

Bel Mare Condominium Association, Inc.
Board of Directors Meeting Minutes
April 25, 2019

A meeting of the Board of Directors of Bel Mare Condominium Association, Inc. was held on Thursday, April 25, 2019 in the 2nd Floor Clubroom located at 130 Riviera Dunes Way. Valerie Biebuyck, Eric Brown, Morris Bencini and Keith Ewer were present and Eric Krall attended by phone constituting a quorum of the Board. Tammy Goldman, LCAM, Onsite Manager represented Condominium Association (CA) and Kristin Smith, LCAM, Onsite Assistant Manager for Bel Mare Condominium Association.

Call to Order

Mrs. Biebuyck called the meeting to order at 5:32 PM.

Proof of Notice

Mrs. Goldman certified that proper notice was given.

Dispense of the Reading and to Dispose of the Unapproved Past Meeting Minutes

Mr. Bencini made a *motion* to dispense in the reading and to dispose of the minutes from March 21, 2019 Board of Directors Meeting. Mr. Brown seconded. *The motion carried unanimously.*

President's Report

Mrs. Biebuyck reported on the search for a new management company. At the January meeting the Board gave notice and talked about looking for a new management company. It became apparent that most of the issues that the new Board has struggled with from the beginning in December could be addressed by hiring a new management company for ongoing maintenance issues, preventative maintenance, having a schedule to address main issues and dealing with big projects down the road. The Board needs to address RFPs and a manner in which quotes are received from vendors. The Board would like a system in place to make sure they are getting apples to apples from vendors and that they were not receiving random figures.

The Board also needs a way of having safeguards and checks and balances in place for approving quotes and for issuing checks. When the Board signs checks, a Board Member has to go to the office to physically sign checks and can be difficult if all of the Board Members are away from the property at the same time. In a digital age, this should not have to be done. Communication with owners has been a big campaign since starting in December. It was not been sustainable and try to make sure owners knew what is going on a regular basis. Did not have any mechanism in place for doing that easily and consistently.

The Board noticed the discussion of the new management company at the January 31 meeting and announced doing it at that time. Eric Brown was tasked with gathering background information on the companies for the Board. Michelle Bencini graciously offered to help compile information. First two criteria is that the company have expertise in dealing with mid to high rise buildings and have a local office or one that was close by. The Board looked at nine (9) different companies. Every interaction that the Board had with each company was a data point that pushed the decision towards considering it further or eliminating them.

Few companies sent very detailed surveys to complete and this felt like work for the Board. They did not convey an accurate picture or convey the Board's needs. Routine questions were completed and they did

not provide useful information. With some of the surveys, some companies did not respond back after they were completed.

One company met with the board and when asked about their management structure the person drew a structure of the company which did not leave a favorable impression. One company, when asked about salaries for various positions and promised to get a comparative analysis, an email was sent with the salary range, with a top number and bottom number for a position attached to a job description. This is not an analysis, could have been looked up online and was misrepresentation which was another data point to consider.

One company did not show up and one did not confirm. One had an offsite manager and offsite maintenance director overseeing about 30 different properties and assistants on site at a property like Bel Mare. It was clear that reaching out to those individuals if the person onsite need support would be difficult. There were times the Board felt diving into a black hole of recordings trying to reach someone. One company gave an unrealistically low quote for monthly management fees without speaking to Board. That was probably an attempt to get our business.

In the end it came down to two companies. One was a very small new company with an experienced leader to setting up her own management business and the other one was Castle, which is very big company and has experienced with many resources. After meeting with small company, the Board liked them and wanted to explore a further relationship with them and they would think about it. After considering our needs and what she was able to do within the confines of her resources she could not handle our needs and was too big for her.

In the end, Castle Group was the only company that acted like they wanted Bel Mare business but also the Board sincerely believes they want to do a good job for Bel Mare. They want to be excellent and understand our needs. They are a big company but the Board is confident that Bel Mare will be managed by individuals and not a big company. Castle has many resources to support Bel Mare. They have digital platforms for every service and function that they provide for associations. They have a digital platform for paying bills and approving quotes. Bills do not get paid or checks get approved unless two board members sign and it prevents mistakes, allows for checks and balances and makes it much easier when Board Members not on property. It creates transparency and facilitates communication so all owners are aware of what is going on. There are reports of daily, weekly, monthly, yearly and longer term projects that are available on a public information site for everyone to see.

