

**WATERSIDE III AT BAY BEACH CONDOMINIUM
ASSOCIATION, INC.
MINUTES OF THE BOD MEETING
April 16, 2024 2:00PM**

1. **Call to Order:** The meeting was called to order by Pete Yeatman.
2. **Proof of Notice:** The meeting agenda was posted on the bulletin board on Saturday, April 13.
3. **Establish a Quorum:** Pete Yeatman, Scott Kitkowski, Joel Wilmoth, and Donna Kaiser attended in person; while Jeff Lievens was present on the phone & zoom call. A quorum was present.
4. **Read and approve minutes of February 13, 2024 BOD meeting.** Scott Kitkowski made a motion to waive the reading of the minutes. Jeff Lievens seconded the motion and it was unanimously approved by the board.
5. **President's Report.** Pete Yeatman read the president's report. A copy is attached.
6. **Treasurer's Report.** The treasurer's report was read by Jeff Lievens. A copy is attached.
7. **Property Manager's Report.** Sylvie Gauthier read the Property Manager's report highlighting:
 - The recent plumbing inspection that showed 11 units with hot water tanks older than 10 years of age. She is pursuing proposals for bulk pricing on replacements. This information will be provided to the impacted owners to assist with their effort to replace the tanks.
 - An issue with the Access Control System that is affecting new owners and recent changes requested by other owners. The company is researching the problem including ordering of parts.
 - Wind mitigation report to reflect new roof was provided and will be posted on the website.A report copy is attached.
8. **Standing Committees Requesting to submit reports:**
 - a. **Facility Committee.** Scott Kitkowski read the facility committee report, which included these topics:
 - Roof.
Scott provided a recap of the work accomplished on the roof. Remaining tasks are the installation of the lightning rods and a final walkthrough with Crowther.
 - A/C Units.
Scott explained the roof-related work done to prepare the roof for the A/C units including slides showing how the roof looked before the work was done and how it looks now.
 - Monthly Facility Check List
Paul and Sylvie are systematically addressing the check list.
 - Hurricane Check List

Facility committee, Paul Anderson and Scott reviewed the pre-hurricane checklist and performed the items assigned to the group. Scott shared a slide showing the checklist. He reminded owners of some of the 'closing checklist' items, such as:

- Clean out items from refrigerators and freezers
- Remove items from patios and unshuttered lanais
- Be sure windows are latched with screens removed

Question: Jeff Lievens asked if there were any added costs to the roof replacement from what was already known. Response: approx. \$17K additional for the roof drains. Not sure if any more.

Question: Jeff also asked when we expect to pay for the roof. Sylvie responded the bill (except for the roof drains) was received; payment will likely be made this week.

Question: Joe Romanelli asked about the life expectancy of the roof. Scott explained 20-year for material, but more importantly, after 15 years, the insurance company can request a roof survey be done and if it is determined there is at least 5 years left in the roof's life, they would agree to continue coverage. Cost of that coverage is unclear.

Question: Lance Johnson asked whether there is a standing contract with Crowther. Sylvie explained we are a priority customer for Crowther, which was very helpful for this past hurricane.

A copy of the report is attached.

- b. Risk Committee.** Scott, as recently-appointed chairman of the risk committee, identified Sylvie, John Frey, Richard McKissock, and either Jeff Lievens or Joel Wilmoth as the other committee members. Scott displayed a slide of 15 items on the current risk list and how risks are evaluated and mitigated, with the assurance of more information in the coming meeting(s).

A copy of the spreadsheet is attached.

- c. Landscape Committee.** Sue Walker read the landscape report, expanding on the details of the palm treatment proposal provided by Pelican, and raising a question to the audience about the rocks surrounding certain mulch areas. No one seemed to know of a reason for the rocks and so it was agreed the rocks can be covered the next time mulching takes place.

A copy of the report is attached.

9. EBIA Affairs. Pete Yeatman read the EBIA report with these highlights:

- EBIA is still in discussion with the town over street lighting as it impacts turtles
- Tiki huts are being installed by the amenities on the commons to provide shade and seating
- Most, if not all, of the golf amenities will be available soon
- Owners will be offered the opportunity to buy benches to be placed along the walking paths on a first come basis

Pete encourage owners to log onto the EBIA website for more information on what is being done. The next planned BOD meetings are July 9th and October 10th.

