

Sunset Bay Merritt Island Condominium Association
Minutes of the Board of Directors' Meeting
Thursday, May 19, 2016

Call to Order/Establish Quorum of Directors: President Jeanette Shultz called the meeting to order at 3:00 pm in the clubhouse at 225 S. Tropical Trail. Present at the meeting was President/Treasurer Jeanette Shultz and Secretary Diane Dahmer. Attending by conference phone: Vice President Dale Hartzell, Director Robert Moskovitz, and Director Coral Bailey. Lynn Hiott, Michelle Davis, and Ted Manna with Reconcilable Differences were also present. Unit owners in attendance were: Sarah Mahoney, Barb Webb, Dianne Stegall, Mary Ann Johnson, Lisa Miller and Bill Fleming.

Robert Moskovitz disclosed at the start of the meeting that he was part of the initial investors as a limited partner with Indian River Group and Oskanawski Partners. He stated that due to the lawsuit being filed, he wanted everyone to know that as a limited partner he had never done anything to hurt the association, and when it came to voting on anything to do with the builders' lawsuit, he would recuse himself. All Board members felt that since he disclosed himself as a limited partner this would not affect his ability to serve the community on the Board of Directors. Jeanette stated that this would be disclosed to the attorney representing the association against the developer via these minutes.

Approval of the Board Meeting Minutes of March 4th prepared by Space Coast Property Management: Jeanette reported that SCPM wrote the minutes so she motioned to approve the minutes from March 4th as written, Dale seconded, and all were in favor.

Financial/Collections: Lynn reported that we just received the March financials from SCPM last week. Based on those March reports and the checks and deposits received last month by RDI, the **April 30, 2016** financial report shows the operating account at BB&T with a balance of **\$262,890**, but of that amount **\$26,298** was from prepaid assessments, leaving a balance of **\$236,592**, but with accounts payable of **\$170,000**. An account was also opened at Sunrise Bank with a balance of **\$20,000**. There is **\$73,451** in the Reserve Account for future repairs. Accounts Receivable are at **\$29,204**. The current profit and loss statement shows the association under budget by **\$24,559 for the year**.

Collections Update: Lynn reported that the accounts below need further research before she will be comfortable reporting them. **Unit 108**-Unit is vacant, owing approximately \$5,565, but is with the attorney for collection action. **Unit 220** seems to have a balance of approximately \$3258. **Unit 219** appears to be rented, so management will try to demand rents until the balance due is paid in full; this unit owes approximately \$3,326. **Unit 318**-confusing amounts were paid to attorney, amounts are being paid monthly, but account still shows outstanding balance of \$2,821. **Unit 116/303**-Further research is needed, both units appear to have tenants, so may need to demand

rents for these as well. Still shows outstanding balance of \$4332 and \$2892. **Unit 802**-owner has been in contact with us and has stated that he sent payment in full. Have not received this payment yet, but appears to be genuine. Stated that he tried to contact SCPM but could never get a response. He currently owes \$1878.06. Remaining accounts owe smaller amounts, but we are still trying to get the books in order from turnover, so still have to contact owners to verify payments. Several owners have been contacted and have agreed to pay what is owed or they will send proof of payments.

Unfinished Business:

Landscaping Contract: - Lynn reported that she has been working closely with Justin, the foreman of Segura Landscaping, and he seems to be very responsive to meeting with her weekly, walking the property with her, and doing what is requested by management. No signed contract has been found, and Segura cannot provide one either. We were later informed that SCPM signed a contract on behalf of Sunset Bay in February of 2016 for \$2750, but with NO annual leaf cleanup. Lynn discussed this issue with Justin and they have re-written the contract, agreeing to more hours worked and leaf clean-up, but they want more money. Lynn negotiated and they agreed to take out the "irrigation wet check" time and put this time towards more detail work time. Justin also stated that in order for them to do leaf cleanup every visit, his men must blow all the areas to a central location and then scoop the leaves up. This would stop the blowing back of leaves under the shrubs as was done in the past. They both agreed that if Segura will do this on every visit, an annual cleanup of the leaves would probably not be needed. When the leaves get blown back onto the grass, this is what suffocates the grass and continue to kill it. The association is working hard to get irrigation up and running so that the grass will start to grow again.

Segura requested an additional \$500, raising the monthly cost from \$2750 to \$3250, to add an additional 4 hours on the property monthly, to do more detail work. The Board did not want to pay the extra \$500, and asked management to obtain other landscape proposals for the future, but Jeanette motioned to stay with Segura at the current \$2750 per month contractual price and allow Lynn to see if their quality continues to improve. Diane seconded, and all were in favor.

Dangerous Breed List: Jeanette motioned to table this until further research can be conducted regarding how the condo rules will address aggressive, nipping and barking dogs, leashes and walking areas. All were in agreement. Jeanette did request that management bring information regarding "Doggie DNA" testing to the next meeting.

