



**Crescent Beach Condominium Association, Inc.
January 19, 2023
Board of Directors Meeting Minutes**

1. CALL TO ORDER

The meeting was called to order by President Jeff Patterson at Crescent Beach Condominium Social Room at 10:00 a.m.

The following five directors were in attendance as well as Mgr. Pam Carey

Jeff Patterson	- President	- In Person
Jack Hillegas	- Vice President	- In Person
Rick Burkhart	- Treasurer	- In Person
Pete Brown	- Secretary	- In Person
Dr. Lee Konecke	- Director	- In Person

Owners in Attendance:

Mrs. R. Jambrek-Kuettner, Unit 1108
Mrs. D. Burkhart, Unit Ph7
Mrs. C. Nierman, Unit 1203
Mrs. N. Patterson, Unit 902
Mr. B. Wolfson, Unit 604
Mr. D. Schumaker, Unit 601
Mrs. P. Frazier, Unit 506
Mr. H. Polsky, Unit 1206

Ms. K. Hunt, Unit 1402
Mr. S. Varsano, Unit 708
Mrs. L. Knapp, Unit 603
Mrs. J. Vowels, Unit 1405
Mr. & Mrs. Strickland, Unit 508
Mr. C. Kratz, Unit 606
Mr. F. Crivello, Unit 807
Mr. D. Gingrass, Unit 1408

Owners via Zoom:

Mrs. B. Walker, Unit 1202
Mrs. J. Tricarico, Unit 1407
Mrs. M. Brown, Unit 808
Mrs. M. Torrey, Unit Ph3
Mr. & Mrs. Magovern, Unit 1101
Mr. T. Nierman, Unit 1203

2. PROOF OF NOTICE OF MEETING

Pam Carey stated the 48-hour notice was posted on Monday January 16th, 2023 in the lobby bulletin board and emailed to all owners as required by Florida Statutes.

3. APPROVE AND WAIVE READING OF PREVIOUS MEETING MINUTES

Jeff Patterson asked for a motion to approve and waive reading of the meeting minutes from December 19, 2022.

Motion was made by Rick Burkhart, seconded by Dr. Lee Konecke.

Motion carried unanimously in favor to approve and waive reading of the December 19, 2022 meeting minutes.

4. MANAGER'S REPORT:

The two Retention Basins close to Collier Blvd have been cleaned out of all the muck and debris from Hurricane Ian, which is why the water would never percolate through the soil. The irrigation company is scheduled to replace all broken irrigation pipes and heads. Once this is completed, new sod will be installed.

POOL HEATER: The association is looking into adding a second pool heater to maintain the temperature in the pool during cold days, but in order to do this, we need to make room by removing the pool deck shower hot water heater and installing a tankless heater. Awaiting proposals.

PAINTING THE BUILDING: Yesterday, we had a Pre-Bid Meeting for the Engineer to discuss with 4 GC's the details on concrete and stucco repairs, caulking, areas to be painted, etc.

OWNERS INDIVIDUAL DOOR HARDWARE: The association is still working with Schlage warranties, trying to come to a resolution concerning the hardware.

THE PROPERTY LINE FENCE at the north side property line (adjacent to the Admiralty), we recently discovered this fence belongs to us, therefore the damaged portion will be partially removed and possibly install Clusia shrubs.

5. OFFICER'S REPORT:

PRESIDENT - JEFF PATTERSON

We recognize that there has been an interruption for several social activities due to Committee and Board Meetings that were held in the Social Room. Firstly, we would like to apologize and secondly in the future we will aim to schedule our meetings at a time that does not conflict with the scheduled social room reservation dates.