A copy of the report is attached.

10. Old Business:

a. **Confirming or Assigning Chairs for our Standing Committees.**

Pete Yeatman explained the outstanding item here was the chair of the Risk committee, but if Scott is willing to continue as (interim) chair, nothing more is needed at this time.

b. **Roof Update.**

Covered in the Facilities report.

c. **Asphalt resurfacing.**

Sylvie explained the project is expected to be completed in July. Cars will not be able to be driven or parked on the surfaces during the project. Pete said arrangements will be made for alternative parking.

d. **Hurricane readiness.**

Scott shared this as part of the Facilities report.

e. **Lobby Update and Designer Selection.**

Scott provided background from the last meeting up to the current point in time. He displayed slides and provided extensive explanations showing the results of the new owner surveys showing new results showing a willingness, at this point in time, to spend approximately from \$87K to \$116K, feedback on changes owners would most like to see, and more detail about the 10 designers who were considered for the work.

The lobby presentation is appended to the minutes.

Question: Did any of the designers provide before and after pictures of their work?

Response: We did not ask for that.

Question: What is the plan for the existing furniture? Response: we asked all designers to try and incorporate the current furniture into the new design.

Question: Jeff asked what is the square feet of the lobby? Response: Scott nor Donna knew at the moment.

Question: Richard McKissock asked what is meant by the term 'certified designer'?

Response: It is an organization. Coursework is required beyond being an interior designer, and the course involves structure - like civil.

Scott made a motion to approve Sherri Rozzi, IDesign Homes, as the designer selected for this project. Donna seconded the motion. The motion carried.

Jeff Lievense made a request that research is done on the success of using luxury vinyl flooring on high traffic areas before a decision were made to it.

Jim Stewart asked about impacts to lobby access while work is being done. Response: details on that had not yet been provided, and some of it will be our choice on whether we pay the designer to oversee and manage the work.

Pete asked about next steps on this. Scott explained we can move forward.

f. **Review and Update of Waterside III Rules and Regulations.**

The R&Rs are a work in progress. Joel has been reviewing the 5.B. section that contains information on 'Parking of Vehicles and Bicycles' and looks to deal with that separately from the battery issues that come with electric items such as e-bikes. Joel explained that similar to the current statute, the e-bikes would need to have a sticker and not kept on racks or in front of cars if the owner were away for more than 2 weeks. The board is working on a new rule that would address the battery issues: mainly that batteries would need to be UL certified; and, also how the batteries would need to be stored when owners are not on the property.

Pete will provide one last write-up to the board before members weigh in on approval readiness.

11. New Business

a. Insurance.

Sylvie explained another 30-day extension was applied to the property insurance - extended to May 31st. This will provide about 6 weeks to research alternative options, although companies are reluctant to insure properties with open claims and damage still under recovery. We have received info showing some increases in costs of around 15%.

Jeff explained that while our original policy had a 5% deductible, the interim insurance coverage has a 15% deductible. He asked if we could pursue options with our broker for a lower deductible and if it could be applied, the cost of that change.

Joel asked if more documentation is needed by the insurance company to show the roof has been complete. Sylvie said they already have what is needed. Jeff suggested this risk should be added to the risk log.

b. Altieri Update.

Scott brought the group up to speed on the recent work with the Altieri, the independent adjuster. He provided slides that showed the research done to compare the 2 litigators (Frank Winston or Javier Delgado) being considered to help us through the arbitration.

Next steps:

- Next week, Javier Delgado will have Dr. Jain an engineer who specializes in inspection of buildings impacted by hurricanes, inspect our building including the same windows that were inspected by the glazing expert.
- Sylvie will provide information and pictures of the building before and after the hurricane to the Delgado group.
- The Delgado group will then provide their input on whether they will continue with us.

The presentation on litigators is appended to the minutes.

c. E-mobile Devices (Bikes, etc.)

Pete explained this is topic is really an introduction to owners that the board is looking at regulations around batteries used for e-mobility. He modified the regulation written up by building 1 and said the new regulation would be shared with owners, for their comment and input, before it is advanced to be included in Waterside III's R&Rs.

