

PELICAN LANDING CONDOMINIUM ASSOCIATION of CHARLOTTE COUNTY, INC.

(A not-for-profit corporation)

BOARD OF DIRECTORS MEETING

Thursday, April 16, 2020

Due to Covid-19, Meeting Held by Conference Call
With Member Dial-In Access

CALL TO ORDER: Richard Decker called the meeting to order at 9:03 am.

NOTICE: Proof of Notice was affirmed by Sunstate Management exceeding notice requirement of 48 hours.

QUORUM: A quorum was established with Richard Decker, President, Frank Saracino, Vice President, Bill Kissner, Secretary, Dave Henderson, Treasurer, David Frustaci, Assistant Treasurer, Paul Chase, Director and Eric Michalak, Director all on the conference call. Also present, Ed Olson from Sunstate Management on the conference line.

APPROVAL OF THE PREVIOUS MINUTES: MOTION made by Bill Kissner and seconded by Dave Frustaci to approve the minutes of March 17, 2020 Board Meeting. Motion passed unanimously.

TREASURER'S REPORT: Since the last Treasurer's Report of March 17, 2020, the following actions of major importance from a financial perspective included the following:

- Dave McMahon, our agent with Atlas Insurance Agency, has been experiencing a lot of difficulty obtaining the quotes from insurance companies on our major package of insurance policies due for renewal on April 29. This package includes essentially all of our policies except for flood insurance policies. Insurance companies have been slower to respond due to Covid-19 associated delays. In addition, the macro environment is driving much higher prices, especially prices for older properties in coastal areas. So, even with the credits we will get for glazing on Building B and the new roof on all of our buildings, the results have been coming in at higher prices than we had hoped for. Dave plans to have the insurance package to me by this Friday, April 17, at which time I will immediately pass it on to the Board for immediate review. Dave has agreed to join us for a special Board Meeting at 9:00 a.m. this coming Monday morning (April 20) to review the package with us. Depending upon the results, we may need to make some decisions on options available to us, including options to lower our costs. These decisions would need to be made and voted upon in the meeting to allow time to get the new policies set up prior to the April 29 policy renewal date. Therefore, we need to make sure we will have a quorum for that Monday morning meeting or set an alternative date or time, and get the meeting posted as a Board of Directors Meeting for Review/Analysis and Approval of 2020-2021 Insurance Package.
- Following up on last month's Board of Directors Meeting, finalized and returned the Board approved contract with Dalton's Tree and Landscape, which is effective June 1, 2020. Also, worked with Rich Decker and Ed Olson to advise Ronnie with Paradise Cleaning of our decision, firm up our willingness to keep him on through the end of May to help with his transition, and send letters canceling his service and the services of our existing irrigation and lawn chemical service companies.
- Reviewed the Elevator Maintenance Contract and the Elevator Renovation/Modernization Proposals received from the five (5) elevator companies who received our Request for Proposal (RFP). Sent an email to the Board of Directors summarizing the results on each of the key items requested in the RFP. Based on that

analysis, Oracle, our current elevator company, had the best Elevator Maintenance Contract Proposal, which could provide substantial savings in annual operating expenses. The annual savings versus the other alternatives could amount to over \$7,400 per year in operating expense. Accordingly, I would like to proceed in finalizing a new contract with Oracle for final review and approval at the May 21 Board of Directors meeting, and I will be making a motion at the end of this report for approval to move in that direction. To avoid self-renewal of the existing Oracle contract, we need to send them a cancellation letter by the end of May, and I would like to have a revised signed final proposal from them before we cancel the existing contract.

- Of the five (5) Elevator Renovation/Modernization proposals received, three (3) were able to reasonably be compared on a like-for-like basis (with minimal to no exposure to additional cost and project management challenges). Of these three, Oracle was the low bidder, beating the other two by \$33,646 and \$53,648 respectively. Given these results and the successful Oracle completion of our Building E and F renovations/modernizations last year, not much work on the contract proposal would be required, as the contract mirrors the Building E and F contracts/proposals. Based on all of these factors, I recommend we move ahead on plans for the proposed work on Buildings A, B, C and D. This would include finalizing the contract and obtaining financing from a bank or other financial institution and subsequent final approval from the Board of Directors. Accordingly, I will be making a motion at the end of this report to move in that direction, with David Frustaci responsible (with the assistance of Sunstate), for making the loan application and data submittals necessary to secure the financing commitment. Our current estimate is that a \$100 increase in the quarterly assessment, beginning January 1, 2021, would likely be needed to ensure sufficient money for interest and principal payments on a 10-year loan.
- With assistance from Sunstate and David Frustaci, worked with Armentrout Chau and Associates, Certified Public Accountants & Business Consultants, to obtain the requested Independent Auditor's Report and Audited 2019 (and Unaudited 2018) Financial Statements. Accordingly, I will be making a motion at the end of this report that the Board formally accept this work. Subsequent to the Board's approval, unit owners will be advised regarding how to obtain a copy should they wish to do so.
- After completion of the 2019 Audited Financial Statements, prepared a Proposed Amended 2020 Reserves Budget to bring our reserves budget into alignment with the actual year-end 2019 reserve balances by category and the reserve interest allocation for each category as recorded in the audited financials. Accordingly, I will be making a motion at the end of this report to approve the proposed reserves budget for further consideration for approval at a Budget Meeting to be held at 9:00 a.m. on May 21, 2020, just prior to the Board of Directors meeting at that date and time.
- Obtained a check from Maximum Solutions, the company that did the 4-nail strengthening of our building trusses, for \$450, which is what they would have spent for their mitigation reports had we not moved ahead on obtaining more comprehensive reports from another licensed engineer/inspector.
- I am still holding back \$3,750 on the Galloway Roofing contract, pending their completion of a few remaining check-list items.

