

**Errol by the Sea**  
**BOARD OF DIRECTORS MEETING**  
**April 8th, 2023**  
**Errol by the Sea Clubhouse/Zoom**

## **MEETING MINUTES**

**Attendees:** All Board Members attended  
Kerri Gallagher, CAM

President Rob Wolf called the meeting to order at 10:00am.

**Approval of the Meeting Minutes:** Mark Hilborn motioned, Jim Lacovara seconded, to approve the minutes of the January 14, 2023 meeting as written. Motion passed unanimously.

**President's Report:** Written report is attached to these minutes.

**Treasurer's Report:** Written report is attached to these minutes.

**Manager's Report:** Written report is attached to these minutes.

### **Committee Reports/Architectural Review:**

**Grounds/Maintenance** – Jim Lacovara spoke on this item. The grounds look good. There were a couple of brown spots in the grass, but it is getting better. A few oleanders need to be replaced around the perimeter of the property.

**Compliance** – Mark Hilborn spoke on this item. Mark gave a couple of examples of compliance type issues on property. He explained compliance is hard, but everyone should help. If you see something, please say something.

**Business Operations** – John Valyo spoke on this item. John gave a power point presentation explaining the new work order processes that have put into place. Kerri showed how to enter common area maintenance issues into the form on the Owner's Corner. MaintainX, which is a new work order application being used by staff, was demonstrated, and explained.

**Seawall & Structural/Reserve** – Please see attached power point presentation.

## Unfinished/Old Business

**None**

## New Business

**How FL Sentate Bill(SB) 4-D Law Impacts Errol** – Please see attached power point presentation.

**SB 4-D Compliance and Restoration Planning** – Please see attached power point presentation.

**Owner Responsibilities – Slider, Windows, and Doors** – Please see attached power point presentation.

## Adjournment

Rob Wolf adjourned the meeting at 11:56am. Mark Hilborn motioned, and Darren Campbell seconded. Motion passed unanimously.

# Seawall Update



## Seawall Permitting

- March 27<sup>th</sup> Seawall permit application to Volusia County
- Notified April 4<sup>th</sup> -DEP does not need to approve inset stair design.
- In “final permitting” stages with Volusia County.
- Initial surveying completed Thursday (*red stakes in courtyard*)
- Pre-construction meeting with Edens Benton/DEP next week.

## • Potential Savings Opportunities to be Considered After Permitting

- Install seawall return inside retaining wall - eliminates demo/rebuild.
- Reduce length of returns based on expert input during survey and construction.

## • Seawall Grant Program

- Submitted on March 9<sup>th</sup>
- Awaiting 1st review
- Still “plenty of funds available”
- Payment can be as late as September

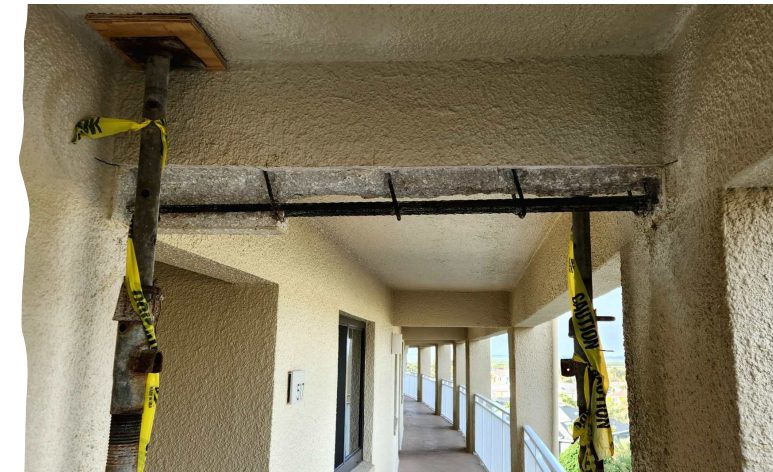


# Errol Structural/Reserve Committee (SB 4-D Compliance)

- **Structural Concrete Repairs in Process**
  - About 16 individual interior & exterior repairs in work
  - Work will likely be completed by the end of the month
  - Balcony on 501 will be replaced
- **2021 Reserve Study Needs Updating**
  - New Reserve Study needed based on SB 4-D mandates
  - Prior Reserve Study's were recommendations
  - Errol chose assessments over fully funding major items
  - SB 4-D Mandates reserves must be fully funded