Joel reiterated that until a new regulation is enacted, to keep the battery in a more climate-controlled environment, anyone with an electric bike who will leave the building for 2 weeks or longer, should:

- remove the battery from the bike;
- store the battery in their unit rather than in their storage areas; and
- not store the battery on a charger.

Question: What about all the other types of batteries - in cars, in tools, etc.

Response: We don't have answers yet to all the questions regarding the batteries.

12. Sales and Leases.

Unit 364 was sold to Roger & Evelyn Celesk.

Donna made a motion to approve the sale, Scott seconded the motion, and it was unanimously approved.

13. Comment and Discussion by Unit Owners.

Question: Are procedures in place about how units should be left after renters leave the unit? Response: Yes, there are procedures. Owners should make renters aware of

closing procedures. If it is not happening, the property manager should be notified. If it continues, an owner may be prevented from renting their unit.

Question: Sue asked for assistance around pool equipment issues. Scott addressed actions that have been done, and some being done by WMA, and agreed to follow-up. Dan Squire, our WMA representative, agreed to discuss the issues with Mark Wiseman, president of WMA.

Comment: Charley Eck made a comment for owners to be aware of the wear and tear that is seen in the lobby, and to be more careful.

14. Adjournment:

A motion was made by Scott Kitkowski to adjourn. Joel Wilmoth seconded and the entire board agreed to end the meeting.

President's Report

(Apr 13, 2024)

I need to start my report by thanking my fellow Board members, Sylvie and Paul as well as many owners who have stepped up and filled in for me during my personal issues. Since I have not been as active as normal most of the things that I would put in this report will be presented as part of the meeting agenda items.

I do wish to state that we are now operating as we normally do and I must request all owners to abide by our rules and operating procedures. Our PM is very busy and contacting owners for minor items like bicycle parking or greater than 6 inch clearance in garages takes away from what really needs to be done.

Respectfully submitted,
Pete

Treasurer's Report **April 16, 2024**

This report was shared in advance with the Crisci Finance Committee members (Joel Wilmoth, Connie Shepherd, Tom Kaiser, Charlie Eck), our Myers Brettholtz accountant (Kerry Johnson), our property manager (Sylvie Gauthier), and the Board.

Financial Summary

The most recent financial statement is February 2024.

- Operating fund balance is \$1,471,255.89.
- Reserve fund balance is (\$76,826.55).
- Revenues through February were \$1,465,502.86 compared with the budgeted \$105,074.84.

This is the result of recognizing the SBA loan disbursements totaling \$1,250,000 and an insurance claim of \$152,513.00 (to be used to replace breakers and panels in our fire control system).

- Expenses through February were \$78,962.94 compared with the budgeted \$105,074.84. The main variances were property insurance (under-budget by \$23,414.21); building repair/maintenance (under-budget by \$4,016.66); SBA loan payment (under-budget by \$6,200); and grounds repair/replacement (over-budget by \$10,483.14).

Comments

Our current net cash position, \$1,394,427.27, is strong due to the \$400,000 assessment in 2023 for insurance costs, most of which was carried over to 2024, and SBA loan and insurance proceeds that have yet to be paid out for repairs (mainly the roof replacement and fire control system). Most of our cash (90%) is earning 5% interest in a Fidelity account.

The Reserve fund deficit is a consequence of assigning roof repair expenses to the Reserve fund while assigning the entire SBA loan disbursement to the Operating fund. At the

appropriate time and with Board approval, the Reserve deficit will be corrected by transferring Operating funds.

The property insurance and SBA loan payment variances are timing matters, and they will balance out in future months.

The building repair/maintenance variance reflects our expectation of higher costs in 2024 for this item due to the effects of Hurricane Ian.

The grounds repair/replacement variance was due to unbudgeted costs for painting light poles (\$5,150), front island drainage (\$4,352.48), and landscaping (\$1,314.00).

Outlook

Our net cash will be drawn down in this year due payment on the balance due for the roof replacement (approximately \$300,000), repairs to our fire access control system (approximately \$150,000), and return of some SBA funds (up to \$100,000). We have applied to extend our \$300,000 line of credit as a safety net. We continue to extend our interim property insurance in 1-3 month increments. This may continue through 2024 while we are in discussion with our insurance company in regards to damage to our building's window.

