

Bel Mare Condominium Association, Inc.
Board of Directors Meeting Minutes
May 25th, 2016
FINAL

A meeting of the Board of Directors of Bel Mare Condominium Association, Inc. was held on Wednesday, April 25th, 2016 in the 2nd floor clubroom located at 130 Riviera Dunes Way. Beverly Reason, Bill Horton, Fred Sperry, Nancy Boos, and Eric Krall were present constituting a quorum of the Board. Donna Baran represented Condominium Associates (CA) as well as Tammy Goldman, On-site Community Asst. Association Manager, and Sabastian Walczak, Director of Maintenance for Bel Mare Condominium Association.

Call to Order

Mrs. Reason called the meeting to order at 5:00 PM.

Dispense of the Reading & Disposal of the Unapproved Past Meeting Minutes

Mrs. Boos made a *motion* to dispense in the reading and to approve the minutes from April 13th, 2016. Mr. Krall seconded. *The motion carried unanimously.*

Construction / Mediation Update

Mr. Horton stated that, as previously reported the parties estimated the trial would take 6-7 weeks. As a result the Association has been transferred to the Major Trial Division and assigned to Judge Moreland. After this assignment the Association was able to schedule a Case Management Conference for July 12th, 2016 at 4:00 pm. The Association is hopeful that a trial date will be established at this hearing. The Bel Mare team still believes that the Association will get an offer before the trial date.

East Property Update

Financing: Mr. Sperry reported that the Association used Operating Cash to fund the down payment and closing cost and borrowed against a Popular Bank Line of Credit (LOC). The interest rate is variable at 1 Month LIBOR + 2.30% (May 20th = 2.74%). The LOC is interest only for up to two years at which time it automatically converts to a 20-year Term Loan. The LOC may also be converted to a 20-year Term Loan at the Association's request. The interest rate for the loan is fixed for the first and second 10 year periods at the 10 year US Swap Rate at the time of conversion and 10 years later + 2.15% with 4.40% floor. (May 19th = 3.85% which is below the floor rate) The Association is monitoring the 10 year US Swap Rate to make sure it does not increase significantly before converting.

Integration Team: Mr. Sperry explained that the Integration Team is assigned with the task of making a recommendation on integrating the Amenities from the 222 Haben Ave. property onto the 136 Riviera Dunes Way property. The team has been meeting regularly and the meeting minutes are posted on the Bel Mare website. A detailed recommendation is being planned for the August 3rd Board Meeting.

Financial Report

Mr. Sperry reported on the key elements of the YTD 2016 Financials.

- Revenues are \$5,567 ahead of budget through April 2016.
- Expenses were unfavorable to the budget by (\$21,053). Some lines had significant overages including Water & Sewer (\$12,648); Building & Exterior (\$9,531); Fire Alarm (\$11,872). Additionally, the month of February had three bi-weekly pay periods. Fortunately, the Association has surpluses in other line items to minimize the deficit.

Note: The cut-over of the Amenities Deck irrigation to the well was done on April 18th and the meter was read on April 25th. It showed a reduction from the prior month, but it is really too early to tell the impact.

- 2016 YTD Net Balance (Revenue vs Expenditures) for Operations reflects an unfavorable amount (\$15,486).
- Collections: The Association has one Owner (1-1203) that has not paid their first and second quarter 2016 assessments. The Association has notified the Owner of their intent to Lien and is preceding to Lien the Unit. Additionally, one additional Owner (1-704) has not paid their second quarter 2016 assessments. Monthly payments from prior Owner of 1-505 continue.
- Balance Sheet
 - Total cash on hand at end of April was \$1,077,709. This represents \$329K in Operating Cash and \$749K in Construction Cash.
 - Reserve Funds were \$979,126 at the end of April.

President's Report

Mrs. Reason announced that on May 11th, 2016 the Association was notified that Betty King has left the employment of Condominium Associates (CA). CA is in the process of creating a new corporate organizational chart. Upon its completion the Association will know who will resume her responsibilities.

Mrs. Reason reported that Mr. Becks was re-elected to the Riviera Dunes Master Association representing the Bel Mare Multi-Family Residence. Mr. Becks reported that the Association's purchase of the east property includes additional votes as a commercial property. However, there is a question if that will remain the same when the Association is able to convert that area to common ground. Mr. Beck also noted that the Board discussed the fact that Riviera Dunes Way has not yet been officially dedicated to the city and that the Board will begin dialogue to do so.

Mrs. Reason stated that the Bulk Cable Ad Hoc Committee will be comparing proposals from Verizon/Frontier and Bright House/Charter/Spectrum when they are forwarded to Bel Mare. The current contract with Bright House expires on August 30th, 2016. The Committee will be reviewing comparable costs for cable TV and any other options provided. After reviewing all of the Association's options, the Committee's major task will be to recommend whether Bel Mare continues a bulk cable contract with Bright House, switches to Verizon or terminates the bulk contract completely.

Mrs. Reason completed her report by explaining that Mrs. Sperry accepted the task of creating a "Hurricane Plan" for Bel Mare. Mrs. Sperry has created a binder of information to be used by Staff members and Board members. Applicable data will be placed on the Bel Mare website for easy access for resident's use and also as a link to signing up for weather alerts.

