**The 2017 Owners Meeting will be held Sunday, October 22nd**

**401 Watermark**

401 North Atlantic Avenue

New Smyrna Beach, FL 32619

Minutes of Oct. 16, 2016 Annual Owners Meeting

**Board members present**: Bill Biedenbach (306), Ron Laramy (404), Tom Wall (603), Jim Greene (303). Not Present Ed Trifone (205)

**Others present** or by Proxy 101,102,104,105,201,202,203,206,301,302,304,305,401,402,405,503,505,506,602,605,606

-Bill Biedenbach called the meeting to order at 10:00 a.m. and was properly elected to preside. -The secretary confirmed a quorum, 25 present or by proxy.

\*Motion to approve unread minutes of last year's meeting, seconded. *Approved by voice vote.*

**Reports**

**Treasurer's Report:**    Jim Greene

Financial report 2016 YTD: (see attachment “Watermark Projected Cash Flow thru September 2016”)

* $41,513.02 in fund.
* Budgeted to finish the year with $23,985.87
  + Running about $5,000 over budget but within range and with reserve we should be ok.

\*Motion to carry over excess funds by Bill Dunn, seconded by Tom Wall. *Approved by voice vote*.

Proposed Budget for CY2017: (see attachment “2017 Proposed Budget” and “2016 – 2017 Proposed Operating Budget Comparison)

* Proposed budget for 2017 was provided and is pending approval by the board at its next meeting.
  + Increased expense reflected in proposed budget include:
    - Cable/Internet price increase
    - Bi-Annual Palm tree trimming expense
    - Gas for pool heat included in this year’s budget
  + Proposal to raise the monthly HOA fees to $450 will be discussed and voted on at Board of Directors meeting following annual owners meeting.
    - We have held the $400 HOA fee for six years without increase
    - Will continue with $100 annual savings if paid in full at beginning of year.
* Reserve discussion. (See attachment “Reserve Budget Worksheet”)
  + The Watermark traditionally waives it, as we are permitted to do by statute in favor of a "pay as you go" approach to funding major repairs.

\*Motion (Moved by Doug Howe / seconded by Dee Daniel) that we waive funding of a reserve. *Approved by voice vote.* (one Nay vote)

**Rental Report:** Bill Dunn

21 units now being rented for winter

18 units renting in the summer

All Winter renters are returning

Rental members decided to make some minor adjustments on rates

* Added $10 to cleaning fee
* Have three proposals on improved website
* Jim Greene is going to work on a process to create a marketing fund for website and marketing needs going forward.

**Manager’s Report:**  Donna and Kirk Maupin

Bill Biedenbach led a standing ovation for all of the work our managers have done in regards to the hurricane.

Updates:

* Palm Trees trimmed
  + Six palm trees removed by city that were in the power lines.
* Pool heat turned off currently.
  + Need to determine when it gets turned back on
  + We think the solar panels are ok, but won’t know until the system is turned back on.
* Worked proactively with all service organizations to make sure we were at the top of the list for post hurricane needs
  + Serve Pro was on site even before we had power
* Pulled all patio furniture, carts, garbage bins etc, in prior to the storm
* Packed up all original documents, computers, printers, reservation books etc. and took them with them prior to the storm hitting.
* Took one key for each unit with them just in case
  + Recommend that we have a master key system to alleviate the issues of 36 keys needs for times like this.
* Storm shutters reminder
  + If you have them, make sure they work on at least an annual basis.
* SkyFi wireless
  + They had some damage both on roof and by pool
  + Have upgraded building on the external Wi-Fi to the faster speed.
  + Will also be installing an internal repeater in each unit
    - It will look like an electrical faceplate on one wall
    - If you don’t want this run into your unit, please send an email to the managers letting them know.
    - If you choose not to have the internal repeater installed, and then want to have it done at a later time, it will cost you for the installation.
    - Question was asked about if 25mbs is fast enough for streaming etc.
      * Depends on how many people are using it. Faster will cost more.

**State of the Watermark: Bill Biedenbach**

Bill passed along condolences to Barb Ayash on the loss of her husband Scoop.

