

401 Watermark

401 North Atlantic Avenue
New Smyrna Beach, FL 32619

Minutes Watermark Condominium Board of Directors Meeting Feb. 4, 2017 / 10 a.m.

Board Members in Attendance:

Bill Biedenbach – President
Tom Wall - Vice President
Jim Greene – Treasurer
Ron Laramy – Secretary (on phone)
Ed Trifone – Director (on phone)

Owners in attendance: Joanne Caridis (on phone), Elaine Friedman (on phone), Deb Malone, Doug Howe, Brian Goymour (phone)

Managers in attendance: Donna and Kirk Maupin

Proof of Notice

Proper notification of the meeting was posted on the bulletin board at the property at least 14 days in advance of the meeting and per the Florida Statute. (For board meetings where special assessments are considered.)

Call to Order

A quorum of the board was established. The meeting was called to order by Bill Biedenbach at 10:05 a.m.

Approval of Minutes

**Motion to dispense with reading the minutes of the last meeting was made and carried.

Treasurer's Report

We were over budget by \$12K for 2016, but within the cushion we built. Forecasted for January to take in over \$100K from annual HOA prepayments. January numbers were not available yet at the time of the meeting. Doug Howe verified our expectations regarding the HOA payments and balances after we pay for insurance. No other questions.

Manager's Report

Kirk and Donna updated the board on their managers' report.

Pool update:

99% complete with the project

Some minor paver touchup work yet to be done

Surface is continuing to cure and water is virtually balanced

Blue Ribbon pools will continue to do the maintenance

Blue Ribbon pools may need to provide us with the chlorine and acid containers due to a

surprise announcement that PoolSure owned those containers
Furnace computer board had to be replaced for the second time
Question on how to finish the outside perimeter of the pool.
Spring will be the time to do this.
Electrical panels have been all checked.
Six were replaced
Watching another 10 panels
#406 needs to be replaced and will be done when owner is here in Feb.
Wiginton fire inspection in December resulted in a “red tag” for our sprinkler systems.
Working with them to get the necessary repairs taken care of.
Checking on the age of water heaters in units along with filters for air conditioners and
putting tabs in drain lines to keep them clear.
Some water heaters are 20 years old.
Owners will be notified if you have an older water heater
We added pavers and space around the pool during the pool work and we need to
determine if there is a need for additional pool furniture.
Board will look at pricing for two tables, eight chairs and two umbrellas and will consider
at next board meeting.
All rental units were deep cleaned in November and December
Major improvement in cleanliness and no complaints from January tenants
Two new maids have been hired as Marilyn has asked to decrease her workload.
All windows and sliding glass door replacement requests were turned in to Gulfstream
Glass on December 2nd.
All proposals will be sent to the units having the work done
Office phone service has been changed from Birch Communications to Spectrum
Were having problems with Birch and we ended up saving money with the change.
Ongoing concern regarding the Wi-Fi.
Current SkyFi contract appears to be for three years as of May 2016 with the outdoor
upgrade happening in October 2016
Determined that we will look at the current contract to see what our options are. (Tom
Wall and Managers will verify contract)
More owners are putting in their own routers and utilizing Smart TV’s which uses more
and more bandwidth.
Discussion on pet policy. (current understanding is that owners can have pets but tenants
cannot (with a couple of units allowing pets if pre-approved.)
Have had many instances of friends of owners bringing pets (whether the owners were
present or not.
Need to determine if rules need to be put in place.
Motion made by Tom Wall to only allow pets if unit owner is present. Motion
seconded by Jim Greene and approved unanimously.

Question on whether the managers should have a key to all owners closets.
Also managers don’t have spare mailbox keys for all units.
Donna will take this on.

There are sprinklers in all owners' closets.

Motion made by Tom Wall to supply the managers a key to all owners closets, motion seconded by Jim Greene and approved unanimously.

Hurricane shutters

Getting quotes on regular shutter cleaning and maintenance

Also quoting the removal of shutters for those units having new windows and sliding doors installed.

Managers have asked about keeping emergency contact information for all owners and tenants.

Determined that we ask all owners to provide emergency contacts as well as request that information on all rental agreements.

Asking for input on deposits for rentals to friends and/or family

Can owner waive the deposit requirement for their (or others) units

After significant discussion the determination is if you are using/renting someone else's unit you need to provide a deposit as per normal process.

Motion made by Tom Wall

*That if an owner is renting another owners unit, then a full deposit is necessary.

*If an owner is renting their own unit and charging rent, a full deposit is necessary.

