and loss statement shows the association under budget by **\$10,900 for the year**. We have borrowed \$250,000 from our loan with Valley National for Seawall Repairs. The AR account is showing one owner owing, who is going to Court Sale on June 14th.

UNFINISHED BUSINESS:

Lawsuit Mediation Update: Management sent an email to all owners that stated: "The Board attended mediation on May 1 and 2, 2018. Although no monetary settlement was reached, significant progress was made between the parties and the case continues to progress. Accordingly, there is a plan in place to resolve the case, either through mediation or trial, before the end of the year." Produced By Jeff WidELITZ with Ball Janik.

Seawall Update: Lynn reported that physical work was started a few weeks ago behind the pool installing the retaining wall by Kaiser Marine. They have the 18-foot vinyl panels in and will be starting the cap very soon. They had a lot of overgrowth to remove as well as hitting different things in the shoreline, like tires and old rail road ties. They are moving along, and it is starting to look awesome. Jeanette questioned the length of the current retaining wall where it stops behind the pool area. Lynn will meet with Pete Kaiser and question the length and see what steps are necessary to extend this wall at the current time to tie into the older wall behind the 600 building. The other concern was where the wall ended behind the dock area. Lynn will update at the next meeting.

Shoreline Hardening behind 400 bldg: Mike's Masonry is almost done with this project. He has installed sod and grass type plants to help hold the embankment. He is working on the walkway and then the ramp (launch kayak area) into the river. We will have walking stones on this area with a rope fencing around it for safety. This is going to be a great addition for the kayakers, they will be able to launch their kayak with no difficulty. It also will help strengthen the shoreline area as well. Maintenance will install a rope fence

behind the 400 building along the shoreline and will add solar lights to the fence posts. The plants and sod have began growing along the shoreline and it is starting to look beautiful. Once completed, management will post pictures on the website.

Dock Repairs: Carl and Brian have worked very hard and has done a SUPER job at repairing the dock. The Trek boards should be delivered tomorrow and we all hope to have the dock finished by end of next week. The stairs leading down to the dock will also be repaired. The dock will have solar lights to help light up the area. The maintenance crew has saved the association about \$75,000 with them doing the repairs to this dock.

Fitness Center Update: The new elliptical has been ordered and installed. A lot of residents have been using this machine and seem to be VERY happy with it and it gets used A LOT! Eventually we would like to add another new machine, but this has made several people very happy.

Landscaping Committee Update: No update was sent in for the meeting by the committee. However, once the sod farms are releasing sod, we will purchase several pallets and re-sod behind the 600-900 buildings and the 400 building. Sod is very expensive right now due to all the rain we have had and the shortage of sod. Brian has been putting down grass seed and it is starting to take in some areas. The Board wants to Thank the committee for installing beautiful plants that are bright and cheerful at the front entrance island, this has really helped the entrance into Sunset Bay. The committee also planted several big pots out at the pool with a gorgeous grass plant. The committee has more areas to improve with landscaping. We all can't wait to see what is next.

Neighborhood Watch Committee Update: This committee was disbanded as there was some issues with the Chairman. The president and management met with her to discuss other ways of doing things and there appeared to be no meeting in the middle. At the time, the Board felt it was best to dissolve the group. It has heightened the awareness of the community so more are looking out for their neighbors. We continue to have an issue with people going to the hot tub or the pool late in the evenings, most of the time they are drinking alcoholic beverages and are not in their right minds. As the summer months continue, we hope to have less damages done by kids not in school. I do have a pretty good view of most areas at Sunset Bay with the cameras installed currently. Management will update the Board on possible additional cameras in the pool/hot tub area.

Fining Committee Update: Management reported that she believes the fining committee has lost interest as the Board has not really felt the need to fine residents. However, the Board is ready to move forward with the fining committee and it is believed that there is new interest that would like to serve on the fining committee. Jeanette made a motion to accept and approve to serve on the Fining committee of: Sarah Mahoney, Debbie Curtis, and Mindi Lewinter. The Board has several violations of residents that they would like the committee to move forward with fining these violations.

NEW BUSINESS:

Unit 506 repairs have been completed to date by JAG. He had to replace an entire wall down to the studs as well as some stucco outside the building due to water rot, from what is believed to be an old roof leak or a leak around the chimney flashing. He also sealed by the chimney flashing as well. To date, no reported further leaking. Owner was very content with the repairs.