**Appx 2 or 3 CF of Concrete**



# Errol Building Assessment Report

- Keystone Engineering's Errol Facility Assessment Report identified \$959K of repairs needed. Some of the more critical repairs are under way.
- Typical Concrete Wear/Failure issues found in saltwater coastal environments: Spalling, Cracks, Exposed Rebar...
- Keeping our concrete sealed and painted is our best preventative protection.
- 7 year Restoration Cycle (2018/2025)

1/30/2023	ERROL BY THE SEA *Complete List				
	Bid Item	Estimates	Unit Cost		Extended Cost
<u>Unit Rate Repairs*Includes Balcony, Walkway, Stairwells, Boundary Walls</u>					
1a	Minimum Concrete	60	\$ 375.00	EA	\$22,500.00
1b	Edge Spall Repair	125	\$ 225.00	LF	\$28,125.00
1c	Surface/Topping Spall Repair	731	\$ 225.00	SF	\$164,475.00
1d	Overhead Spall Repair	479	\$ 350.00	SF	\$167,650.00
1e	Column, Beam, Kneewall, Prestressed Spall Repairs	300	\$ 600.00	CF	\$180,000.00
1f	Full Depth Spall Repair	400	\$ 475.00	SF	\$190,000.00
1g	Windowsill Spall Repair	75	\$ 150.00	LF	\$11,250.00
1h	Stucco Replacement Masonry Miscellaneous	500	\$ 40.00	SF	\$20,000.00
1i	Hardwall Barricade *Interior 14lf	10	\$ 1,400.00	EA	\$14,000.00
1j	Exterior Barricade *SGD Opening	3	\$ 800.00	EA	\$2,400.00
1k	Softwall Barricade	3	\$ 300.00	EA	\$900.00
1l	Remove/Reinstall Railing for Spall Repair	200	\$ 60.00	LF	\$12,000.00
<u>Fixed Cost</u>					
2	Mobilization & General Conditions	1	\$ 146,000.00	LS	\$146,000.00
<b>CONCEPTUAL BUDGET</b>					<b>\$959,300.00</b>

Some of the repairs identified the 177-page report **would** be classified as substantial structural deterioration in a State Phase 1 or 2 Inspection

# Reserve Report Methodology

- **Threshold Method** – Fully funds replacement at end of service life.
  - *\$50K item lasts 20yrs=\$2.5K per year*
- All major items are identified (~40) along with their service life and cost to renew/replace
- Annual Reserve Study **updates** capture repairs/refurbishments to extend product life and **adjusts annual funding**
- Snapshot Start – **Dynamic Adjustments**

Description	2021 Report	Future Cost	Useful Life	Remaining Life	Distribution	Required Contribution	Future Liability	Fully Funded
<b>Grounds Components</b>								
Beach Access Stairs & Railing		33,569	25	8		<u>66</u>	<u>33,569</u>	<u>18,020</u>
Grounds Components - Total					\$0	\$66	\$33,569	\$18,020
<b>Landscaping</b>								
Irrigation System		37,971	15	6		<u>100</u>	<u>37,971</u>	<u>19,080</u>
Landscaping - Total					\$0	\$100	\$37,971	\$19,080
<b>Lighting</b>								
Lighting Allowance		27,318	5	3	<u>10,000</u>	<u>91</u>	<u>17,318</u>	<u>10,000</u>
Lighting - Total					\$10,000	\$91	\$17,318	\$10,000
<b>Mailboxes</b>								
Mailboxes		38,458	40	18		<u>34</u>	<u>38,458</u>	<u>12,424</u>
Mailboxes - Total					\$0	\$34	\$38,458	\$12,424
<b>Painting</b>								
Unit Building Exterior Paint		640,684	10	5	<u>13,804</u>	<u>1,984</u>	<u>626,880</u>	<u>276,330</u>
Painting - Total					\$13,804	\$1,984	\$626,880	\$276,330
<b>Recreation/Pool/ Spa</b>								
Pool / Ocean Deck Pavers		356,393	25	14		403	356,393	103,672
Pool Equipment		63,552	20	17		59	63,552	5,767
Pool Furniture		45,920	15	8		91	45,920	16,917
Pool Resurface		61,075	15	12		81	61,075	8,567
Shuffle Board Court		12,557	15	8		25	12,557	4,626
Tennis Courts		65,289	15	8		<u>129</u>	<u>65,289</u>	<u>24,052</u>
Recreation/Pool/ Spa - Total					\$0	\$788	\$604,787	\$163,601
<b>Roofing</b>								
Mansard Metal Roofs		1,190,018	35	34		554	1,190,018	12,446
Office/ Maintenance Roof		79,200	40	0	79,200	102	0	79,200
Unit Building Roof		1,635,129	25	24		<u>1,078</u>	<u>1,635,129</u>	<u>32,175</u>
Roofing - Total					\$79,200	\$1,735	\$2,825,147	\$123,821