**Old Business:**  Biedenbach

* Pool Heater update
  + Worked well since installation
  + Gas cost $3640 for February through April
    - $540 was due to not having the heat turned off when we thought it was.
    - Learned that the gas needs to be completely turned off to not be billed.
  + Gas broker has approached us with cheaper gas rates.
    - We are investigating.
  + Solar system can also be run in reverse to keep the pool temp lower in the summer by running the panels at night when it’s cooler outside.
    - We held the temp to 87 degrees during the summer
  + We did have damage to seven tubes on the solar system due to a vandal on the roof.
    - Damage was limited to $100
    - Question was raised regarding if there is a failsafe system needed to limit the water loss in case of damage to the panels.
      * Bill answered that any loss due to the solar system would be minimal
* Tennis Court Cleanliness (Kirk Maupin)
  + Fence has some issues and we need to be aware.
    - Rubber coated by wire underneath is all rusted
    - We are replacing pieces as we go.
  + Garbage cleanup took a couple of days
  + Net put back up.
  + Comment made about keeping up with the weeds to save the surface.

**New Business:** Biedenbach

* Introduction of Board members for 2016 - 2017
  + There was no election because we only had five owners apply (all of the existing board)
    - Board members are:

**Bill Biedenbach, Jim Greene, Tom Wall, Ron Laramy, Ed Trifone**

* Pool Resurfacing Project
  + We have a contract to resurface the pool and to fix the scum gutter/rebuild the curb. (currently out of compliance with new rules on how the gutter is designed.)
  + Bill showed the colors of the new tile on the curb as well as the resurfacing.
  + Quote was approximately $26K for the resurfacing and $9K for the new pavers
    - Assessment planned to be $38.5K to allow for a small buffer ($1100 per unit)
  + Question was asked about extending the pavers to allow more space for tables on the Southeast side of the pool
    - Would cost $2K more than the original $9K that was voted on.
    - Bill asked for a show of hands of attendees who would like to spend the extra $2K for the extension.
      * Nearly unanimous informal approval. (one against)
      * Will be discussed at Board meeting following owners meeting
  + Question brought up about a one-time waiver for the cost of refilling the pool after the work.
    - Will ask the utilities company
  + Vote results for tearing up the concrete pool deck and replacing with pavers to match the rest of the pool deck:
    - 32 votes were placed
      * 29 YES votes and 3 NO votes. Proposal passed and we will move forward with this project in conjunction with the pool resurfacing project.
* Condo Main Roof inspection results
  + Roof has been leaking in spots
  + Recommendation was made to perform a survey of the roof.
    - Results showed many problem areas with 4% actually leaking
      * Primarily over unite 601 and 606
  + Will have two or three companies come in to bid the job
    - Patch existing roof and make roof last another 4-5 years.
    - Strip the top membrane off and replace for $100K
      * Would need to be done in cold weather
    - Whole roof replacement approximately $250K
  + Question asked if post hurricane if it might be worthwhile to have another survey done to make sure there isn’t additional damage caused by the storm.
    - Will ask a reputable company their advice on this when they come.
  + This is informational at this time but we want the ownership to be aware.
* Garage extension/storage discussion
  + We need storage for our building for the winter wind screens along with all of the lawn equipment, tools etc. that are needed for our complex.
  + We have asked for two bids for extending the North garage building which would add two additional units.
    - One bid came in at $30K and one at $69K.
    - Contractor with the $30K bid also has expressed interest in renting one of the garage units.
      * Some owners have expressed that they didn’t want a contractor renting a garage at our location for multiple reasons.
    - This extension would also add additional parking in our lot which is needed for busy times.
  + Suggestion that we could possibly have larger garages built for storage as it probably wouldn’t increase the cost dramatically for significantly more space.
  + We will keep ownership apprised of what the plans are regarding this potential proposal but wanted everyone to be aware of the discussion.
* Verizon possible opportunity
  + We have recently been approached by Verizon to possibly host their repeater antennas on the roof of our building
    - They would pay for everything for installation and engineering
    - They would pay the Watermark $18K per year for us to have them on our roof.
    - Have told them we would not want it if they were visible from the ground
