

Sherwin Condominium Management Association, Inc.
Minutes of
SPECIAL ASSESSMENT MEETING OF THE BOARD OF DIRECTORS
March 19th, 2024

Attendance:

Directors: Mike Jeffers 201, Steve Hopkins 1203, Adriane Lutes 403, Mike Barney 1602, Ron Yearby 1106, and Nancy Thorell 304

CAM: Mui Chong

Attendees: Cheryl Stanley 203/207, Dennis Thorell 304, AJ & Marlene Lasota 402, Jeff Breslaw 407, Rick Greenwalt 506, John Self 604, Sue & Mike Waddington 801, Tom Stackrow 803, Henry Van Dalen 904, Paul Franken 1001, Frank Popp 1505, Mariane Maxwell 1103, Kay Yearby 1106, Alice McNamara 1203, Mark & Missy Koopman 1206, Joan Cochran 1607, Richard Fenters 1905, Tammy Jeffers 201, Dean Goldner 102, Satloo Van Duuren 1504, Katherine Koschorreck 802, Elaine Shizkowski 905, Lenny Morales 1102, Bobby Thigpen 1403, Pattu Kesavan PH3, Diana & Paul Cleland, and Neill Pitts 605/6/7.

Zoom Attendees:

Traci Tant 907, Bill & Christy Ward 302, 1207 Doug Elliott, Ryan Torrence 1503, Derill Perry 404, Theo Mann 104/107, Jeffrey Sherrel 1401, Kathy & Richard Cernoch 1502, Joyce McCormack 306, Shannon Mullen 704, Jim Corazza 504, Brad Malloch 505, Laymond and Margaret Rose 1404, Ron Vaccaro 806, Sushil Sankhe 1702, Art Sanchagrin 603, Lisa Patterson 204/205, Mansour Solaimanian 804, James Sandidge 1806/7, Ernie Blood PH 6/7, Rosey & Peter Van Wart 701, and Bruce Pearson 206.

The meeting was called to order at 9:00 a.m. by President Mike Jeffers.

Mike Jeffers moved to add a presentation by Jered from Cunningham's Lawn & Landscaping to the agenda. Steve Hopkins seconded, and the motion was carried unanimously.

Mike Jeffers moved to approve the minutes of the meetings held on February 2, 2024. Steve Hopkins seconded, and the motion was carried unanimously.

Jered's Presentation

Having 12 years of experience in the industry Jared is certain that their final product will be amazing. Their goal is to finish by April 20th, 2024. Current work includes trenching and grading the grounds to ensure optimum drainage. They will install pavers, sleeves for electrical lines, plants, retaining walls, irrigation, lighting, steps, and railings. Workers will be pouring concrete and using heavy machinery for much of the work, so residents are requested to stay away from the construction area.

President's Report

Mike Jeffers thanked everyone for their continued patience in the hurricane recovery process and reported the following:

- Each member was assessed \$12,000.00 for Hurricane Ian. We obtained a total of \$765,700.00 in SBA loans at a great interest rate of 2.375% per year. With the funds from a minor insurance settlement for flooding in the basement, some grants, and the remainder funds from the EFIS project we have all the funding needed for a recovery that is better than before. As of now there will be approximately \$200,000.00 left over for any unexpected expense. Therefore, there will not be an assessment for hurricane Nicole even though it damaged our pool equipment, pavers, and walkway.
- There will be an assessment for the upcoming insurance premium. Insurance is an operating expense, and the hurricane recovery money cannot be used on operating expenses. The board can decide to move any remaining recovery funds to other asset projects such as:
 - The north Atrium A/C unit needs to be replaced.
 - The trash chutes need attention.
 - The upper parking deck needs to be re-coated.
 - The lobby needs to be redecorated.
 - Flashings on the glass wall need to be repaired (water is leaking into the lobby).
 - SIRS study mandated by the state needs to be completed to determine whether adjustments to monthly association fees are necessary beginning in 2025.

Financial Report

Ron Yearby reported the following:

Through February 29, 2024.

