



Crescent Beach Condominium Association, Inc.
February 21, 2022
Board of Directors Meeting

1. CALL TO ORDER

The meeting was called to order by Pete Brown at Crescent Beach Condominium South Courtyard at 10 a.m.

2. CALL OF THE ROLL

The Following Directors were in attendance:

Jeff Patterson	President
Jack Hillegas	Vice President
Rick Burkhardt	Treasurer
Pete Brown	Secretary
Lee Konecke	Director

Owners in Attendance:

<i>M&M Hamer, Unit 406</i>	<i>M&M Frazier, Unit 506</i>	<i>Z. Karim, Unit 405</i>
<i>M&M Oniel, Unit 1007</i>	<i>M&M Aschacher, Unit 300</i>	<i>B. Jones, Unit 905</i>
<i>J. Hereth, Unit 205</i>	<i>M&M Tricarico, Unit 1407</i>	<i>N. Patterson, Unit 902</i>
<i>J. Parkinson, Unit 905</i>	<i>K. Hunt, Unit 1402</i>	<i>J. Lipic, Unit 900</i>
<i>M&M Hutchinson, Unit 700</i>	<i>S. Yawitz, Unit 1106</i>	<i>M&M Knapp, Unit 603</i>
<i>J. Lipic, Unit 900</i>	<i>V Hawley, Unit TH-2</i>	<i>K. Strickland, Unit 508</i>
<i>M&M Walker, Unit 1202</i>	<i>M. Schulz, Unit 1107</i>	<i>F. Hoogland, Unit 403</i>
<i>B. Wolfson, Unit 604</i>	<i>K. Frissel, Unit 605</i>	<i>F. Vari, Unit 505</i>
<i>D. Schumaker, Unit 601</i>	<i>Dr. & Dr. Barzun, Unit 800</i>	
<i>E. Courtney, Unit 1001</i>	<i>T. Dunne, Unit 1205</i>	
<i>C. Bingle, Unit 1208</i>	<i>M&M Tiedeken, Unit PH-1</i>	
<i>I. Soden, Unit 1000</i>	<i>R. Jambrek, Unit 1108</i>	
<i>S. Aaron, Unit 703</i>	<i>J. Melka, Unit 305</i>	
<i>S. Franzese, Unit 706</i>	<i>M&M Hersberger, Unit PH6</i>	
<i>J. Cunningham, Unit 1201</i>	<i>J. Norbut, Unit 408</i>	
<i>M&M Kallinich, Unit 607</i>	<i>M&M Polsky, Unit 1206</i>	
<i>B. Powers, Unit 404</i>	<i>S. Mientus, Unit 306</i>	
<i>M&M Krutulis, Unit 901</i>	<i>M&M Nierman, Unit 1203</i>	

3. PROOF OF NOTICE

Five directors were present and Mgr. Pam Carey. Jeff Patterson stated the 48-hour notice was posted on the lobby bulletin board as required by Florida Statutes and emailed to all owners on February 16th 2022.

4. APPROVE & WAIVE READING OF THE PREVIOUS MEETING MINUTES

Jeff Patterson asked the board for a motion to approve and waive reading of the January 12, 2022 and February 1, 2022 Organizational Meeting Minutes. Motion was made by Rick Burkhart, seconded by Pete Brown approved motion unanimously carried.

5. REPORT OF OFFICERS

Treasurer Rick Burkhart's Report:

As of January. 31, 2022, our year-to-date operating expenses were \$88,297.52 with a budget of \$96,978.00. This puts us \$8,680.48 under budget.

Our Reserve fund balance including cash and short-term CDs is \$1,153,007.74. One of our major projects of 2022, repairing the tennis and pickleball courts and fencing is complete. It was budgeted at \$100,000 and was completed for \$54,000 with an additional \$10,000 spent to repair the expansion joint.

Director Lee Konecke's Report:

I was assigned to set up an emergency response. The Plan is to use FEMA, US Coast Guard and Florida Emergency Response as basis of preparing an Emergency Preparedness Plan. Contacts will be made with Marco Island Police and Fire Department. A Calling Tree should be established to contact owners and residents that may be in the Condo prior to a potential storm. This will allow their status and if they need any help preparing for a possible storm including evacuation.