Respectfully submitted, Jeff Lievense, Treasurer

PROPERTY MANAGER'S REPORT

4-16-24

- During the **Plumbing Inspection** 18 waters heaters were identified as being 11 years or older. For condos it is recommended they be replaced after 10 years because of the water damage liability. We are obtaining proposals for a bulk pricing from United and Next Plumbing for owners savings however if an owner wants to replace on their own they may do so.
- The **dryer vent cleaning** has been scheduled from June 10th thru the 13th. This includes inside every unit. Owners need to ensure their dryer exhaust is accessible.
- We have updated **Vendors do's & do not's**. Verbiage was added to protect slabs post tension rods. This will be available on the website with the unit modification request form.
- **Window cleaning** was delayed until roof was completed. New date for cleaning is May 1st.
- We received an updated **Wind Mitigation Report** to reflect the new roof which will posted on the website.
- **Access Control System** works fine if you have already been programmed into the system however changes requested or new owners for the last 2 weeks have not been uploaded. Key Security was out this morning to investigate and thinks it's the modem inside the tele box. Waiting for parts now.
- **Paul** will be on vacation from April 23rd to the 29th returning on the 30th

Under Old Business:

- **Mill & Pave:** they will fill in low spots with asphalt as best they can to accomplish the correct pitch for better water flow around the drains. Anticipate project to be completed in July.

Should take 1 week depending on the weather. Cars will not be able to drive during and 1 day after completion so alternative parking will be needed.

New Business:

- Insurance renewal: Your current property insurance was extended to 5-31-24 due to the roof. This gives approximately 6 weeks to receive additional extensions or other options with new a carrier willing to provide insurance. New Carriers are reluctant to insure properties that have an open claim and damages still under discovery.

RATIFY SALES & LEASES

SALES

Unit 364 sold to Roger & Evelyn Celesk

LEASES : NONE

April Facility Committee Report

(Scott Kitkowski, Walt Estep, Doug Chyna, John Schroeder)

Roof

As you know we contracted with Crowther to replace WS III roof. Crowther delivered material on January 15th, and actually started demolition of the current roof on January 31st. Duration of the project is expected to be between 6-8 weeks which includes the AC project as well. On Saturday April 6th Crowther finished the roofing portion of the job with the installation of the retro roof drains.

Built-up roofing (BUR) is the traditional form of bitumen roofing, consisting of multiple layers of bitumen and reinforcing materials, such as fiberglass or organic felt. These layers are topped with a protective surface, often gravel, to shield the roof from weathering and UV radiation. BUR systems have been used for over a century and are known for their exceptional durability and long lifespan. (old roof)

Modified bitumen roofing (MBR) is a more modern alternative to BUR systems, featuring sheets of modified bitumen reinforced with polyester or fiberglass. These sheets are applied in layers, with the seams sealed using heat, cold adhesives or self-adhesive technology. MBR systems offer enhanced flexibility, easier installation and superior resistance to temperature fluctuations, making them an attractive option for many commercial property owners. (New roof)

AC Systems

As part of the reroofing project, the AC units will be removed and reinstalled on code compliant racks with new disconnects. The AC portion was completed on April 9th, except for one 3 phase disconnect which has not shopped yet

SEE PICTURES

Monthly Facility Check sheet

The monthly Facility Committee inspection sheet continues to be utilized to inform Paul and Sylvie of potential issues and to get them repaired. There were inspections performed for February and March, they noted approximately 19 total items, which is a reduction from prior months.

