



Board Meeting Minutes

Date and Location: November 4, 2017, Errol by the Sea Condominium Clubhouse
Time: 10:00AM

1. Call to Order

The meeting was called to order at 10:00AM by President, Kenneth Rhodes.

2. Establish Quorum

There was a quorum at the meeting with all board members present in person or by phone conference (Kenneth Rhodes, President, In-person; Lars Eriksson, Vice President, In-person; Dale Fage, Secretary, Phone; James Lacovara, Treasurer, In-person; Jennifer Bennett, Director, In-person; Mark Hilborn, Director, In-person).

3. Proof of Notice

Tyler Brown, association manager, stated that notice had been given in accordance with board direction and statute. An affidavit of notice has been made part of the record of the meeting.

4. Reading of Minutes of Previous Board Meeting

a. August 5, 2017

A motion was made by James Lacovara, seconded by Mark Hilborn, and passed unanimously to accept the August 5, 2017 minutes as written.

5. Treasurer's Report

A treasurer's report was given consisting of bank balances as of October 31, 2017. A copy has been made part of the record of the meeting.

6. Manager's Report

A written manager's report was submitted to the board for review. Any questions concerning this report were answered. A copy will be made part of the record of the meeting.

7. Unfinished Business

a. Restoration Project

i. Change Orders/Budget Update

A motion was made by Kenneth Rhodes, seconded by Mark Hilborn, and approved unanimously to ratify Change Orders 22, 23, 24, and 25.

The updated projected budget, generated by Keystone Engineering, for the R&J portion of the restoration project was presented to the board. The projection shows that, inclusive of change orders, the project is estimated to be \$500,000.00 under budget. This is just a projection and is obviously subject to change as we progress through the rest of the project. In general the project will be significantly below budget.

ii. Schedule

1. Walkway Coatings

Phase 5 walkway coating ('03 to '08 stack units) is scheduled to start on November 13, 2017. Weather conditions permitting it should take one week per floor to complete the application process. Please be aware of these closing.

2. Elevator Modernization (West and South), Elevator Interiors

The modernization of the elevator controls and door equipment on the South and West elevators is scheduled to start on November 6, 2017 with the West elevator. When that elevator is completed we will proceed to the South.

We are in the process of finalizing the design and implementation of the interior elevator cab replacement.

iii. Progress

The concrete/waterproofing portion of the restoration project is progressing well with almost no issues arising. It is anticipated that this portion of the project should be complete in or around mid to late February 2018.

The landscaping portion of the project has started and is progressing well. We anticipate a waiting period to complete this portion while further concrete work is done on the one bedroom and south ocean front buildings.

iv. Front Entrance Update

We are in the process of pulling permits to complete the front entrance renovations. The previous landscaping has been removed and the front wall cut back already. We have already installed the new palms on either side of the front entrance and the new sign location.

v. Window Frame Painting

It was reported that the painter will be back on property to paint window frames on the 4th and 5th floor of the two bedroom and North ocean front buildings on Monday November 6th. Owners will receive a bill for this work after completion of the painting.

8. New Business

a. Budget Adoption

A motion was made by James Lacovara, seconded by Dale Fage, and approved unanimously to accept the proposed budget as present to the membership. New maintenance fee amounts will go into effect January 1, 2018. A copy of the proposed budget will be made part of the record of this meeting.

b. Annual Meeting Proxy Votes

i. Financial Accounting

The board requested that a proxy vote requesting the membership approve the completion of a compiled financial statement for the 2017 fiscal year in lieu of an audited financial statement be included with the annual meeting notices.

ii. IRS Ruling 70-604

It was requested that a proxy vote be supplied to the membership concerning IRS Ruling 70-604 be included in the annual meeting information. It is recommended that the membership approve the rollover of any excess income from 2017 to 2018.

iii. Additional

After discussion it was requested that a proxy vote be supplied to the membership concerning the installation and construction of garbage container enclosures for all garbage dumpsters on the property as a material alteration vote.

c. After Storm Repairs

It was reported that we have received billing from Florida Disaster Recovery pertaining to the after Irma drying expenses. As has been the association policy, this bill was paid in full by the association with further reimbursement from owners for cost incurred being sent shortly.

A discussion was held concerning water leaks from one unit into other units. A letter from the association attorney pertaining to this matter was discussed. A motion was made by Kenneth Rhodes, seconded by Lars Eriksson, and approved 5-1 with Dale Fage abstaining to adopt the position in our attorney opinion as the policy of Errol by the Sea.

Discussion was held concerning the roofs on the Office, Maintenance Shop, and Clubhouse that were damaged during Hurricane Irma. A motion was made by James Lacovara, second by Jennifer Bennett, and approved 5-1 to proceed with the installation of metal roofing for these buildings.

d. Manager Search

Kenneth Rhodes introduced the new manager, Sheila McCollum, to those in attendance. Sheila will be starting on property full time on November 27th. Between now and then Tyler and Sheila will work together to transfer information and procedure unique to Errol. A motion was made by Kenneth Rhodes, seconded by James Lacovara, and approved unanimously to approve the contract negotiated by Kenneth Rhodes with Sheila McCollum.

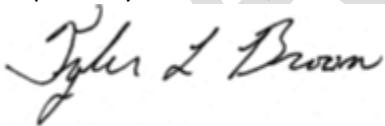
e. Monthly Rental Rates

A discussion was held concerning a new theory for monthly rental rates. This discussion centers around having peak and off peak monthly rates much like our peak and off peak weekly rates. The board and rental committee will continue to work on these rates in hopes of having a formal presentation for the December 9, 2017 annual/board meetings.

9. Adjournment

There being no further business to come before the board, the meeting was adjourned at 11:15PM.

Respectfully Submitted,



Tyler Brown CFCAM, CMCA, AMS, PCAM
Manager, Errol by the Sea Condominium Association, Inc.