Konecke further went on to explain (HURCON) Hurricane Condition System used in the coast guard. This is an alert scale used to indicate the state of emergency or preparedness for an approaching hurricane. This will be documented and accessible online on CB's website in the future. The levels mentioned were:

- HURCON 5: No activity and out of hurricane season
- HURCON 4: In hurricane season

- HURCON 3: Indicates surface winds in excess of 58 mph, could arrive within 48 hours.
- HURCON 2: Indicates surface winds in excess of 58 mph, could arrive within 24 hours.
- HURCON 1: Indicates surface winds in excess of 58 mph, Storm is Present

6. MANAGER PAM CAREY'S REPORT:

Recently, Venture has installed most front entry doors & frames, completed concrete stucco repairs & seals on: 8 units (upper floor). Door Adjustments will follow. Venture had their painter on property 2/17 & 2/18 to spray paint exterior front entry doors & frames on all above units. Tentatively, the interior painting of owner's doors will start Monday. Thresholds are scheduled to arrive relatively soon.

Pool temperature: I reached out and made an appointment with Condee to inspect the pool heater, water flow at the in & out water pipes, to possibly increase the water flow increasing temperature in the pool. Maybe they will have suggestions to help our situation.

Gulfstream is on property today to hang 2 swing stages and remove 2 corner sections (North & West) of the screen enclosure to begin concrete repairs on ceiling in unit 908. They found rusty deteriorated re-bar that will need to be addressed.

Canopies: Sunmaster is still working with the County on the final permit plans, and I was told to call back in two weeks for an update.

7. UNFINISHED BUSINESS:

Motion by Jeff Patterson, seconded by Rick Burkhart to appoint Vice-President Jack Hillegas, Condo Manager Pam Carey and former Board President Sheelah Yawitz to complete all punch list items with Venture Construction Group. Approved motion unanimously carried.

- Jeff Patterson recognized the former Board of Directors and Sheelah for their extreme effort in reconstructing our building following Hurricane Irma in September, 2017.
- Jeff Patterson recognized Peggy Frazier for coordinating CB's social activities. Last Saturday's comedian was a huge success. Over 60 residents/friends attended. Peggy announced the remaining activities/dates for the season
 - i. March 21 Dinner Dance
 - ii. April 11 Wine Tasting with Bob O'Neil
- **Rick Burkhart Discuss Wind Mitigation Issue**

The record-breaking natural disasters of 2020 and 2021 have led to substantial increases in insurance rates and a reduction of insurance companies willing to cover high risk properties such

as ours. Many 'A' rated insurance companies will no longer insure non-mitigated properties. To minimize both off these impacts, we implemented a wind mitigation mandate to attract the most carriers possible at the best possible rates. However, the mandate cannot be carried out in its current form for two separate and distinct reasons.

The maintenance, repair and replacement of all building exterior doors and windows with exception of lanai sliders are the responsibility of the Association, therefore a common expense. This gives the BOD the authority to implement this part of the mandate as a common expense, not at the expense of each individual owner. This will require a special assessment to finance this significant cost. All unit owners that already have code compliant windows or shutters that meet current wind mitigation standards and CB design, style and color specifications are exempt from this assessment.

The maintenance, repair and replacement of lanai sliders and all storm shutters are the responsibility of the unit owner. Due to this, the BOD does not have the authority to mandate wind mitigation of lanais, by storm shutter or slider replacements. This part of the mandate must be approved by a majority vote of the Association and would be at the expense of each individual owner.

To achieve full wind mitigation status for the building, both components of the mandate must be completed without exception. We need to determine if the expense to implement the mandate is justified by the reduction in insurance rates we would receive. This is proving to be difficult to assess due to the insurance industry's reluctance to accurately project what our savings would be.

Our best estimate of annual cost savings when mitigated is 15% with annual increases lowered from 25% to 15% in the current market environment. On a \$250,000 per year policy, that would produce an annual savings of \$62,500, lowering owner average quarterly assessments by \$134. This would be in addition to the savings on owners' individual insurance policies.

Your BOD is encouraging owners to complete a wind mitigation inspection so we can accurately assess the scope and thus cost of achieving fully mitigated status. This would allow us to compare the cost of mandate completion with the potential insurance rate savings to determine if the return on investment makes financial sense. We have engaged two insurance agents to explore all available insurance options which we will receive in mid-March. Additionally, we are establishing an insurance committee to assist us in this important task.