Unit 423 stack of balconies repairs: This repair will be of unit 413, 417, and 421 open balconies. This was agreed upon by the majority of the Board via email, the contract was signed. JAG will start these repairs (depending on weather) On Monday, June 18th. He will be jacking up all three balconies, repairing the rotted studs and 2nd and 3rd floor decks with trek material. Jeanette made a motion to ratify this contract approval, Diane seconded, and all were in favor. The total minimum cost of this contract is \$15,900 with a maximum cost of \$22,600.

Stack 300 Repairs: This is still with the attorney to find out what type of vote will be needed by membership. They possibly will be asked to approve opening these balconies like all the others without windows or doors or they may be asked to approve window installations on 2nd and 3rd floor enclosed balconies at a major cost to them for the windows, doors, and drywall. There is a lot of research still being conducted on this, as well as bids and possibly engineer drawings for open balconies. This repair continues to be work in progress.

Unit 306/316 wall/window repairs: It was reported that their walls are rotting below their windows. Management has suggested to each of them to contact a vendor to get this window replaced and when they open the area to replace the window with Board approval, the association will then go in and complete the repairs to the walls below or around their windows. Still to date, neither owner has submitted ARC approval forms for a new window. We cannot simply go in and do repairs, since the wall around the window is allegedly rotted, the window will have to come out or worst case it will fall out when we are trying to make the repairs to the wall. The FIRST step is for the owner to contact vendor to get window contract to submit to the Assoc. for approval.

Painting outside of one or two buildings: Management had Anchor painting give us an estimate based upon Sherwin Williams scope of work. Ryan came out and walked the two buildings of 500 and 700. These two buildings have a lot of leakage possibly from the walls. The buildings have not been painted in years. The paint acts as a water barrier to help seal the buildings. We need to start somewhere (500 and 700) to get them started on the cycle of painting to help seal some of these leaks. Yes, we know that the walls and balconies have to be fixed, but we can't financially do everything at once, but we can't afford to not paint the buildings while we are waiting on doing the repairs. Ryan stated in an email: "Keep in mind that I separated them by building as requested AND I also gave you a lesser option than the required specification. Why? Well, the ONLY reason is that I wanted you to see exactly how much just a regular paint system ought to cost. This way you can flesh out anyone offering just the "regular" paint system (cheaper pricing structure shown as Option 1).

In most cases a regular film build is fine, but not with the number of cracks and leaks you have at Sunset Bay. You can quiz your other contractors and ask if they included 3 full coats with the intermediate coat being the Loxon XP. I strongly recommend that you paint exactly as Sean has specified because you need it for long term waterproofing characteristics of Loxon XP. The reason this is important, is that this specific product is 2 x thicker than paint and the spread rate is 100% less plus it's another 1/4-1/3 labor to go around another time. This is reflective of the price, but its characteristics will also protect you against future cracks which may contribute to penetration issues later.

So, in short option 1 is for information purposes, and option 2 is what you really need. I left off any stucco/carpentry work as we can do that on a T & M (Time and Material) basis or coordinate with your own staff. I can also give you a set price if you really need us to. Sidewalks: Although the warranty period has expired for floors, I am happy to re-coat failing areas throughout if they should choose to award these couple of buildings to Anchor. This may be a win-win because we would only have to mobilize once and that is half the battle is getting a good crew there. I will also be sending a top crew that will meet your expectations.”

Option 1-warranted for 8 years-Building 500 cost is \$11,960 and Building 700 is \$14,025.

Option 2-which is what he suggests, and management does too, as it is warranted for 10 years against peeling or blistering. Building 500 cost is \$16,455 and building 700 is \$18,995. These include previous painted exterior building walls, breezeway walls and ceilings, balcony walls and ceilings, chimney walls, balcony wood handrails, soffit, fascia, exterior side of unit entry and balcony doors and jambs. We could possibly get away with option 1 due to the repairs that we will eventually make on the balconies, but management believes that option 2 is the best option for the Assoc. as the buildings have not been painted in who knows how long and they are in dire need of sealant on the buildings to help with water intrusion. REMEMBER, these are wood structured buildings and they have not been sealed properly in MANY YEARS, probably the last paint job was well before 2006 at turnover. You all have approximately \$130K in your paint reserve account. You are looking at about \$50K for 2 buildings of painting that desperately need it. The Board asked for this to be tabled for more information to be gathered.