Castle has purchasing power because of their size and have manage many properties. Because of that, vendors are responsive to them. Bel Mare is an island onto itself. If a vendor schedules a time to come onsite and they get busy and cannot make it they feel very comfortable cancelling or putting us off. Makes difficult to plan or schedule a budget and tell owners to expect someone in their unit and then have to rearrange their schedules. If any vendor is unresponsive with Castle, it could have a serious and negative impact on its business because they control a lot of business. So vendors want to do a good job.

We are fortunate to many thoughtful, intelligent and committed owners. There are many appropriate venues owners through which they can have hands on involvement with daily operations of the Association will end with Castle. The Board will supervise Castle but Castle will manage the property.

There are a lot of moving parts to a management company transition. A lot of things have to happen at basically at the same time. You have to arbitrarily piece one thing to do and then move on to next.

Castle gave a presentation about their services and what they will be doing for Bel Mare. Fiona met with Staff and talked to them about what that means. The Board approved Castle at an earlier Executive

Session. The Board has talked to Condominium Associates in connection with terminating their relationship. There will be a brief Board Meeting on Sunday, April 28 to cast a formal vote to hire Castle and to terminate our relationship with Condominium Associates within the legal confines of our contract and contractual obligations.

Because notice was given 48 hours for this meeting, which is what is required by Florida Statute and it was brought to the Board's attention that it may not have been enough time to give residents enough time to rearrange their schedules to attend the meeting. Fiona has graciously offered to return in a couple of weeks to do another presentation for any owner who was not able to attend the meeting or who did attend the meeting come back and ask additional questions and will figure out scheduling for that. It will not be an official board meeting but will certainly give notice so everyone knows what it will happen.

The Board will turn it over Castle Executive Vice President, Fiona DiDomenico. Shawna Fleishbaum is the Business Development Manager. Two additional employees from Castle Group also attended, Les and Dave. They have been a joy to work with. They answer calls and return messages, return texts and listen. They attend to details. They are intelligent, experienced and thoughtful. They have the Board comfortable placing Bel Mare in their hands.

Fiona DiDomencio from Castle Group gave a presentation on the management company and then opened it up to questions and answers to owners.

Treasurer's Report

Mr. Bencini reported that the Association ended March with an operating cash balance totaling \$132,913.

March 2019 Restricted Cash Balances:

Construction Defects	\$1,273,061
Reserve Cash	<u>\$1,207,445</u>
Total Encumbered Balance	\$2,480,506

Decrease of \$16,182 due to funding the new grills.

Balance on Note Payable is \$287,296.

Balance on LOC (Insurance) is \$0 pending the draw to fund 2019-20 premiums.

Net (\$14,864) negative variance in March: Building is \$25,175 over due to costs from power outage. Check for insurance of \$23,687 received in April; Accounting over \$3,500 due to audit fee budgeted in April; These are offset by Common Amenities being under by \$16,982 due to transfer of reserve cash to reimburse for grills.

LOC renewal to be addressed later tonight.

Insurance renewal – Final premium total approx. \$117,000 – up from \$113,500. Includes increase to \$2MM for Fidelity Bond.

Investment strategy – to be addressed later tonight.

Maintenance Committee Report

Mr. Winsler reported the Committee has been working on several project and assisted the Maintenance

Department during the recent power outages from the damage of the underground cable and damage caused by the recent power issues caused by the incorrect replacement of the cable.

Committee Member, John Ollsen, has completed the analysis of the post tension cables inspection and mentioned it had favorable results.

The Committee is refining the numbers of Reserve Study and should have soon to help get our understanding with for future costs.

Committee Member, Todd Loescher, is reviewing the maintenance software to make sure it is our best choice before renewing the contract.

The Committee is contributing input to extending Maintenance personnel.

Strategic Planning Committee

Mr. Ewer reported that the Strategic Planning Committee met on March 6. There were 17 owners present and the quorum of the Committee. The discussion centered on three major topics: The disposition of the North Property and its amenities, potential collaboration with the Master Association for the development of the North Property and the Bel Mare lake walkway. Coby Gaulien is spear heading that. Also discussed Bel Mare parking issues and potential solutions to parking availability. The Committee had a spirited discussion and came to no final result at the meeting.