The mandate can remain in place by reissuing it with the adjustments made as discussed above, or it can be rescinded and individual owners can continue to pursue full wind mitigation on their own. Ultimately, it is the decision of the Association membership.

A lengthy discussion with owners followed.

Secretary Pete Brown:

Just to clarify how the insurance works, is that we purchase one master policy and this is through our insurance agency Gulfshore Insurance. This master policy comprises of the various coverages, currently we have 15 different policy types/coverages and each category has been underwritten by a separate company. For example, Wind Insurance is underwritten by Westchester Surplus Lines and Flood Insurance by American Bankers Insurance co. So, it's not like we go to one company, an A rated company, and say give us coverage for everything. It doesn't have it that way anymore.

Prior to Irma, our premiums were pretty steady at around \$150,000 a year for Wind. All of a sudden, last year, as you remember, we go up to \$204,000 again. The mitigation report informs the insurance company of the construction of the unit or building in order to determine its stability in the event of strong winds. Wind mitigation credits can reduce the wind-specific portion on your personal insurance premium as well as the Association. If we do not get mitigated, we're going to continue to see 25% of the increases, this number is just going to keep going up and it's going to affect every one of us. This isn't a board or a management issue. This is all of us trying to figure it out.

8. NEW BUSINESS

Jeff Patterson made a motion, seconded by Pete Brown to create four standing committees. Approved motion unanimously carried.

- i. Insurance (Chaired by Rick Burkhardt and Pete Brown) - The charge is to gather information on our insurance coverage, determine best practices while containing costs. In addition, this committee will recommend to the Board how to move forward regarding the wind mitigation issue.
 - ii. Emergency Preparedness (Chaired by Lee Konecke and Jack Hillegas) - The charge is to review and update best practices for Crescent Beach in the event of an emergency/natural disaster.
 - iii. Condo Declarations, Bylaws and Rules & Regulations (Chaired by Rick Burkhardt) - The charge is to review our current Condo Declarations, Bylaws and Rules & Regulations and make recommendations to the CB Board of Directors
 - iv. Communication and Engagement (Chaired by Jeff Patterson) - The charge is to recommend ways to effectively communicate and engage all residents
- Jeff Patterson also expressed the need to appoint a Landscaping Committee. Pam Carey could use help formulating a plan to improve the appearance of our grounds. Please contact Pam if you are interested. This committee will be formalized at our next Board meeting.

All residents are encouraged to become involved in our committee work! The committees are to meet, maintain summaries of each meeting and report back to the Board at their next meeting.

- Jeff Patterson announced that our next meeting will be held in the social room. We are installing an Internet connection which will allow us to stream our meetings to owners unable to attend.
- **Jeff Patterson made a motion, seconded by Lee Konecke to approve 5 upcoming meeting dates. Approved motion unanimously carried.**
 - i. April 22, 2022 - Board of Directors Meeting - 10:00 A.M. in the Social Room
 - ii. October 18, 2022 - Board of Directors Budget Workshop - 10:00 A.M. in the Social Room
 - iii. October 25, 2022 - Board of Directors Meeting - 10:00 A.M. in the Social Room
 - iv. November 17, 2022 – Owner’s Meeting and Board of Directors Meeting - 10:00 A.M. in the Social Room
 - v. February 1, 2023 - Annual Meeting - 10:00 A.M. in the Social Room
- **Jeff Patterson asked the board for a motion to extend the construction period (for the year 2022 only) from May 1st to October 31, 2022 Due to significant labor and material shortages. Motion was made by Rick Burkhart, seconded by Jack Hillegas. Approved motion unanimously carried**

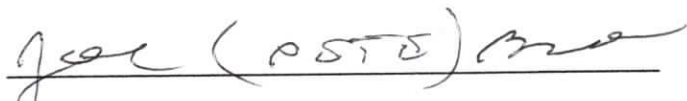
10. OWNERS’ COMMENTS:

A number of questions were asked by owners and answers were provided by the board. The Board will do further research and provide more information.

11. ADJOURNMENT:

There being no further business brought before the Board, Jeff Patterson asked for a motion to adjourn the meeting. Motion made by Jack Hillegas, seconded by Pete Brown and was approved by the owners.

Meeting was adjourned at 11:19am.


Secretary

3/17/22
Date