Roofing Contract re Gutters/downspouts: Lynn reported that after a meeting with Craig of Rock Roofing, it was agreed that his gutter subcontractor will finish installing the gutters and downspouts on the 700 building since this work had already been started. The cost for this was based on the 2015 signed contract, per linear foot. The final price for the 700 building gutter/downspout

replacements will be approximately \$2,949.50. Jeanette explained that once this building is completed, Rock Roofing has been informed that they are no longer to work on repairing or replacing gutters or downspouts. Craig agreed that while they are replacing the roofs in the future, they will contact the Board or management if they see issues with the gutters or downspouts. It was discovered that Rock Roofing subcontracts this work out and so this makes the cost of the repairs higher than an actual gutter company coming in to complete the work. Charlie with Watertite Gutters will be on property this Thursday to complete the following gutter repairs: Building 100-Repitch 10 feet of gutter, raise elbows with extension. Assess flex pipe that is clogged. Blow roof edge off – Cost \$120; Building 200-Add extra hangers, repitch gutter, add elbow with extension by AC units, replace 3 story downspout completely- \$160; Building 300-reattach screen guards, missing in places, add 10 feet of gutter with screen, repitch back gutter and add hangers for \$185; Building 400- Need to replace 3 story pipe, reattach two down spouts, replace missing gutter guards, extension needed by AC units, reattach guards- \$160; Building 500-Replace 15 feet gutter with guards, add hangers, damaged elbows, repitch gutters x3 for \$185; Building 600-Replace 2 story downspout in the back, add elbows with extension x3, reset front gutter, add hangers, replace 3 story down spout front and 20 feet of gutter screen for \$185; Building 800-add 50 feet of gutter with screen for \$282, elbow with extension by AC units x3, repitch back gutters, reset front and tighten up gutter screens-\$120; All above work totals **\$1397**. This includes cleaning all of the gutters and downspouts to verify all are draining properly. Jeanette made a motion to approve the gutter repair work by Watertite Gutters in the amount of \$1397 to be paid from operating account. Robert seconded, and all were in favor.

Water Cooler Contract: Rental cost on the two water coolers is currently \$6 a month. Delivery of 5 gallon water bottles are being charged at \$7.50 per bottle, and sleeves of cups cost \$3 each. This rate is due to the Association not being in a contract with them. If a contract for 12 months is signed, the water bottles will be billed at \$5.50 versus the \$7.50. The other option is that the association could purchase water coolers at \$99 each, which would eliminate the rental fee each month, but would no longer have warranties if the coolers break down. The Board requested more information before they would make a decision. This was tabled to be discussed at the next meeting.

Vending machine contract: Management is still waiting for the new contract with the new vending machine contractor. The vending machines at the pool are still there, but the past owner sold his business. Management requested a new contract with the new owner. Lynn requested that this item be tabled until next month so that she can obtain the new contract for discussion.

New Business:

Pool Contract-Jeanette stated that Harbor Pools came in under SCPM, but with no signed contract. We had problems with their quality and their repair work, and their monthly cost was higher than management felt it should be. Some of the Board members agreed to take an action without a meeting and terminate Harbor Pools on April 30th and hire Handy Andy's Pool Cleaning as of May 1st, with a \$200 savings per month. Jeanette made the motion to ratify the firing of Harbor Pools and hiring of Handy Andy for monthly pool service. Dale seconded the motion, and all were in favor. Handy Andy charges \$600 per month for three times a week cleaning and maintaining the equipment adequately. Lynn reported that as of this meeting, Handy Andy has successfully removed most of the black algae that was growing along the pool tile edges, and they seem to be very confident with the equipment.

Garage-Kayak rack-ratify decision. Jeanette explained that owners came to the Board with the idea of putting wooden racks along one of the garage walls to help store kayaks under cover. The purpose of this was because the garages are for all the residents to use, the current kayak storage area was far from the water, so a hefty haul, especially for the elderly. Jeanette stated that an owner has volunteered to build the storage rack, and has paid for all the lumber himself. They began putting the rack into garage 5, however due to the height of garage 6, all of the Board members felt that it would be more beneficial to build the rack in garage 6. Jeanette motioned to approve changing the kayak rack area to garage 6 and allowing the volunteer owner to continue building the storage racks for the kayaks. Dale seconded the motion, and all were in favor of moving forward. The storage rack is not permanently fixed to the wall, so it is considered a temporary rack for the kayaks to be stored on.

Irrigation Contract-Jodi Taylor with Automatic Rain met with a few of the Board members and said he felt that he could get all of the irrigation up and running properly over several months' time. He offered a contract based upon a monthly rate of \$500, with the understanding that Jodi and another member of his team would be on the property weekly for 2 hours or more to work on the system until all zones are successfully up and running. In just the last 2 weeks that he has been on the property, he has repaired zones 1 and 2. They are functioning correctly and are on daily for now. However, the pump that runs approximately 16 zones is old and weak and bearings are loud. Jodi highly recommended replacing this pump at a cost of \$485, to include the new pump, the pump housing cover, and all installation costs. Jeanette made a motion to approve the purchase of a new irrigation pump, installation of the pump and the housing cover not to exceed \$600. Dale seconded this motion and all were in favor.