The social room schedule can be accessed on CB's website at:

www.cbmarcoisland.com/socialroomreserveddatescalendar

Building & Grounds Committee Meeting update:

- Our landscaping budget for 2023 is not sufficient to address all of the necessary repairs and improvements, however we intend to replace the palm trees that were lost at the entrance walls.
- The canopy project will begin soon, the bullnose awnings will be installed on the garages. The steel is currently being manufactured for the main canopies. Repairs have begun to the stamped concrete.
- Discussions were brought up by many for a subtle change in the building paint color. Our condo documents require material alterations such as this to go to a vote of the owners. This change would require a simple majority of all owners which would be 59 owners voting in the affirmative. Otherwise the building will be repainted the current color.
- At some point, we will have to replace the elevators as they approach their *lifespan*. Components will continue to wear and tear while replacement parts may eventually become obsolete.

- We discussed the courtyard fountains that are not working and also a multi-use concept for one of our courtyard areas, probably the north courtyard. If you have thoughts or ideas, feel free to pass those along.
- We also discussed handicap accessibility to the beach.
- The bicycle hut is overfilled with bicycles and as a result, we have owners parking bicycles in the garage behind their vehicles. Therefore, they are not pulling their vehicles all the way in which creates a problem for other motorists to get into their parking spot. We have purchased 2 extra bike racks.

TREASURER - RICK BURKHART

The Operating expenses for 2022 were \$1,102,951 with an annual budget of \$1,104,449, ending the year \$1,497 under budget which will be rolled over to our 2023 Operating fund.

Our Reserve expenses for 2022 were \$489,377. The Reserve fund balance is \$1,126,465.

We had 2 CDs mature at the end of 2022 which were earning 1%. To take advantage of the recent interest rate hikes, we reinvested \$200,000 of those funds in a short-term CD earning 4.65% and the remaining \$280,000 was placed in a MMSA earning 4% to ensure those funds remain readily available for unforeseen expenses without penalty.

DR. LEE KNONECKE

HURRICANE PREPAREDNESS UPDATE

The emergency preparedness committee met on December 16th 2022.

There were 25 occupied units during Hurricane Ian. The generator worked, so we were able to use the elevators. We were able to use Pam's office for what I call the Breakfast Club. Water pressure went up to only the 8th floor. Fortunately, we had no flooding except for the backed-up drain basins.

LEGISLATIVE UPDATE

I have been doing Zoom meetings with legal and insurance groups about the new Florida law SB 2A, which involves the state's property insurance industry that was recently passed.

The changes were made, in part, because of the financial damages incurred from hurricane Ian. Insurance companies have been dropping clients and raising rates. So, state lawmakers gathered for a special session, which will create the Florida Optional Reinsurance Assistance Program, or FORA. It's a billion-dollar fund that will act as a financial safety net to bail out insurance companies in the event of a major catastrophe like a hurricane. The law also speeds up the claims process. New claims will have to be filed within one year instead of two. Under the new law, owners would be required to buy flood insurance and move to a private policy if there are any policies that are no more than 20% above the cost of a Citizens policy.

Citizens is getting very selective in who they insure. They have thousands of applications they are still trying to get through. The recommendation is to keep your condo up to date, keep good records of what is repaired or installed while ensuring that when deemed necessary to obtain an engineer inspection. They are also focusing on two key factors: Number one, roof. Number two, painting.

So, the bottom line, I think we're in great shape. We have had the engineering reports. Our roof is in good shape

This law as it's presented, really only affects homeowners, is not going to help Condominiums for another two or three years which is why what we've done is important. The inspections, the maintenance, that's what the companies are going to look at.

6. NEW BUSINESS

Board to Vote on Condo Documents Committee Recommendations and submit three issues to owners for a vote:

i. 11.3 (c) Flooring – Change to Read

“All Units shall always have all bedroom floors covered with properly installed wall to wall carpeting over high-quality padding. The bedrooms are defined by the size, shape, configuration and location (s) specified by the original floor plans of each unit type. All non-carpet flooring installed within a unit must have the most efficient sound reducing underlayment available as determined by the board. **78 owner’s consent is required.**

Two owners voiced concern that the wording did not clearly identify where hard surface flooring could be installed.

Jeff Patterson asked for a motion to table the vote on changing the section 11.3 (c) Flooring until the change was modified to enhance clarity.

Motion was made by Dr. Lee Konecke, seconded by Pete Brown.

