



Board of Directors Meeting Minutes
February 27, 2016

1. Call to Order

The meeting was called to order by Kenneth Rhodes at 9:00 AM.

2. Establish Quorum

A quorum of the board (Kenneth Rhodes, President; Lars Eriksson, Vice President; Dale Fage, Secretary; James Lacovara, Treasurer; Robert Dugan, Director; and Jennifer Bennett, Director), all present in person, was in attendance.

3. Proof of Notice

Tyler Brown, association manager, stated that notice of the meeting had been given to all owners.

4. Reading of Minutes of Previous Board Meeting

a. January 9, 2016

A motion was made by Dale Fage, seconded by Robert Dugan, and approved unanimously to accept the January 9, 2016, board meeting minutes as written.

5. Treasurer's Report

A treasurer's report consisting of the bank balances as of January 31, 2016, was given to the board. A copy of this report will be made part of the record of the meeting.

6. Contractor Interviews

Contractor interviews with Southeast Restoration Group and R&J Coatings were conducted by the board of directors and owners in attendance. Questions were asked by both owners and the board of the contractors and Keystone Engineering concerning the repair submittals.

7. Unfinished Business

a. Restoration Project

An explanation was given of the process the board has followed to this point. At the conclusion of this explanation questions were asked of the board and management by the owners in attendance to clarify the process.

i. Phase II - Bid Process

ii. Project Scope Elements

iii. Funding Strategies

iv. **Contractor Selection**

A motion was made by Kenneth Rhodes, seconded by Lars Eriksson, and declined 1-5, with Lars Eriksson voting in favor of the motion, to contract with Southeast Restoration Group to complete the property restoration. A motion was made by Kenneth Rhodes, seconded by Robert Dugan, and approved 5-1, with Lars Eriksson voting against, to contract with R&J Coatings to complete the property restoration.

A motion was made by Kenneth Rhodes, seconded by Jennifer Bennett, and approved unanimously to start the restoration project on August 15, 2016.

A motion was made by Kenneth Rhodes, seconded by Robert Dugan, and approved 5-1, with Lars Eriksson voting against, to adopt option three off of the scope sheet, to be made part of the record of this meeting, as the project scope for the upcoming restoration project.

A motion was made by Kenneth Rhodes, seconded by James Lacovara, and approved unanimously to notify the membership that the board of directors will consider adoption of a special assessment at a board of directors meeting to be held on March 26, 2016, at 10:00 AM in the association clubhouse in the amount of \$3,950,000 to cover the adopted restoration project scope.

A motion was made by Kenneth Rhodes, seconded by Jennifer Bennett, and ultimately rescinded to establish the following collection method for the previously proposed assessment:

1. A lump sum payment on July 1, 2016.
2. Three equal installments due and payable July 1, 2016, February 1, 2017, and August 1, 2017. If any installment is not paid by the 15th of the month in which it is due there shall be a late fee of \$1,000.00.

A motion was made by Kenneth Rhodes, seconded by James Lacovara, and approved unanimously to establish the following collection method for the previously proposed assessment:

1. A lump sum payment on July 1, 2016.
2. Three equal installments due and payable July 1, 2016, February 1, 2017, and August 1, 2017. If any installment is not paid by the 15th of the month in which it is due there shall be interest charged at 18% per annum.

Ken Rhodes stated that all documents relating to the restoration project are available for owner review. Owners should contact the office for details. Most related documents will be on the owners section of the website. On March 26th the board

will meet to finalize the contract with R&J Coatings and levy the assessment. Between now and then both board members and owners will be reviewing all elements of the project to fine tune details.

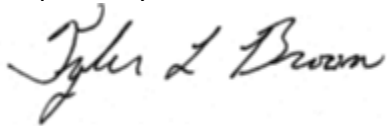
8. New Business

There was no new business to come before the board.

9. Adjournment

There being no further business to come before the board the meeting was adjourned at 1:02 PM.

Respectfully Submitted:

A handwritten signature in cursive script that reads "Tyler L. Brown".

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