Seawall Issues: Lynn reported that she met with Waterfront Solutions to discuss options regarding the sink holes and the seawall issues. His proposal should be received this week. She also contacted Ken Page of Deiken Docks and Seawalls, as well as Rob from Professional Docks and Seawalls, and Steve with East Coast Docks. Once all the companies have inspected and submitted

their proposals, Lynn will bring this information to the Board. She said that this is a very serious issue that could undermine walkways if not repaired properly.

Gate Codes: Management requests that we would post notices and send emails to all owners and tenants that we know about, letting them know that old gate codes will be wiped from the system starting June 23rd. All tenants and owners must register with the office to be assigned a new gate code. Once codes are re-issued, we can then monitor the traffic daily to see what codes are being used excessively, and deal with individuals who are bypassing the rule of not giving their code out to friends. As an example, code 1990 was used over 300 times in a 24-hour period. When this code was removed from the system, Lynn received over 45 calls about entry codes not working. This is a large problem that needs clear new rules to keep the community safe. Lynn gave temporary codes to those who were not able to enter, and giving these tenants 48 hours to register with the office. Management is requiring all tenants to bring copies of their leases, car registrations and driver licenses to the office so that copies can be made and placed in their unit files before a new code is issued. Security is a top priority with management. Jeanette motioned to approve the gate codes to be completely wiped from the system starting June 23rd. All owners/tenants that management has emails for will receive a notification email within the next week or so. Management will also place signs at the entry gate and will post notice on all doors within the community. Diane seconded this motion, and all were in favor. Lynn reported that the letter to be emailed and posted will be sent to the Board for approval prior to being sent out.

ARC Request: Lynn reported that Unit 611 has requested approval to install a dome camera outside his front door, affixing to the common elements of the ceiling. The camera would be installed by Alarm and Electronics who is a certified contractor. His contract and request were emailed to the Board members. After discussion, Jeanette made a motion to deny the approval of this camera outside on the common elements. She stated that it could not be approved outside the unit, but they could not tell the owner that he couldn't install it inside his personal unit. Diane seconded this denial for the camera installation outside the unit, and all were in favor, due to the request being a change to common elements. Lynn will notify the owner of this decision.

Manager's Report: Lynn reported that she will be away from June 1st to June 6th to see her son graduate from Air Force Basic Training in Texas. Lynn asked the Board for approval to be paid her hourly rate while away. Jeanette stated that she would be absolutely okay with this considering the amount of extra hours Lynn has already given to the association since turnover. All of the Board members were in agreement with this. Lynn stated that she would post a sign outside the front door that the office would be closed Thursday, June 2nd.

Lynn then explained that a maintenance man job description would need to be posted soon, since Carl is moving in June. All were in agreement that a person is needed 20-24 hours per week to work side-by-side with Brian. Starting salary will be negotiated.

Lastly, July 4th security at the main gate was discussed. Brian will be working and Lynn has agreed to work the gate, at an additional cost, for the day. Holiday Restrictions will be emailed to all email addresses that we have on file stating the following: Only vehicles that have SB decals will be allowed to enter, guests that are arriving will have to be pre-signed up on a list to be allowed entrance into the complex, and NO gate codes will be needed for this one day. The 4th of July Firework events at Downtown Cocoa will be conducted on a Monday night, so due to this being a weekday, Brian will come in and work late, and Lynn will work the gate for the evening also. Jeanette said we must close off the dock the day before or too many people will try to stand on it during the fireworks. She also said that a list of all owners/tenants must be readily available at the gate. Lynn will request volunteers to help with this, and hopes to have a few sign up soon.

Dumpster location: Lynn reported that she would like the Board to consider allowing an enclosed area in a single parking space right next to the north garage for an additional 4 yard dumpster with recycle containers. A drawing will be presented to the Board at a later time, but this would help all residents in the 100 to 500 buildings have a local place to dispose of their trash instead of taking it all the way to the south end of the property. Other locations could be considered as well, such as the maintenance area, but many people have complained of the long walk to the dumpster. Lynn also stated that an owner in the 800 building complained that the noise of the compactor was very loud and would like to have some type of barrier put into place or more trees planted to hide the compactor. The Board agreed to discuss this further at another meeting with details being brought forward with suggestions and costs.

Owner Input: An owner asked if Memorial Day was a holiday and if the office would be closed. It was agreed that the office would not open for that holiday.

An owner asked if the clickers or gate remotes were available and Lynn reported that they now available and can be purchased by the owner of the unit for \$50.00 during office hours.

Another owner asked about wind mitigation forms. Lynn reported that the roofing company will be completing these and once they were received, they would be available online on the management company's website at www.reconcilabledifferences.net. Owners or their insurance agents can click on the Sunset Bay picture, which will take them to the Sunset Bay page with all forms, minutes and other allowed information available.

Set Next Board Meeting: It was agreed that the next meeting will be held on **Thursday, June 16th at 6 pm** in the clubhouse.

Adjournment: There being no further business to discuss, the meeting was adjourned at 4:41 pm by Jeanette Shultz.

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