Motion carried unanimously in favor to table the vote on changing the section 11.3 (c) Flooring.

ii. 11.11 Association Approval of Alterations and Constructions – Change to Read

“After the Association’s manager has reviewed the plans and specifications, two Directors (neither of which can the owner submitting the request) shall indicate approval or disapproval of the proposed construction in writing within 30 days of receipt of the notice and all required plans and specifications” **78 owners’ consent is required.**

Jeff Patterson asked for a motion on changing section 11.11 Association Approval of Alterations on Constructions.

Motion was made by Dr. Lee Konecke, seconded by Pete Brown.

Motion carried unanimously in favor on changing section 11.11 Association Approval of Alterations on Constructions.

iii. Wind Mitigation

Owners to implement a wind mitigation program by September 30, 2024. **Florida Statute 718.113 requires a majority of voting interest to approve.**

Jeff Patterson asked for a motion for owners to implement a wind mitigation program by September 30, 2024.

Motion was made by Dr. Lee Konecke, seconded by Pete Brown.

Jeff Patterson voted yes, Jack Hillegas voted no, Rick Burkhart voted yes, Pete Brown voted yes, Dr. Lee Konecke voted yes.

Motion carried 4-1, for owners to implement a wind mitigation program by September 30, 2024.

iv. Board Discuss/Vote on new underlayment requirement

Approve the use of NAC Super Sam 125 or better sound abatement membrane for use under hard surface flooring.

Jeff Patterson asked for a motion to approve the use of NAC Super Sam 125 or better sound abatement membrane for use under hard surface flooring.

Motion was made by Rick Burkhart, seconded by Pete Brown.

Motion carried unanimously in favor to approve the use of NAC Super Sam 125 or better sound abatement membrane for use under hard surface flooring.

7. OWNERS QUESTIONS & COMMENTS

Questions/Comments related to Retention Basin cleaning.

Q/1: Dennis Schumaker, Unit 601:

Any idea what the cost is to clean the Retention Basins?

A/1: Pam Carey, Manager:

The total retention basin restoration project will cost the Association a little over \$56,000.00

- O'Donnell Landscape charged a total of \$26, 893.75 for muck removal from the bottom of the retention basin.
- Don Mar Inc charged \$10,632.50 to clean all storm sewer catch basins, drains, all connecting piping and repair a damaged pipe.
- Stahlman Irrigation has proposed a total of \$6,300 to install new irrigation in the retention basin areas.
- Leo's Sod has proposed \$12,312 to install the sod.

Questions/Comments related to landscaping cost.

Q/2: Roanne Kuettner, Unit 1108:

What is the annual cost for landscaping and do we seek bids each year for the most economical price?

A/2: Pam Carey, Manager:

It costs the association \$75,000 annually and we do evaluate options and pricing each year.

Questions/Comments related to Hurricane Ian.

Q/3: Roanne Kuettner, Unit 1108:

Will we be adding more outlets in the Social Room in advance of another storm. This would also be beneficial for when we have our social events.

A/3: Pam Carey, Manager:

We are evaluating adding power to the Social Room from the diesel generator or potentially a natural gas powered generator and installing additional outlets.

Q/4: Roanne Kuettner, Unit 1108:

A few people have gotten mini electric generators for their unit. Does anyone know the cost?

A/4: Rick Burkhart, Treasurer

I paid \$1,400, which included four solar panels to go with it.

Q/5: Jeff Patterson, President

What did your generator operate?

A/5: Rick Burkhart, Treasurer

I powered my refrigerator and freezer during the entire power outage. At night we would also power a fan. Additionally, we maintained our phones charged and powered lighting as necessary. We would then recharge it in the office, a full charge takes about an hour and a half and lasted us 8 to 12 hours.

Questions/Comments related to changing the paint color of the building.

Q/6: Jack Hillegas, Vice President:

How many votes are required to make a material change?

A/6: Jeff Patterson, President

A simple majority which is 59 owners would have to vote yes.

Q/7: Jack Hillegas, Vice President:

So why do we have documents stating otherwise?