    - Question was asked about the weight of the unit
      * Verizon will do a structural evaluation to ensure our building is adequate for the antennas.
    - Bill will be meeting with Verizon for more details.
    - Bill has pulled FCC information regarding the safety of this system but a few members still have reservations regarding the long term health risks.
      * We have committed to making sure we have ALL possible information regarding safety.
      * Sherri Daniel has volunteered to do more research as she and others remain skeptical regarding health risks.
      * Bill Dunn suggested visiting with other buildings who have cell phone towers on their buildings to determine the process they went through.
  + As part of this Verizon would also want to have a generator on site to have continual power and they are willing to discuss with us regarding possibly having a generator that could also supply power to the Watermark when needed.
    - They are open to this possibility and we could share the cost of this generator.
    - This generator could possibly be located in one of the new garages.
    - Jim Weeks said he will get information on best brands of generators.
* Water heater replacement reminder
  + Twice a year inspections will be made on toilets and water heaters
  + Water heaters 10 years old will get a notice that you should replace.
  + Water heaters 11 years old will get a reminder that you are now one year overdue.
  + Water heaters 12 years old will get a notice that you are now responsible for the costs for any damage caused to other units by a water heater failure.
  + Cost of a new water heater is approximately $800.
  + It was brought up that we should discuss similar rules regarding dishwashers and washing machines
    - Will be discussed at board meeting
  + Regarding maintenance, it was brought up to make sure we are cleaning out the dryer vents as well.
    - Last cleaned 18 months ago
* Electrical box issues
  + Inspector alerted us to the fact that we have electrical boxes that some insurance companies won’t cover any more.
    - Issue with the breakers
    - We have inspected 10 randomly picked units.
    - So far we have replaced five electrical boxes
    - Recommend going through the rest of the building to check all boxes that are original equipment.
* Hurricane damage
  + Board believes that we have approximately $40K in damage to buildings from Hurricane Matthew.
  + Deductible is a minimum of $25K (possibly $50K, we are checking)
  + Recommendation has been made to use a public adjuster to maximize what we can get from Insurance company but at this time we don’t think that’s the right decision.
    - They would get 10% of what they recover
  + Contractors already are contacted for the damage to the North garage roof, gutters etc.
  + Important note to owners: check your insurance policy as most should have a Loss Assessment clause in your coverage. Many who have this clause have coverage up to $2000 for any loss assessment.
* Website improvement update (Bill Dunn)
  + We have three proposals that will be evaluated.
  + Cost will be shared with people who rent responsible for more of the cost than those who don’t
  + Website will be for owners to be able to see board meeting notes, notices and other communications and information storage along with information for potential renters.
  + Priority to have developer chosen in the next few months
* Statute change regarding what is HOA expenses vs. individual owner expenses.
  + Clarifying that the homeowner “owns” everything from painted walls and everything inside.
  + Homeowner also owns all plumbing and electrical once it branches off to the individual units.
    - This is an update on the rules regarding the interpretation.
    - We will look at Condo docs to make sure they are properly worded going forward.

**Next year’s Owners meeting will be held Sunday, October 22nd, 2017**

* Open discussion
  + Thanks to Kay McCabe for coming over and helping with getting things back in order post hurricane.
  + Thanks to Beth Corso for her efforts as well
  + Blackie is improving after a health problem.
  + Discussion regarding owners who may want to upgrade and replace their windows and/or sliders.
    - If we have enough interest, there may be a savings realized by doing multiple units at the same time.
    - If interested get your names to the Managers.
  + Kirk brought up that we continue to monitor water issues particularly on the 3-bedroom units on the North and South of the building.
    - If you see anything let the managers know immediately
    - Will be purchasing a moisture detector for the managers to use when needed.
  + Rhonda Gilbert and Sydnee Roberts were recognized for the beautiful edibles arrangement provided for the Owners reception. It was spectacular!

**Adjournment** Motion to adjourn moved and seconded. The meeting was adjourned at 12: 15 p.m.