- Operating Income statement excluding Property and Wind Insurance:
Expenses are less than income by \$9,319.11.
- Reserves equity balance: \$385,747.70.
Doors and Windows/EFIS equity balance: \$310,095.21
Hurricane Damages/Seawall equity balance: \$384,642.89
Total Reserve/Special Projects equity balance: \$1,080,485.80
- Hurricane Damages:
 - Spent to Date: \$1,862,964
 - Total Cost Estimated to be: \$3,019,335.00.
 - Have not received the second SBA loan of \$267,800.00.
- SIRS & Milestone Studies: The legislature did not make any change this last session. The Board will have to contract with someone to do the Milestone & SIRS studies so that the results are available for budgeting in October. These studies will determine if additional reserves funding is needed in 2025.
- Property and Wind Insurance: The Insurance Committee consists of Trevor Hickman and me. We met with Trey Thigpen and Chris, from Foundation Risk Partners. Trevor spoke several times on the phone with Trey and another broker. At this time, our best estimate for what our premium will be is \$558,000.00.
- Per discussions with TJW, we will use \$285,000.00 from our Operating Account to help pay the premium. The difference of \$273,000.00 will be raised by a special assessment

- Per discussions with TJW, we will use \$285,000.00 from our Operating Account to help pay the premium. The difference of \$273,000.00 will be raised by a special assessment which comes to \$2,100.00 per owner, and due by April 1st, 2024. This is an estimate and there is a chance the premium could be higher or lower than expected. I brought up the possibility of adding a buffer to cover a slightly higher premium and the possibility that some owners may not pay their assessment on time. The board decided against doing this and approved an assessment of \$2,100.00 per owner. Our plan going forward is if the premium is higher, we will borrow from funds we have available or possibly have another small assessment. Currently, we are adding \$52,500.00 to our operating account each month for Property and Wind Insurance via our monthly maintenance fee. We will do this from May to December and at the end of the year we will have collected \$420,000.00. The amount we will collect from January 2025 to April 2025 will be determined by our budgeting in October 2024. All money collected for insurance will be placed in a separate checking account. The Board approved the plan to invest money collected in our insurance bank account into 2-month CDs from JP Morgan Chase.

Maintenance Committee Report

Mark Koopman reported that the following items were completed since the last meeting:

- 27 Maintenance Request Forms: 23 door weather stripping, 19 doors painted and new door sweeps, 4 miscellaneous – all completed.
- Weekly Floor checks, Daily/Weekly/Monthly tasks - all completed.
- Painting: PH stairway and landing to roof (North & South), Fire Extinguisher pipe in: maintenance shop, wood shop, pump room, gym storage room, squares in front of trash rooms, touch-up on electrical, trash, stairway, spa and gym doors (complete repaint of doors coming), back office walls.
- Assisted with paver delivery.
- Removed sand in BBQ area, walkway, and upper parking lot.
- Installed second wind tarp near south wall for Seascape, installed new garage gate sensor.
- Troubleshoot with FHA with front door electrical repair.
- Replaced Electrical box outlet for sump pump, replaced connector on lobby entrance camera, replaced batteries in maintenance water alarms in pump room, shop, file room, spa pump room, and clubroom.
- Posted “Construction Zone No Trespassing” along property boundaries.

Social Committee Report

Nancy Thorell reported the following:

We are now posting our social events on the TV screens in the basement and lobby. All the events are also on the website. It’s easy to go to the website and just write down the events on your own calendar. Tuesdays are always pickleball and Thursdays are always cards in the club room. We have a coffee every month in the sunroom and cornhole this month will be on the beach tomorrow, along with any other beach games you want to bring. Arts and crafts are in the club room once a month, potluck dinners and cocktails-with-dinner-out always draw a big crowd. Coming up next month we plan to have all of those things and possibly bingo games. We didn’t have any new members to welcome in the last six weeks and we had no expenses. Our

committee welcomes comments or suggestions. The committee members' contacts are posted by mailboxes in the lobby.

Landscape Update

Mike Jeffers reported the following:

- When a water pressure line under the pavers in the grill area leaked, maintenance had to break several square feet of the pavers to make repairs. Thinking that it was an old pipe that fed the pool they capped the pipe and repaired the pavers. It was realized later that the pipe fed the spa filter. To uncap the line, the pavers needed to be reopened and were no longer level after the repairs. Cunningham's Landscape was willing to correctly rebuild the grill area but needed to know asap because they were putting down paver base and pavers the next day. I authorized a newly rebuilt grill area that has a wall that is 5 ft tall and 15 feet area pad. The original drain system that goes from the grill area to the basement drain was corrugated pipe that is packed with sand will be replaced with a 5 inch "deco" drain cut across the sidewalk to capture all the rain coming down the ramp, and grill decking. The piping with smooth PVC, the "deco" drain and trenching and the connection to the basement drain will be installed.
- Last week we discovered that the Gunitite in the pool is cracked and chipped in several places. The work needed includes spraying on a new layer of Gunitite and bring some areas of the pool basin up to code (i.e. the steps to prevent slippage). Cunningham believes his subcontractor can do this work during the paver installation process and does not see a significant hold up to the overall progress of the work, but we are looking for additional vendors to get pricing, which could extend the project. Cunningham does not have a price as of today.
- In other areas, we are getting the safety railing bids updated. The plan is to have a railing along our north wall that is 6 feet tall in the grass area and 4 feet at the cap, so the top of the railing would be level all the way across, rather than stepped. The south turn back will need a 4' railing on it as well. New regulations now state our beach gate must open out instead of in as it did before. This is one reason for the wider steps. Our original plans called for a set of wooden steps the same width as our old concrete steps. We have gone much wider and have added a landing. We've also chosen a composite open tread. This will help minimize the sand being tracked up from the beach.
- Nancy Thorell has worked diligently on our pool furniture quotes. The committee has decided to re-strap our 41 existing chaise lounges again in white and our 16 table chairs in blue.
- Let me reiterate that we have the funds for all the hurricane restoration items we discussed, including the items the landscape committee is recommending. We also have funds already allocated for items we may not end up needing. We have \$25,000.00 in a bucket for beach restoration. This had to be included in our original drawings to obtain

the permit but may not need to be done. We have money in a bucket for stack 3 drywall repair. It has been a year since the EFIS was replaced and we want to close that line item.

- We had allocated a maximum amount of \$3,360.00 reimbursement if both bedrooms are done, but the owners' receipts must total up to that amount. Your time to turn in your receipts will expire June 1st. 2024.

The Landscape Committee chair, Richard Fenters, has the following proposals for the board to consider, the matter will be open to owners for discussion, after which the board will take a vote to approve or deny the request.

The landscape committee members Richard Fenters, Tammy Jeffers, Mike Barney, Joan Cochran and Nancy Thorell have done their best to accommodate as many ideas and suggestions as possible from those who have reached out to them. They were not able to please everyone but based on the majority expressed interest, have summarized the following projects for the board's approval:

Project #1 - Lay a paved area to the south of the beach gate, 10 feet by 80 feet. This area will initially include 10 Adirondack chairs.

Project #2 - Install Clusia plants on the south perimeter wall starting at the pool filter area and extending to the south turnback. The initial height is 5 feet which is the current height of the south wall. These can be trimmed to maintain that height or let go to a height of no more than 10feet, or different heights for different areas.

Project #3 - Install a 15-feet x 15feet paved area at the end of the ocean deck to include a fire pit.

Owners against the project have expressed concerns that the fire pit will attract unwanted traffic, vandalism, noise, ocean view obstruction, extra expense, and rules enforcement complications.

Owners in favor of the project liked having the fire pit as an extra amenity for residents to gather, the ambience and atmosphere it would create, extending use of outdoor space and adding enjoyment and value to the property.

Mike Jeffers moved to approve Project #1. Mike Barney seconded, and the motion was carried unanimously.

Mike Jeffers moved to approve Project #2. Mike Barney seconded, and the motion was carried unanimously.

Mike Jeffers moved to reject Project #3. Steve Hopkins seconded, but Mike Barney, Adrian Lutes and Nancy Thorell voted to approve the project. Motion was denied and project #3 was approved by a majority vote of the board.

Mike Jeffers moved to hire Cunningham Landscaping maintenance contract for \$1,772.50 per month which guarantees all landscape work, plants, plus upkeep of the lawn. Steve Hopkins seconded, and the motion was carried unanimously.

Mike Jeffers moved to allocate the funds necessary to recoat the pool surface. Steve Hopkins seconded, and the motion was carried unanimously.

Seawall Update

Regarding the seawall cap paint DDS had included a sealant in the concrete. We were told it could be painted if we wanted to paint it. We asked which paint they recommended, and they gave us the specifications. We tried a couple areas to check the durability and it failed. We don't know if we should have waited longer for the cure time or if it failed because of the sealant used in the mix. Moving forward, we cannot hold up the landscaping project waiting to select and test another paint. We will continue without a painted cap. This will also lessen any maintenance on keeping the cap painted.