*If an owner is allowing friends/family use their unit rent free, then any damages are the responsibility of the owner and no deposit is necessary.

Seconded by Jim Greene and approved unanimously.

Rental program will be brought in-house effective March 15th managed by Donna and Kirk

DBA name has been established. State sales certificate number has been received. Bank accounts have been set up. Business licenses are being worked on.

1099's from January through March will be provided by Piper Realty. Sent by Rick Trudeau on February 3rd. Balance of year sent by Beachside Realty.

Pool Deck refurbishing project

This was covered in the managers' report

Website update

New website is being circulated to the board for comments/suggestions. Bill Dunn continues to work with the developers.

Unit photos are up

Owners portion of the website will be functional in March

New Business

Hurricane Matthew damage and repairs discussion.

Most of the damage has been repaired.

Total costs of repairs is \$39,336.96 which will result in an assessment of \$1123.91 per units

Most individual insurance policies have a damage assessment coverage of up to \$2000. (individuals will need to check with their own insurance companies)

Some insurance companies have a 2-28-17 cutoff.

An official assessment announcement with full details of the repairs will be sent out by Jim Greene to all owners.

Motion made by Tom Wall, seconded by Jim Greene to approve an assessment for the amount of \$39,336.96. The assessment amount per unit for this damage repair comes to \$1123.91 and will be due by March 31st, 2017. Motion was approved by the board unanimously.

Main building roof inspection

There are leaks in areas of the main building roof.

Full inspection determined that we have less than a year of life left in the roof overall.

Leaks and roof issues existed before Hurricane Matthew and insurance companies have told us that the Hurricane did not contribute to any additional damage.

Bill B. has procured five quotes for roof repair/replacement and awaiting a sixth.

Range of costs are from \$155K to \$220K

Air conditioners would have to be moved and/or raised to meet code which could cost an additional \$25K - \$30K

Tom Wall cautioned that additional costs could arise.

Ed Trifone cautioned/recommended that we secure a third party (owners rep) independent professional to look at all information and recommend contractors and scope of work necessary.

Bill Biedenbach will sit down with Ed to mutually determine the best direction.

More thorough discussion will take place at the next board meeting when more definite decisions will need to be made.

Change to rental program

Kirk and Donna have been requesting to take over the entire rental program from Beachside realty

Motion made by Tom Wall that as of March 15th, 2017 Kirk and Donna Maupin will take over complete control of the rental program and the working relationship with Beachside Realty will be discontinued. Motion seconded by Jim Greene. Discussion regarding what happens if Kirk and Donna left for some reason and response is that Beachside has told us they are available if needed. After discussion, motion unanimously carried by board.

Motion made by Tom Wall that an amendment to the Managers contract dealing with direct variable compensation (Section 3, subsection C) be made to read: A variable percentage fee will be paid to the Managers for the servicing of all rentals, excluding "free gift rentals" for immediate family members that have been arranged by owners. Owner arranged rentals involving rental payment is subject to the fee structure. The Managers, when processing the fixed rental payment will deduct this fee. The percentage fee payable to the Managers will be fourteen percent (14%). All other rentals, excluding "free gift rentals for immediate family members" is seven percent (7%). These variable percentage fees are for the rental period from March 15th, 2017 to October 31st, 2019, but are subject to review, if by mutual agreement of all parties. Motion seconded by Jim Greene. After much discussion regarding free rents for others (not immediate family) and what compensation the managers should receive (as almost always these tenants do need the managers at some point), the motion stands as written and was carried with a majority

approval (one nay vote).

Rules and regulations amendment

There have been several instances of people playing on the front lawn (between the building and the dunes) and creating a nuisance for the first floor tenants/owners. (balls hitting people and the sliding doors)

Proposal for a new rule stating: “Ball/soccer type sports are not permitted around the main building or on the tennis court. They can be played on the lawn between the North garage and the tennis court.”

Suggested that we have Ed Trifone work on updating the wording of this rule and then revisiting this issue at the next board meeting.

FAQ Amendment:

FAQ’s have been updated to include the increase in the HOA fee along with other necessary updates. (copy of updated FAQ’s to be provided)

Motion made by Tom Wall, seconded by Jim Greene to accept the amended updates to the FAQ’s. Carried unanimously.

Bill Dunn has suggested that the Hurricane Plan needs to be updated and he offered to work on this and bring his recommendations to the board.

Open Discussion

Adjournment

No further discussion so motion to adjourn was made and seconded. Meeting was adjourned at 12:22 p.m. EST