Hurricane Check List

The Facility committee went through the Pre hurricane season checklist and performed required items that were their responsibility. **We challenge the residents to do their items as well.**

When	Item #	Description	Responsible	
Prior to Hurricane season (end of May)	1	Send out the Hurricane readiness plan to all residents as a reminder	BOO	Sylvie
	2	All residents are advised to not keep perishables such as (frozen meat / fish, ice-cream etc.) in their refrigerator/ freezer if they leave for the summer / Hurricane season	Residents	
	3	All residents with 1st floor large lanal's are required to remove all furniture from their uncovered Lanal area if they leave during summer / hurricane season.	Residents	
	4	All residents without shutters are required to remove furniture from their lanals when they leave during summer / hurricane season. All residents must unplug and remove electrical items on lanal's when they leave during Summer / hurricane season.	Residents	
	5	All residents are required to check to insure that their windows are fully latched and sliding doors are closed fully and locked if they leave for any extended time during hurricane season	Residents	
	6	Hurricane panel bolts should be trial fitted into all anchors on the doors for W53	W3M	Facility Committee and Paul
		Hurricane anchors should be lubricated with some type of anti Seize such as Never Seize as the bolts are test fitted	W3M	
		Return bolts to identified storage area	W3M	
	7	Perform a trial run of generator where it actually switches the power to the building	W3M & FC	End of 2023
		No one should be allowed to use the elevator during this test	W3M & FC	
		Flip breaker off for the emergency panel, generator should start, transfer switch should activate and power up emergency panel	W3M & FC	
		Turn breaker on to the emergency panel, ASC transfer switch should switch back, generator will continue to run until it is cooled down	W3M & FC	
	8	Check diesel tank level for generator and fire pump	W3M & FC	Scott
	9	Set up a contract with a company to provide Hurricane recovery service "just in case"	PM	
10	Lubricate all first floor exterior locks	W3M	Larry	
11	Roof inspection	FC & W3M	Facility Committee (SC)	
	Perform an inspection of the roof for any materials that are laying on the roof	FC & W3M		
	Check all HVAC racks to insure that all AC units are appropriately fastened to the racks	FC & W3M		
	Check all roof drains to insure none have debris plugging them	FC & W3M		

A sample portion of the Risk Report

Risk #	Risk ID	Risk (incl. sample / explanation)	Risk: Yes/No	Impact category
1	1-WS III	A hurricane with high winds and storm surge significantly damages the building.	y	Impact 0 (unknown)
2	2-WS III	Our building catches fire and damages the building.	y	Impact 0 (unknown)
3	3-WS III	Water from leaking plumbing due to owner negligence significantly damages the building.	y	Impact 0 (unknown)
4	4-WS III	Water from leaking plumbing due to owner negligence (RENTAL or AIR B&B) significantly damages the building.	y	Impact 0 (unknown)
5	5-WS III	Water from leaking common pipes significantly damages the building.	y	Impact 0 (unknown)
6	6-WS III	Because a common security door malfunctioned, criminals gained entrance to the building and committed theft and caused bodily injuries.	y	Impact 0 (unknown)

LANDSCAPE REPORT

APRIL 16, 2024

The WSIII Landscaping, post lan, has been completed. A few shrubs have not survived after the initial planting and are under warranty and have been replaced. This included Oleander in the front circle drive area and Ixora in various locations around the perimeter of the building.

Weed treatments were applied in all shrub beds last week and it takes about 10-12 days before the weeds will die and be dissolved. There were approximately 5 large ant mounds which were treated and resolved.

The pruning cycle should begin shortly for growth over the summer months. The hibiscus by the front entrance will be trimmed back substantially to provide for sculptured growth. The coco plums are being treated for a fungus that was identified from plant samples provided to the University of Florida for analysis. The treatment seems to be working as unflawed new growth is emerging.

managing the water run-off in that area. There is a small strip of bare soil which will be remedied in May by planting a sod strip.

The palm trees are doing well, but a few have required special treatment. We are investigating a once of year treatment for all the palms for a good preventative measure. Pelican will be providing a proposal for review.

Pelican is working on proposed plans for the planters on the sundecks off the social room and work out room. Preliminary options are to fill the planters with rock, screening and soil to provide more planting options. The second option is to install large, secured pots with plants in the area. The water appears to be available but detailed repairs have not been investigated or tested.

Currently there is rock around some of the perimeter walls in the landscape beds. We would like to mulch over the rock during the next mulch replacement cycle. It is unsure whether the placement of the rocks was intentional or just part of the landscape plan over the years.

Respectfully Submitted,
Sue Walker

The **Lobby presentation** is appended.

<04 AP24 4_16 Lobby Project slides shown at BOD meeting.pptx>

The presentation on **Altieri litigators** is appended.