

SEASPRAY PERDIDO KEY OWNERS ASSOCIATION INC.

16287 Perdido Key Drive
Pensacola, Florida 32507
850.492.2200/800.336.7263

Board of Directors Meeting Minutes For the Meeting held on Wednesday, September 28, 2016, 6:00 p.m. SeaSpray Meeting Room #123

1. President Calls the Meeting to Order

The meeting was called to order at 6:05 p.m. by Mrs. Hansen

2. Proof of Notice for the Meeting

Cynthia reported that the agenda was posted in the official posting locations at each building and emailed to the Board of Directors on September 26, 2016, in compliance with the condominium documents and Florida statutes.

3. Establishment of a Quorum/Attendance of the Meeting

Mr. Howell took roll and reported that 4 out of 5 Board Members were present and a quorum was reached. Mr. Emmett Kern (director) was absent. Also present in the meeting room was Greg Stevenson (514) and Cynthia Lirette, the general manager.

4. Approval of the Executive and Board of Directors' Meeting Minutes from August 13, 2016 Meetings

The meeting minutes were shared with all Board Members via email. Mr. Smith provided comments for change (mostly spelling corrections). Mr. Howell motioned to approve the minutes with his incorporated comments and Mr. Barry seconded. The meeting minutes were unanimously approved.

5. Committee Reports

Insurance & Condominium Documents Task Committee - Mr. Howell reported that the Zarahn Agency submitted an insurance proposal for most of the Association's policies that expire on September 30, 2016. The proposal was shared with all board members via email. Some of the smaller policies that are renewing went up a little; however, the wind policy went down. Overall the total for insurance is about \$2,000 less than last year. In response to a question asked prior to the meeting, Mr. Howell reported that the annual cost for insurance on the garages is \$1200. After discussion, Mrs. Hansen motioned that insurance be purchased from the Zarahn Agency as proposed and Mr. Howell seconded. The motion was approved unanimously.

Finance Committee - Mr. Smith advised that financial statements were circulated to the Board of Directors via email (copy also presented at the meeting). During his financial review, he reported that it appears at this time that the rental program may fall short of the budgeted income. C-Spire will be pulling their antennae from the roof so the Association will be \$24,000 shorter in antennae income next budget year. Cynthia to look into attracting cell phone antennae business. The golf cart purchase has put the tools and equipment expenses over what was budgeted. Upon review it was discussed that seasonal expenses need to be accounted for better in the budgeting next year.

Mr. Smith updated all on the BP Claim status. He continues to work with Warren Averett on responses to inquiries from the BP Auditors.

The special assessment funds have been used to pay off the land note at Renasant Bank. Because monies were wired to the bank prior to the maturity date, approximately \$5,000 worth of interest savings was realized. The reserve funds at Renasant will be moved to BB&T and the accounts at Renasant shall be closed. Cynthia and Mr. Smith will get together on laddering the reserve funds in CDARS/CDs so that all funds are FDIC insured and can be liquidated when needed for upcoming reserve expenses.

Three unit owners have still not paid their special assessments. After discussion, it was decided that Cynthia will follow the condominium documents and charge interest and late charges to the owners that have not paid their invoices. For the three that have not paid their special assessment, a certified letter will be sent with a payment deadline. If the owners do not meet the deadline, the Association's attorney will be engaged for collection services. Additionally, the Board directed that should an owner be overdue in payment of work orders by 90 days, in-house maintenance services shall not be afforded to the owner. Owners must be up to date on payment on their account to receive the benefit of personal maintenance from the Association. Mr. Smith reported that BB&T approved the application for the LOC for \$75,000. The interest rate and closing fee will be very inexpensive. He and Cynthia will work to get the line of credit documents signed and the financing ready should the funds be needed before the end of this fiscal year.

After discussion on budgeting for next year the Board agreed that another reserve study will be needed. Cynthia to order another reserve study for the upcoming budget.

Facilities and Maintenance Committee

Dryer Vent System: Cynthia reviewed the proposals she received on repairs to the dryer vent system. At this time, dryer vent blowers/motors will be changed out on a case by case basis (as they fail) and further information and pricing will be sought on maintenance to the system. The owners will be reminded again to clean their lint traps. Maintenance will try to work on cleaning the 4-5 feet of duct between the dryer and lint trap this winter. Further maintenance will follow on the system next year with the use of next fiscal year's budget.