Finance Committee Report

Mr. Brown reported that the Committee reviewed the March Financial Statement with no issues and reviewed the 2018 Audited Financials with no issues.

The Committee reviewed the 2020 Reserve Study and propose to transfer \$900,000 from Construction Defects Account into Reserves Account, as Construction Defects have been made part of the Reserve Study.

The Committee also reviewed the cash balances and discussed investment proposal options. The Maintenance Committee will be making recommendations as to the intervals of quarterly spending over the next 3 years.

DeSoto Bridge Ad Hoc Committee Report

Mr. Ewer gave the report for Mr. Sperry. Riviera Dunes plans for presenting an opposition position at Sarasota/Manatee MPO Board Meeting were interrupted when the MPO decided not to have the Final CMNAA Report on the March 25th Board Agenda. Thanks to Keith and Pat Ewer and Valerie Biebuyck for attending the meeting on behalf of Bel Mare and Riviera Dunes and to Valerie for making a two-minute non-agenda presentation pointing out the negative social and environmental impacts of the Flyover Alternative.

Correspondence with MPO, Executive Director, David Hutchinson, indicated that although they had planned to present the Final CMNAA Study to the MPO Board that the Study was not yet finalized and

that the Final Study would be posted on the <http://www.swflroads.com/study/CMNAA/index.shtml> link. We have speculated that the NAACP formal claim against the MPO for ignoring their input may have caused a need for rewording the Study.

The input from David Hutchinson also included “good news” on the Short-Term improvements to Desoto Corridor. He advised that FDOT has added funding for the Design Phase of FY 2020 (starts July 1, 2019) for the Short-Term Improvements and that operational improvements would follow shortly after the design is completed. These Short-Term improvements were forecasted to improve travel times by 30 – 50% dependent upon time of day, etc.

Although next steps by MPO and FDOT are awaiting approval of FY 2020 Funding, there appears to be more discussions among local elected officials. At a Council of Government meeting earlier this month, new Manatee Commissioner, Misty Servia, pointed out that a major portion of the DeSoto Corridor congestion is being caused by families taking their students to school and not using school buses. Whether or not there is a practical solution to this issue was debated. The District’s Transportation Staff is planning to present a solution at a future School Board workshop.

The Committee will continue to closely follow events and advise of opportunities for Public Input.

Old Business

- **Update on Amenity Grills:** This item was discussed.
- **Update on the Cost and Status of the Fountains:** This item was discussed.
- **Revisit Approval of the E-Maintenance Program:** Mr. Bencini made a *motion* for the approval of the E-Maintenance Program in the amount of \$780.00. Mr. Ewer seconded. *The motion carried unanimously.*

New Business

- **Consider Approval of Insurance Proposal from Comegys Insurance Agency:** Mr. Bencini made a *motion* for the approval of the Insurance Proposal for over \$116,000.00 from Comegys Insurance Agency. Mr. Brown seconded. *The motion carried unanimously.*
- **Consider Approval of LOC – Line of Credit with Popular Bank for the Insurance Premium:** Mr. Bencini made a *motion* for the approval of the Line of Credit with Popular Bank for the Insurance Premium. Mr. Brown seconded. *The motion carried unanimously.*
- **Consider and Approve Cash Management and Investment Strategy for the Construction Defects that is Being Integrated into the Reserve Study:** Mr. Bencini made a *motion* for the approval of transferring \$900,000 from the Construction Defects Cash into Reserves. Mr. Brown seconded. *The motion carried unanimously.*
- **Discussion of Rules, Policies and Common Courtesy:** This item was discussed.
- **Discussion of Additional Security Cameras:** This item was discussed and tabled.

Adjournment

With no more business to come before the Board, Mr. Bencini made the *motion* to adjourn the meeting at 8:21 PM and was seconded by Mr. Ewer. *The motion carried unanimously.*

Respectfully Submitted,
Kristin Smith, LCAM, Onsite Assistant Manager
On Behalf of Bel Mare Condominium Association, Inc.