Roof Repair of 800 Bldg: Lynn stated that RanewPro Roofing has been on weather delays. They expect to start the repair on June 11th. The repair is to remove all the old flashing that is around the chimney and place peel and stick then the shingles. We assume this repair will cease all water intrusion that continues into units 802 and 803. The roofing company that replaced the roof appeared to have used the old flashing around the chimneys and this has caused water intrusion. Jeanette makes a motion to ratify the contract of the 800-building repair contract with RenewPro Roofing for \$7,353. Diane seconded the motion, and all were in favor.

Assoc Owned website-Lynn reported that this is a new Florida Statutes that will be in effect January 1, 2019. Currently, your website is hosted through our management website, but this is not acceptable to the State. I am researching the cost of a company to start up the website and get items added to it that the state requires. It will require the owners to log in to see their accounting with a password protected site. So, once I get proposals ready, I will forward them to the Board via email. This ONLY affects associations that are greater than 150 units, which we fall into this category. The other social media that will be looked into is Facebook account, which will allow easier communication with the owners/tenants in regard to updates on repairs or even hurricane updates. The times are changing to being tech savvy. This will cost the Association money for startup and upkeep, but I will make sure the association is compliant with the laws.

ARC Approvals: Unit 515 asked and was granted permission to install windows on his enclosed balcony. Currently his section is one of the balconies that was not fully enclosed. He has supplied us with the Building permit as well. Work is supposed to commence July 24th they will remove the framing and July 26th new windows will be installed. Jeanette makes a motion to ratify this ARC approval for unit 515 windows, Diane seconds, and all were in favor.

July 4th Plan: Once again, we are back at the July GATE Patrol date. Due to the overwhelming crowd that wants front row seats to watch the fireworks the front gate will have to be manned, as well as the back gate will get locked up for no use, and then John and or Brian will walk the property to ensure that garbage is removed, pool doesn't get crazy and we will block off the dock as well, as we don't want a ton of people on the dock, when the Fire Marshal has a maximum load of 15 persons, not based on the dock but only the size of the dock, so we don't risk the chance of a fire marshal violation. There is plenty of good viewing from a lawn chair along the riverside sidewalk. The fireworks are scheduled to go off in downtown Cocoa on Wednesday, July 4th. I will email the residents with all this information, along with letting them know that they must pre-register their guests with the office. If they are not on the list, they will be denied access! They will have to go down the street and call their resident they are visiting, and the resident will have to meet them at the front gate to allow them access in. It has worked great in the past two years. Again, I will not be able to work the gate for as long but should be okay to work it a few hours in the early afternoon. Jeanette stated that the dock should be fully repaired and should be open to the community. Lynn will report in her email to the residents about the dock being open but will not be allowed to be reserved. Jeanette approved changing the hours for Brian and John to service the community, as well as Lynn's additional hours. Diane seconded, and all were in favor.

Firework Displays Locally

Tuesday, July 3: Port Canaveral: Fireworks over the Harbor. For the best view, check out the Cove at Port Canaveral where you can dine at one of the waterfront dining spots and explore the Exploration Tower. Fireworks are expected to go off around 9:30 p.m.

Wednesday, July 4: Downtown Cocoa: The whole family will have a blast celebrating the Fourth of July at the Riverfront Park in Cocoa Village!

Fireworks will be displayed over the Indian River Lagoon. Fireworks are expected to go off around 8:45/9 p.m.

Thursday, July 5: Cocoa Beach: Grab your chairs and head to Cocoa Beach to watch fireworks over the ocean. Fireworks are expected to go off around 8:45/9 p.m.

Manager's Report: Violation letters were sent out about smoking in common areas (walkways), items being left on the stairwells, too many bodies in a particular unit, and noise levels from the units above. These were all warning letters. If the violations continue, then management will send to the fining committee to levy fines.

Owner Input: An owner requested that we remind residents that there is to be NO FEEDING of the animals, especially the squirrels, as this attacks unwanted guests. Willie stated that he would personally like everyone to know that Brian, John and Carl have been working very hard and very long hot hours on the dock and has done an outstanding job and they continue to be excellent assets for this community.

Set Next Board Meeting: TBD.

Adjournment: There being no further business to discuss, the meeting was adjourned at 2:10 pm by Jeanette Shultz.

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