Elevator Update

Mike Barney reported the following:

The door lock monitoring system for all four elevators has been installed. We have determined that having surge protectors in the elevators will protect the elevators circuit boards. We are getting estimates for surge protectors and exploring the possibility of using other elevator service companies when the current service contract ends.

Doors & Windows

Mui reported that FHA is waiting on parts from ES Windows for units 401, 406 & 703 and when the parts arrive, they will buff out the scratches in unit 306.

Key & Fob Policy

The policy committee consisting of Walt Stanley, Mike Barney, and Paul Franken presented the attached key & fob policy for the board's approval.

Mike Jeffers moved to accept the key fob policy as presented. Steve Hopkins seconded, and the motion was carried unanimously.

Special Assessment for Insurance Premium

Mike Jeffers moved to create a special assessment for our insurance premium in the amount of \$2,100.00 due on April 1st, 2024. Steve Hopkins seconded, and the motion was carried unanimously.

Violations

- Unit 1801 violations discussion tabled for the next meeting due to lack of notice given to owners.

- Mike Jeffers moved to fine Unit 601, \$250.00 for advertisement violation dated February 22,2024. Mike Barney seconded, and the motion was carried unanimously.

- Mike Jeffers moved to fine Unit 601, \$250.00 for lease violation dated December 21, 2023. Mike Barney seconded, and the motion was carried unanimously.

North Atrium

Mike Jeffers moved to allocate the funds necessary to replace the broken north atrium AC unit, for \$45,000.00, Adrian Lutes seconded, and the motion was carried unanimously.

Trash Chutes

Mike Jeffers reported:

We have spoken with 2 trash chute companies, and both have said that we need to replace our trash chutes. Of course they would, they sell trash chutes. If we must replace them, that would be an assessment. We spoke with a sheet metal company who are looking to see if they can be repaired, but further investigation is needed to see the scope of the work involved. We have contracted with a company to run a high precision camera from the roof down through the chutes to get a better idea of the damage and remaining life of the chutes. Any repair work or replacement won't commence until after the busy summer season.

Adjourned 12:01pm

Secretary: Nancy Howell

Date: 4/2/2024

SHERWIN FOB POLICY

-All FOBs belong to the association; owners are given the right to have them activated for their use.

-All owners may get up to 6 activated FOBs per unit at no cost.

-If an owner wants more than 6 FOBs, they must make a hardship request in writing to the board requesting approval of the additional FOBs. A majority of the board must agree the owner has a reasonable hardship rather than just a desire for additional FOBs. If approved by the board, the manager will be given a note to issue it and the owner will be charged \$100 per additional FOB.

-FOBs loaned or given to renters or family members are the responsibility of the owner.

-If an owner loses a FOB, they must tell the office which FOB was lost, and it will be deactivated, and a new one issued at the cost of \$10. If they do not know the FOB number, they must bring in their other FOBs. Whichever ones are not brought in will be deactivated. Any brought in later can be reactivated bringing the total activated up to 6 FOBs for the unit.

-Owners should not loan or give FOBs to another owner. They must realize any activity with it will show as their activity.

-When an owner sells their unit, their FOBs should be returned to the office and deactivated. If not turned in they will still be deactivated. The new owner will then be issued 6 activated FOBs.

-In no case will any refunds be made for lost or additional FOBs.

Policy committee:

Walt Stanley, Mike Barney, & Paul Franken

2/16/24

Approved by the board on 3/19/24

SHERWIN UNIT DOOR LOCKS POLICY

The standard unit door lock is a priority system utilizing a Primus key. The key cannot be duplicated at a key shop but must be done by AHC Safe and Lock, the authorized Primus dealer.

If an owner wants an additional key, they must request it from the office who will order it from AHC, which must come to the condo to make it. The cost to the owner will be \$25 plus AHC visit cost, currently \$56. Total of \$81.

Owners can install their own locks but must maintain the current handles for uniformity. If a new lock is installed a key and access code must be given to the office for pest control and emergency purposes.

Realtor's or other temporary key holder may not be placed on the doors.

Policy committee,

Walt Stanley, Mike Barney, Paul Franken

2/16/24

Approved by the board on 3/19/24 to be incorporated into the unit doors policy.