A/7: Rick Burkhardt, Treasurer

The Condo Declaration requires a two thirds majority vote to change the wording in the documents.

Section 11.5 of our Condo Declaration states "...the association shall not make material alterations or substantial additions to the common elements or association property without approval from at least a majority of the voting interests." We verified with our attorney that a simple majority is the requirement.

Q/8: Dennis Schumacher, Unit 601:

I thought the last vote in 2022 required two thirds of the vote.

A/8: Jeff Patterson, President

At the Board of Directors Meeting on March 25th 2022, the Board voted to conduct a vote of owners to amend 5 items in the Amended & Restated Declaration & Bylaws. For each of the amendments to pass, it required two third votes which is 78 owner's consent. Changing the paint color is a material change of the building not a change in the language in the Amended & Restated Declaration & Bylaws.

Q/9: Dennis Schumacher, Unit 601:

A non-response, is that counted as a no.

A/9: Jeff Patterson, President

If you do not vote, this will be counted as a no vote.

Q/10: Dennis Schumacher, Unit 601:

Do you have a timeline on the actual painting of the building?

A/10: Jeff Patterson, President

We had a pre bid meeting on January 17th 2023 and there were four companies on property that conducted a walkthrough of the building. We are hoping to at least obtain four bids on the paint project. Deciding factors will be soonest start date, qualifications and estimate

Q/11: Roanne Kuettner, Unit 1108:

Are voting records public knowledge, can an owner see how other people vote?

A/11-1: Jeff Patterson, President

Yes. Votes are public knowledge with the exception of the election ballot vote at an annual meeting, those are private.

A/11-2: Rick Burkhardt, Treasurer

Yes. All non-election voting records are public information which any owner can access and that includes board votes. All board votes must be held publicly at a duly noticed meeting. Also, how each board member voted must be recorded in the minutes of that meeting.

Q/12: Dennis Schumacher, Unit 601:

Does changing the color add to the expense of the project?

A/12: Rick Burkhart, Treasurer

No, as long as the change is not drastic.

Questions/Comments Related to Bicycle Hut.

C/13: Kristy Strickland, Unit 508:

A lot of the bikes that are parked behind vehicles are rental bikes, which I brought up to Pam, that maybe there should be an easy access, temporary storage area for people who have rented bikes.

A/13: Rick Burkhart, Treasurer

We ordered an 18 bike capacity rack and will install it at the North East side of the building for overflow bike parking.

Questions/Comments related to getting help for Jesus.

Q/14: Roanne Kuettner, Unit 1108:

Are we going to hire help for Jay?

In Chicago, we have a maintenance group and when they have time, they have a list of things that owners can have them do for a set fee which would help pay for an extra person. I did some research, and apparently the issue is that we are a nonprofit so if we are taking money in, we could lose that status. However, it's not necessarily for profit if we only charge what it's costing to operate. Many people need things done, like a toilet clogged or they need to replace a toilet chain, etc. and would prefer not to have to call an outside service.

A/14: Pam Carey, Manager:

We are not allowed to have our maintenance personnel handle any kind of water or electricity. This has to be performed by a licensed plumber or electrician in a condominium.

Questions/Comments related to changing the Condo Docs verbiage on flooring

C/15: Roanne Kuettner, Unit 1108:

We might have a problem with that wording since the floorplans for three bedroom units label the first bedroom as a den.

C/16: Fred Magovern, Unit 1101

I'm all in favor of having a vote of ownership, but the purpose, as I read the proposal, is written in terms of requiring carpeting in the bedrooms. Our condo documents already require carpeting in the bedrooms. But this is really an attempt to have tile in the living room dining room area. I have no problem with having that voted on, there's no mention of tiling in the proposed amendment. Someone reading this might think it's just if you're voting for it, you're voting for carpeting in the bedroom and not understand that it's going to allow tile in the living dining room area. I would suggest that it be amended to include the fact that in plain language that this will allow tiling in the living room dining room area. I will abide by whatever the vote is, as we've always said. I thank you for your services.