Landscaping Report

Mr. Krall reviewed the observations of the landscaping by the Landscaping Committee. The Committee feels that the current Landscaping Company for Bel Mare is reactive verses being proactive. The Committee is recommending that the Association put the Landscaping Contract out for proposal. It was the consensus of the Board to allow the Landscaping Committee to prepare the request for proposal and to conduct the tours with the companies interested in submitting a proposal instead of having the staff complete those tasks.

Maintenance Committee Report

Mr. Horton reported that at the last Maintenance Committee meeting the RFP's responses for the HVAC and Janitorial Contracts, were reviewed and approved on the recommendation from the Maintenance Director, Sabastian Walczak.

Mr. Horton reported that the Maintenance Committee also continues to look for cost saving potentials. Recently the Committee sent out an e-blast to all owners about leaking toilet flappers. This is an issue that may very well

be costing the Association \$16K - \$34K each year. Residents are urged to check their toilet flappers and to replace if needed.

Management Report

Mrs. Baran reported on the following key items:

- **Part-Time Maintenance Tech:** Management continues looking for a PT Maintenance Technician. Management is considering several possibilities.
- **Frontier Bulk Contract:** Management is waiting on the proposal.
- **G4S:** Management has been made aware that the Association's current account representative, Leonard Mucci, will be leaving the company in the fall of 2016. Management will meet with the new account representative once he/she is assigned.
- **Thyssen Krupp:** Management met with the representative from Thyssen Krupp to review the concerns and expectations of Management and the Association. Thyssen Krupp appeared accommodating to the needs.
- **2015 Audit:** As requested, additional information was sent to Pellegrino, Honick, McFarlan, & Miller, PA on Friday, May 20th, 2016. Management is hopeful that this will be the last request to finalize the 2015 Audit.
- **Plaza/Amenity Deck Repairs:** The plaza/amenity deck repairs are scheduled to begin Monday, June 6, 2016. RL James will contact Sabastian and confirm the start date.

Unfinished Business

- **Consider approval for AC Maintenance contract:** Sabastian explained the three factors that are the focus upon which the Maintenance Committee and he have based their recommendation. Sabastian and the Maintenance Committee recommend that the Association award the HVAC contract to Manatee Air. Mr. Sperry made a *motion* to accept the recommendation and award Manatee Air the HVAC Contract for Bel Mare. Mrs. Boos seconded. *The motion carried unanimously.*
- **Consider approval for Cleaning Company contract:** Sabastian explained the four factors that are the focus upon which the Maintenance Committee and he have based their recommendation. Sabastian and the Maintenance Committee recommend that the Association award the Janitorial/Cleaning Company Contract to Jani King. Mr. Sperry made a *motion* to accept the recommendation and award Jani King the Janitorial/Cleaning Company Contract. Mr. Krall seconded. *The motion carried unanimously.*

New Business

- **Consider revoking amenity and voting rights for delinquent owner:** Mr. Horton made a *motion* to revoke the voting and amenity rights of the owner(s) of unit 1-1203 due to the unit owner(s) being delinquent on their fees. Mrs. Boos seconded. *The motion carried unanimously.*
- **Consider approval for Insurance valuation appraisal:** This item has been deferred.
- **Consider soliciting proposals for painting service hallways and floors:** Mr. Horton made a *motion* to authorize Mrs. Reason, as Board President, to approve a low painting bid up to 75K to paint the walls, doors, door jams, and floors of the service hallways. Mrs. Boos seconded. *The motion carried unanimously.*
Mr. Sperry made a *motion* to charge the cost of the painting of walls, doors, door jams, and floors of the service hallways to the painting reserves. Mr. Horton seconded. *The motion carried unanimously.*
- **Consider revision of current late fee policy:** Mrs. Boos made a *motion* to revise the current late fees policy to reflect that all fees are charged at the Association's Attorney's, current fees. Mr. Krall seconded. *The motion carried unanimously.*
- **Consider revision of security fees for hourly rate for move in/out policy:** Mr. Horton made a *motion* to revise the language of the current move in / move out policy to say "a security representative at the security company's current hourly rate is required to provide exclusive use of the elevator for all moves". Mr. Krall seconded. *The motion carried unanimously.*
- **Consider Financial donation for palm tree lights:** Mrs. Boos made a motion to accept the financial donation for the palm tree lights. Mr. Horton seconded. *The motion carried unanimously.*

- **Consider approval for donation of grocery carts from Bel Mare Resident:** Mr. Horton made a *motion* to accept the donation of grocery carts from the Bel Mare resident Judith Williams. Mr. Krall seconded. *The motion carried unanimously.*
- **Consider Disciplinary Action for 1-304:** Mrs. Reason explained the circumstances that initiated the incident report. Discussion followed. Mr. Horton made a *motion* to have Management send a letter both registered/certified and by regular mail to the owner stating that “any further infraction will result in a fine”. Mrs. Boos seconded. *The motion carried unanimously.*

Adjournment

With no more business to come before the board Mr. Horton made the *motion* to adjourn the meeting at 7:13 PM and was seconded by Mr. Sperry. *The motion carried unanimously.*

Respectfully Submitted,
Tammy Goldman, LCAM
Assistant Association Manager
On Behalf of Bel Mare Condominium Association, Inc.