

Errol By The Sea - Board Meeting

11 Nov 2023, 10am

Agenda

*These slides and the annotations
are the Board Meeting Minutes*



- I. Call to Order – *10:00am*
- II. Establish Quorum - *All board members were present*
- II. Proof of Notice - *Crim provided proof of notice*
- III. President's Report
- IV. Treasurer's Report
- V. Management Report
- VI. Committee Reports/Architectural Review
 - a. Grounds/Maintenance – Jim Lacovara
 - b. Compliance – Mark Hilborn
 - c. Business Operations – John Valyo
 - d. Seawall – Rob Wolf,
 - e. Reserve Study – Structural / General – Chuck Wason
- VIII. Unfinished/Old Business
 - a. Restoration Planning (concrete work, painting, sealing)
- IX. New Business
 - a. Budget Planning
- X. Adjournment – *11:25am*

Presidents Report – Rob Wolf

- Tomoka Property Management transition going well.
- Errol Maintenance team is now 2 full time employees, Vinny and Eugene.
- Sentry has been very slow in completing the financial reporting and transition of Errol accounts.
 - Sentry delays in reporting are the reason for the Board meeting postponement to Today.
 - Discrepancies in Sentry's reported data will likely result in today's meeting being a draft budget planning session.
 - Errol's proposed budget will be refined based on an accurate and final Sentry submission.
 - The proposed budget will be presented and voted on before our DEC 2nd annual meeting – likely that morning at 9am.
- Seawall construction is completed – grounds restoration in process

Treasurers Report - Jim Lacovara



▼ Accounts		Chase Accounts (as of 11-7-23)	
ERROL BY THE SEA CONDOMINIUM ASSOCIATION		Total available balance \$649,331.53	
EBTS Seawall (...3182) >		Transfer money	More ▼
\$434,423.08 <u>Available balance</u>	\$434,423.08 <u>Present balance</u>	\$87,661.48 Available credit	
EBTS Operating (...5310) >		Transfer money	More ▼
\$127,246.97 <u>Available balance</u>	\$127,246.97 <u>Present balance</u>	\$87,661.48 Available credit	
EBTS Reserve (...3755) >		Statements	More ▼
\$87,661.48 <u>Available balance</u>	\$87,661.48 <u>Present balance</u>		

Chase accounts DO NOT include Sentry held Operation and Reserve Account funds.

Sentry held funds will be transferred upon Errol acceptance of Sentry's Final Accounting that is still in disarray and being analyzed by Tomoka and Errol.

Managers Report – Crim Ellison

- Settling into to the role as Errol Property Manager - Helping to make things run more smoothly at Errol.
 - Getting to know the property, vendors and staff routines.
 - Provided Sentry all documents they requested in a timely manner.
 - Completed the annual fire extinguisher and alarm inspections.
 - Handling IT issues in the office and clubhouse.
 - Recurring gate issue resolved.
 - Working to obtain various quotes that are needed on small projects around the property.
- Completed monthly dues assessment transition.
 - 60% mail checks to the office
 - 40% direct deposit to Chase
- Maintenance operations working well with Vinny and Eugene - Responsibilities Realigned
 - Slow season is perfect to hone realigned responsibilities with less staff.
 - Part time additional support will be needed to supplement during peak season demand periods, holidays and vacations.
 - Looking into reliable flexible options – potentially a Tomoka rotational employe as needed shared across multiple properties
 - Thanksgiving and Christmas- What days do the maintenance men have off for the holiday? Do they have PTO during those days?

Committee Reports / Architectural Review

- a. Grounds/Maintenance – Jim Lacovara
- b. Compliance – Mark Hilborn
- c. Business Operations – John Valyo
- d. Seawall – Rob Wolf
- e. Reserve Study – Structural / General – Chuck Wason

Grounds Maintenance – Jim Lacovara

- Oleanders have been planted to fill-in gaps along the front wall.

Compliance Report – Mark Hilborn

- Nothing to Report

Business Operations – John Valyo

- **Ongoing Property Management**
 - Tomoka/Errol Integration Complete
 - Streamlined Daily and Ongoing Processes
 - Email is the preferred method of communication.