A/16: Jeff Patterson, President

We can definitely modify the language so there is no ambiguity in what is voted on.

Q/17: Kathy Hunt, Unit 1402

Did the board also mention the underlayment.

A/17: Jeff Patterson, President

Yes, Super Sam 125 or any material that meets or exceeds this product for noise transmission reduction must be used as determined by the board.

C/18: Jack Hillegas, Vice President

In a way, we have made progress because in the middle of 2022, we obtained the expertise from a certified engineer to provide the structural capability of our building. The findings indicated that the building could handle tile with an underlayment that rates at least 60.

I don't have any problem with tile. I wish we could just get rid of the issue and have it done with, but we don't right now currently have an underlayment that's going to meet those standards. So personally, I just want to make sure that we get to the point where we have it covered so that people aren't going to be coming back six months or a year from now with excessive noise concerns. That's my objection. I just want to make sure that we take enough time to get the right underlayment so we don't have that issue down the line

I would also like for the association to annually revisit the latest noise reduction underlayment and technology.

Questions/Comments related to Association approval of alterations

Q/19: Jerry Strickland, Unit 508:

Is there any problem having three signatures from the board so that you have the majority of directors deciding?

A/19: Rick Burkhart, Treasurer

If more than two directors are required to approve or disapprove a remodel then it would need to be done at a Board Meeting since it would constitute a quorum of directors essentially voting on an issue. This is what we did in 2022 to ensure proper discussion and oversight and it required many board meetings and was very cumbersome due to the large number of requests received.

Questions/Comments related to Wind Mitigation

Q/20: Dennis Schumaker, Unit 601:

Who owns the windows?

A/20: Jeff Patterson, President

The Association.

Q/21: Dennis Schumaker, Unit 601:

If there is an assessment, does it have to be shared amongst all.

A/21: Jeff Patterson, President

If you're fully mitigated, you will not be assessed.

C22: Steven Raab, Unit 302

CB obtained Wind Insurance coverage from Citizens insurance due to two underwriting requirements. The condition of our roof is new and secondly, we have less than 25% owners that rent their unit with a 60-day minimum. Will Citizens renew CB in April 2023? The answer is yes, due to the fact that the two key deciding factors and underwriting requirements have been met for renewal on April 15 of 2023.

Dr. Lee Konecke is correct about Citizens being very selective of who they choose to insure and who they do not. So, we are in a very safe place. Needless to say, the market may deteriorate. Citizens could come back a year from now with a third underwriting requirement requesting proof of a fully mitigated building. Also, any possibilities of obtaining discounts may no longer be guaranteed in the future.

Hurricane Andrew was bad in 1992 and it set the bar. Hurricane Ian was tremendously worse and the bar is really higher now which is why the marketplace is shrinking. Insurance companies do not prefer to insure barrier island coastal property which is where we are. Thankfully Citizens covered CB and hopefully we'll have a long-term relationship.

We also have QBE in October, a large admitted carrier, very selective and they also provide wind insurance coverage but we were told by our insurance agent representative Lavern Wicks that every single opening has to be Miami Dade Hurricane impact and signed off by an engineer. We just always have to be ready for what comes next to ensure we are in an insurable position.

Thank you for letting me say a few words and thank you to the board for taking time to support the association.

Questions/Comments related to Comcast Internet

Q/23: Sam Varsano, Unit 708:

Have any of you experienced frequent cut outs on the service from Comcast?

A/23: Jeff Patterson, President

Pam, please do a review and see if there's something that we should be doing or other products that we should have to improve our services

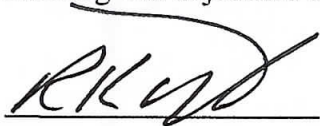
8. ADJOURNMENT

There being no further business brought before the Board, Jeff Patterson asked for a motion to adjourn the meeting.

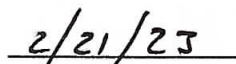
Motion was made by Dr. Lee Konecke, seconded by Pete Brown.

Motion carried unanimously in favor to adjourn the meeting.

Meeting was adjourned at 11:08am.



Secretary



Date