Exhaust System: Cynthia advised the Board of the proposals received. Perdido Heating and Air (PH&A) proposed \$2,048 per stack (21 stacks) to clean, damper and balance and Air-Care proposed \$1,950. Another option proposed (by PH&A only) was to abandon the shared system and individualize each unit's system with the use of the existing fresh air vent pipe at a cost of \$1,029 per unit. Per discussion by the Board, they may consider advising the owners that the shared system will be abandoned at a determined future date and the owners will be responsible on their own to install an individual system. Cynthia will ask for more refined pricing and if the abandonment of the shared system would cause any IAQ issues and report to the Board on same.

Start on Maintenance Organization: Cynthia advised the Board of Directors that she and Alan continue to work on checklists, procedures, preventive maintenance, etc.

Guidelines on Air Conditioning Systems, Washer Hoses, Dryer Vent Hoses, Water Heaters, etc. may be identified in the condominium documents or communicated to the owners soon. If owners are not properly replacing faulty equipment or maintaining properly, notification will need to be supplied to the owners and property loss/maintenance responsibility because of same should be shifted to the owner.

Landscaping Committee - Mr. Barry and Cynthia will meet next week to hammer out the information that she has (proposals, plants, etc.).

Rental Program Committee - Mrs. Hansen reported that the rental program is doing well but would like to see a marketing program rolled out at the beginning of the year to attract more owners to the program.

Future Plans Committee - Mrs. Hansen would like to rest on the future use of the land for now until we get the marina project completed. Information on the land and the marina will be shared with the owners at the annual owners meeting.

- 6. Update on Boat Launch-** Most of the girders have been installed. Some of the slabs will be picked up this week and installed soon. There are still some slabs that need to be fabricated and installed. It appears hopeful that the project will be completed within the next few weeks. Loftis Marine has only been paid for about 1/3 of his contract amount to date and will not be paid in full until the work has been completed and is satisfactory.
- 7. Marina-** Mr. Smith reported that he has been advised that the entire construction project can be completed within a few months. He added that if this is true, it doesn't make sense to complete the project in two phases. The proposed plan is to secure permits, which is expected to take up to a year, then schedule construction during the winter/low use months. The permitting will begin the first part of October. A strategy will be developed on how to complete construction so that the marina can be used in part during construction. Detailed project information should be known more by next February and will be rolled out to the owners at the upcoming annual owners meeting.
- 8. Annual Contract Review-** Cynthia advised the Board that she continues to collect proposals and is reviewing services completed for the Association. She reported that she has secured a proposal for telephone services by Cox Communications that includes a new phone system. The cost of the services will be about ½ of what the Association is currently paying to AT&T. She will continue to share proposals in future meetings.
- 9. Termite Treatment –** Cynthia reported that she did receive one other proposal from Florida Pest Control. Superior was the only company that included a property damage warranty in their proposal. A review of all the proposals received for termite treatment was completed. As requested by the Board of Directors, Cynthia to arrange for Superior to attend the next Board of Directors meeting to answer questions and provide a demonstration on how the property will be treated by reported drilling, etc. (site visit).
- 10. Rules and Regulations, Pet Policy –** Following discussion, Mr. Howell motioned (conditionally) that the rules and regulations be revised to allow for pets at SeaSpray (under the current parameters) for long time renters, employees and guests residing (contractually obligated or expected to live at Seaspray for 12 consecutive months or more) and Mrs. Hansen seconded. Mr. Smith abstained from the vote; however, having 3 votes, the motion carried and the amendment was approved. As part of the motion, a written version of this revised rule will be shared with the Board to ensure the verbiage is acceptable and as intended.
- 11. Old Business –** There was no old business discussed.
- 12. New Business –** Ms. Hess (412) requested the Association remove the sand from the deck walkway behind the east building that extends to the beach. The only options, per discussion, to fix this situation, is to rebuild a higher walkway or a retaining wall and there are not any funds available to complete such a project at this time.
Mr. Smith recommended that the Board start working on the annual meeting content and planning.
- 13. Review Date for Next Board Meeting**
The next BOD meeting will be held on Saturday, October 22, 2016, at 10:00 a.m. with an executive session meeting before (9:00 a.m.).
- 14. Adjournment**
Having no further business to discuss, Mrs. Hansen moved that the meeting be adjourned and Mr. Barry seconded. The motion carried unanimously and the meeting was adjourned at 7:50 p.m.