MOTION: A Motion was made by Dave Henderson and seconded by Frank Saracino that the Board of Directors formally accept the Independent Auditor's Report and Audited 2019 (and Unaudited 2018) Financial Statements. Motion passed unanimously.

MOTION: A Motion was made by Dave Henderson and seconded by Frank Saracino that the Board of Directors approve the Proposed Amended 2020 Reserves Budget dated March 27, 2020 for subsequent formal consideration for approval at an upcoming Budget Meeting at

9:00 a.m. on May 21, 2020, just prior to the Board of Directors meeting at that date and time. Motion passed unanimously.

MOTION: A Motion was made by Dave Henderson and seconded by Paul Chase that the Board of Directors authorize the Treasurer to finalize negotiations on a final Elevator Maintenance Contract Proposal for presentation to the Board of Directors for approval at the May 21 Board of Directors Meeting. Motion passed unanimously.

MOTION: A Motion was made by Dave Henderson and seconded by Frank Saracino that the Board of Directors authorize moving ahead on plans for renovation/modernization of Building A, B, C and D elevators, including finalizing the contract terms and authorizing David Frustaci, Assistant Treasurer, to work with Sunstate to obtain a financing commitment and approval from a bank or other financial institution – all subject to final approval by the Board of Directors. Motion passed unanimously.

MOTION: A Motion was made by Dave Henderson and seconded by Frank Saracino to call a Special Board Meeting April 20th at 9:00 a.m. by conference call to discuss and possibly approve the 2020-2021 Insurance Package from Atlas Insurance Agency. Motion Passed unanimously.

COMMITTEE REPORTS:

SOCIAL – None.

LANDSCAPE – Richard Decker gave the report. Next month Richard Decker will be touring the property with Hudson from Dalton's Landscaping to determine what needs to be done on their first visit to start the contract. They will also be looking at the backside of building C for a cut back. A question was asked by a unit-owner about trimming the palm trees on the southeast entrance/exit to clear the vision of drivers pulling out into traffic. Richard Decker and Jim Johnson planted pitch apples in the hole where the pepper tree was removed on the south side of F Building. He will also talk to Dalton's about plantings in the planter at the sunset deck and the small area where the Areca Palms did not survive along the north property line near the sunset deck. A question was asked by a unit-owner about the bamboo leaves dropping on the parking lot north of E Building. Bill Kissner stated that Rob blows off the parking lot once a week.

BUILDING – Bill Kissner gave the report. He spoke about two projects and the two proposals he received for each one of these projects. His paver project recommendation was to approve the Paver Mac proposal for \$3,200.00, including the parking by the south side of the tennis court, plus the small parking area under F Building and two coats of sealer, with the project to be charged to the paving reserve. MOTION: A motion was made by Bill Kissner and seconded by Frank Saracino to award the paver project to Paver Mac. Motion passed unanimously. The tennis court top railing project recommendation was to approve the proposal from USA Fence, at \$2,600.00 including the top rail, 3 posts and end caps in green to be charged to the tennis court reserves. MOTION: Motion made by Bill Kissner and seconded by Eric Michalak to award the top rail project to USA Fence. Motion passed unanimously.

Other projects and maintenance are continuing to be completed, including getting bids for the walkways. Ed Olson asked about final payment to Galloway Roofing which was prompted by a call from them. Bill Kissner stated he has had trouble scheduling the last bit of work that needs to be done between the contractor and unit owner. He has had a call with Galloway to negotiate the work and final payment to finish off the project.

BOAT & DOCK –Eric Michalak gave the report. The navigational cut back has been done; however, he does not think that enough was cut back to fulfill the permit. He will be reviewing that next week. Jason Adams is still working on setting up Phase II meetings, but progress is being slowed. Because of the work that has been done and Covid-19, they have ok'd a video conference with Jason Adams but have not yet completed protocols for that type of meeting.

UNFINISHED BUSINESS: None

NEW BUSINESS:

A unit owner expressed concerns about nails and screws that punctured his tires, feeling that they were left in the parking area under E Building after the re-roofing project, stating that several E Building unit owners had experienced tire punctures. In a letter to the Board, the unit owner had initially recommended that a claim be filed with the roofing company. However, on this conference call, the unit owner simply made a request to attach his letter about the matter to the corporate records. An 11-minute conversation followed in which, among other things, the daily clean-up procedures by the roofer were discussed. The unit owner was told that due to the lack of any evidence linking the incidents to the roofing project, including no ability to examine the nail and screws that he cited had caused the punctures, no claim could legitimately be filed with the roofing company. Therefore, no further action was taken.

NEXT MEETING: 9:00 am Monday April 20th, 2020 – to be conducted again by conference call due to Covid-19.

ADJOURNMENT: There being no further business to come before the Association, **MOTION was made by Frank Saracino and duly seconded by Bill Kissner that the meeting be adjourned. The Motion passed unanimously.**

Respectfully submitted,

Edward L. Olson/LCAM

for The Board of Directors at Pelican Landing Condominium Association, Inc.

Pelican Landing Condominium, Charlotte County, Inc.

The Secretary; _____

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