# Reserve Contribution Planning

## Threshold Annual Funding Table From 2021 Reserve Study

- Using year 2023, Errol's monthly per unit contribution should be about \$359. ( $\$561k/130/12=\$359$ )
- Current Errol Reserve Allocation appx. \$100 per month/per unit
- **\$260 Difference**
- Anticipate higher monthly contributions due to State Law SB 4-D
- **Compliance by 12/31/2024**

Errol by the Sea  
Threshold Funding Model Projection

Beginning Balance: \$508,839

Year	Current Cost	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves	Fully Funded Reserves	Percent Funded
2022	7,142,710	718,315		456,648	943,673	2,044,740	46%
2023	7,035,872	561,501			1,505,175	2,501,416	60%
2024	7,317,307	578,347		15,118	2,068,403	2,974,061	70%
2025	7,610,000	595,697		28,122	2,635,978	3,467,619	76%
2026	7,914,400	613,568		116,986	3,132,560	3,904,655	80%
2027	8,230,976	631,975		672,395	3,092,140	3,798,347	81%
2028	8,560,215	650,934		40,237	3,702,837	4,362,703	85%
2029	8,902,623	670,462		126,936	4,246,364	4,877,637	87%
2030	9,258,728	690,576		287,643	4,649,297	5,264,930	88%
2031	9,629,077	711,293		1,422,031	3,938,559	4,507,605	87%
2032	10,014,240	732,632			4,671,191	5,219,339	89%
2033	10,414,810	754,611		19,797	5,406,005	5,960,210	91%
2034	10,831,402	777,249		544,628	5,638,626	6,209,327	91%
2035	11,264,658	800,567		755,943	5,683,250	6,271,725	91%

Errol Structural/Reserve Committee will be actively managing a best path forward for our community

**New Business**

**New Florida Statutes  
for  
Condominium Safety**

**Senate Bill 4-D Summary and Error Planning**



# New FL Statutes for Condominium Safety

- **Senate Bill 4-D (SB 4-D)** mandates periodic:
  - **Structural milestone inspections**, repairs and reporting
  - **Fully funded reserves** for condominium associations
  - Reserve reporting specifically call out a **Structural Section**
- Most aggressive schedule for compliance are those buildings older than 30 years, more than 3 stories and within 3 miles of the beach.

*Very prescriptive with enforcement arm – likely thru County Code Enforcement*

# SB 4-D Milestone Inspections Summary

- Performed a minimum of every 10 years with **sealed engineering reports submitted** to the “local law enforcement agency” ~ *Volusia Code Enforcement?*
  - Inspection reports must be sent to owners, posted on the property and on the association’s website.
- **Phase 1** Inspection must be completed by **12/31/2024**.
- **Phase 2** Inspection must be performed and reported **within 180 days** if any substantial structural deterioration is identified during Phase 1.
  - Phase 2 Inspection report prescribes a program for fully assessing and repairing distressed and damaged portions of the building.
- **Repairs must be initiated with in 1 year after Phase 2 report**