- **Property Walkabout**
 - July Items Assigned to Team
 - January Maintenance Committee Meeting

Seawall Remaining Tasks – Rob Wolf

Edens Punch List

1. Clean rust stains, scars, etc., from the sheets.
 2. Caulk seawall cap form penetrations.
 3. Paint bare concrete located under the Errol By the Sea (EBTS) stencil on the North frontal wall.
 4. Remove fasteners from the sheets.
 5. Haul out excess sand.
 6. Epoxy fill holes and use overhead repair mortar around EBTS lettering along East frontal wall and paint.
 7. Prime and paint inset stairs or submit change order request.
 8. Address Constructive Directive #1, issued September 18, 2023. (hairline contraction cracks)
- TBD as of NOV 6th: Beach staircase SS handrail

Coastal Landscapes

- Pavers, sprinklers, final drainage (showers and center grate drains) sodding and landscaping (trees and shrubs)

Fencing – American Architectural Graphics

- Fabricate and install vertical stainless steel wire staircase and landing fence with gate
- Contingency pricing for entire seawall cap rail if needed

Additional discussion on Serene Pavers filing for Chapter 7 bankruptcy and that multiple local law enforcement jurisdictions are working together building a criminal case to hand over to the States Attorney. Errol has a Volusia Sheriff's Case #r and a detective has been assigned to us.

Seawall Remaining Budget

As of Nov 6th

CURRENT Remaining Expenses and Funds Available		
Funds Available in Seawall Account	\$ 434,423.08	
Final Keystone Payment due at completion	\$ 27,000.00	
Edens final invoice plus retainage due after punch list	\$ 183,172.10	
Fence Beach Stairwell - Landing and Gate (not including lock)	\$ 12,525.00	
Fence - Entire Seawall Cap contingency - estimate		\$ 51,350.00
Tyler plumbing - rough beach deck plumbing	\$ 2,865.00	
Coastal Landscapes - pavers, sod, sprinklers, landscaping	\$ 62,066.00	
Concrete Shower Support Foundations (estimated)	\$ 1,500.00	
Serene Paver legal fees	\$ 650.44	
Subtotal - Outstanding Expenses	\$ 289,778.54	
Remaining Seawall Account (assuming no other expenses)	\$ 144,644.54	

SIRS Reserve Items – Chuck Wason

Specific components mandated by the State of Florida to be included in the **Structural Integrity Reserve Study**.

- **Roof Replacement**
- **Load Bearing Walls and other primary structure members**
- **Waterproofing & Exterior Paint**
- **Fireproofing and fire protection systems**
- **Plumbing**
- **Electrical Systems**
- **Windows & Doors (Common areas only)**

Funding Structural reserves are mandatory and can not be waived, reduced or repurposed.

Unfinished / Old Business

- **Errol Building Restoration Planning (concrete, paint, & seal)**

There was significant discussion on the next two slides pertaining to when we should start our 7-year cycle restoration that includes and necessary concrete repairs, painting, and sealing our buildings. The 2 primary views were presented and voted upon:

- 1) Begin preparations to receive proposals and let a contract in 2024 with most of the construction work in 2025 as recommend in the two slides,*
- 2) The alternate view was to wait until the State updates SB 4-D see what those updates entail and perform our inspections and any mandated work as required by those updates. Unless there are changes to SB 4-D, the plan would be to perform a PHASE 2 structural Integrity inspection late in 2025 following the current State requirements and then adhere to the State's performance timelines. Discussion included the risk of waiting until the last minute along and the potential we would not secure a preferred local contractor but rather and out of state contractor. Dave Hancock who is in the concrete construction business was confident there would be local competent contractors wanting to bid on our project. The Phase 2 inspection is a detailed report that would be the technical basis for Errol's bid package.*
- 3) Chuck Wason motioned to approve the 1st bullet as recommended in the slides, Rob Wolf seconded the motion and it failed with all other members voting no. With no action taken, Errol will, at a minimum, comply with the inspection dates on the next slide.*

SB 4-D Milestone Inspections Summary

- **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 within 1 year after Phase 2 report**

Recommend:

- Plan on awarding contract in 2024 and complete in 2025.
- Partial assessment in 2024 with actual final amount due in 2025.
- Structural Reserve monthly contribution to start 2026 with the next restoration scheduled for completion 2032

Errol Restoration Planning

- **Start contract planning and award in 2024 and majority of work in 2025**
 - **Pro/Con Rationale**
 - 7 year cycle 2018-2025 Protective coating failure cycle is 7 years (*initiated planning and contracting in 2016 for last restoration*)
 - Deferred structural repairs will likely get worse, more will arise in the year and cost the association more to repair. (*rust & cancer*)
 - Cost of repairing Out-of-Cycle mandated structural repairs and painting. (*Structural Engineer mandated repairs*)
 - Delaying = State mandated and enforced start restoration due to Structural Issues Identified in Phase 1 and 2 Reports.
 - Delaying forces Errol into competing for a restoration Contractor along with ALL other properties statewide– Supply/Demand (*out of state contractor*)
-

New Business – Budget Planning

- Sentry stated they will provide supporting data next week to enable Errol to create a draft budget plan.
- Draft budget planning will continue through the end of the month with a final available before the annual meeting.
- Recommend a 9 AM budget meeting prior to the annual meeting on December 2nd to approve next year's budget.

Adjourn

Meeting was adjourned at 11:25am