# Structural Integrity Reserve Study (SIRS) Summary

- Requires **Initial Registration** for Condominiums with the State
  - DEC 2022 - Completed mandatory Dept of Business & Professional Regulation (DBPR) reporting
- **1<sup>st</sup> Published SIRS Report due 12/31/2024**
- Repeated at **least every 10 years.**
- **Assesses structural integrity and safety of the building and expected costs over the anticipated useful life:** Roof, Load-bearing walls or other primary structural members, Floor, Foundation, Plumbing, Electrical systems, Waterproofing and exterior painting, Windows, Any other item that has a deferred maintenance expense or replacement cost that exceeds \$10,000 as determined by the licensed engineer.
- Structural reserves are **mandatory and can not be waived, reduced or repurposed.**

# SB 4-D Errol Restoration Planning Considerations

- Errol's previous restoration completed in May 2018 - Process initiated in 2016.
- Painting and Sealing is typically performed on a 7-cycle (**Completion Due ~2025**)
- Contractor Availability? Earliest start dates are now **Summer 2024** and shifting right.
- Restoration Duration approximately **10-12 Months** (*Concrete repairs, wash, paint, seal..* )
- SB 4-D Phase 2 Inspections with structural issues must initiate repairs within 1 year.
  - Keystone Errol Facility Report identified structural issues; some being fixed now.
- Recommend Phase 1 Report in **Sep 2024** (*Deadline Dec 2024 we don't want to get caught up in last minute crunch and on same repair schedule as late planners – potential cascading effect*)
- **Earliest Restoration** if we stated bid package now with a 11–12-month work phase:
  - **Earliest Completion Fall 2025**
- **Latest Restoration** with interim fixes and SB 4-D timelines:
  - **Latest Completion Fall 2026**

**12 Month Window of  
Potential Start Dates**

# SB 4-D Compliance Planning Options

	2023			2024				2025				2026			
	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR
Earliest Start	BID	AWARD					START			FINISH					
Latest Start	Concrete	PREP	BID	AWARD		PH 1		PH 2			START			FINISH	
SIRS Reserve	Draft					1 <sup>st</sup> Reserve Study				Res Study Update				Res Study Update	

- **SIRS Reserve Study:**

- Update existing 2021 Reserve Study in SIRS like format and report findings in next 5 Aug Board meeting. ▲
- Future Phase 1 Inspections and SIRS studies should be completed after each restoration – ensures clean “certificate”

- **Earliest Start:**

- Contractors are booked until 4<sup>th</sup> QTR 2024 Early award to lock contractor’s future schedule
- Potentially eliminates Phase 2 Structural Deficiency Report being published
- Initiate 1<sup>st</sup> SIRS after Restoration assessment and contracting is underway.
- Less time to pay assessment

- **Latest Start:**

- Additional Concrete repairs need now and potentially in 12 months to bridge major issues
- Phase 1 Inspection must be completed and submitted by **31 Dec 2024**
- Phase 2 inspection must be **performed within 180 days if any** substantial structural deterioration is identified during Phase 1.
- Repairs must be underway within 365 days

# Owner Responsibilities – Leaking Sliders

- **Errol Declaration Paragraph 7** cites that the apartment owner is responsible for the maintenance, repair and replacement, at the owner's sole expense, of windows, screens and doors.
  - **Issue:** There is evidence that some sliding glass doors were not effectively sealed at installation and water is leaking under the slider into units below.
  - **Possible causes** could be that threshold mounting drilled holes were not injected with urethane sealer (oil-based caulk), the slider was not installed in a bed of urethane sealer, the side and back corners were effectively sealed, or other unknown reasons.
  - **Risk Mitigation:** The association working with local sliding glass door companies has drafted a Sliding Glass Door Installation and Sealing Procedure (DRAFT) to help mitigate the potential of leaks. The detailed installation procedure will be tested out on a planned slider installation in the coming weeks. The procedure will be edited to help ensure installation crews from any company can follow the procedure. The procedure will also address the color type and “look” of the sliders to help ensure architectural uniformity of our community.
  - **Owner Responsibilities** are to advise/provide the slider installation company the procedure and to ensure the Errol Staff is notified to take critical step pictures of the installation for association archival along with a copy of the contract.
  - **Draft Sliding Glass Door Installation and Sealing Procedure** is in the Owners Corner under the “Important Documents For Owners” tab