



# CAPE HAZE RESORT COMMUNITY ASSOCIATION, INC.

## MINUTES

of

### The Board of Directors

Cape Haze Clubhouse

Tuesday, October 22, 2019

10:00 a.m. Local Time

Via Zoom

Meeting ID: 135 805 125

Approved 16 November 2019

1. Call to Order  
The meeting was called to order by Mark Watkins at 10:02 AM Eastern daylight time.
2. Determination of a Quorum  
Present at the meeting were Mark Watkins, Jim Powell, Larry Bowie, Ted Mottola and Pete Travers. A quorum was declared.
3. Certification of Notice  
Bridget Spence certified that proper notice was given according to Florida Statutes.
4. Approval of Minutes  
The minutes of the special meeting in executive session from July 16, 2019 were summarized by the Secretary.  
**MOTION:** Upon motion duly made, seconded and unanimously approved, the minutes of July 16<sup>th</sup>, 2019 were approved.
5. Officers' Reports
  - a. President's Report  
Mark Watkins reviewed the items on the agenda for this meeting briefly.
  - b. Secretary's Report  
Pete Travers reviewed the administrative activities of the Secretary since the last meeting.
  - c. Treasurer's report (Appendix A)  
The report was presented by Bridget Spence. Specific items include:



- Special assessments from 2018: owners in arrears are in collection
- By the end of the 3<sup>rd</sup> quarter, \$59,821 had been spent from reserves, an amount consistent with our original budget goal
- To date we are approximately \$23,000 over budget, but cash accounts have been sufficient to provide funds to cover this overage.

## 6. Property Manager's Report

Bridget Spence presented the report. Specific items included:

- Staffing changes: Cassandra replaced Trish in the office  
Stan replaced Rick in maintenance
- General guidelines for owners were given to assist in interactions with the staff.
- Clubhouse water intrusion repairs have been completed as well as repairs to baseboards and drywall. The project was under budget.
- Carport canopies and supports were cleaned and cabling removed.
- Asphalt repairs will be scheduled in the future.
- Two railings were installed in the pool for safety; some remaining trim work will be completed by Stan
- The pool shower was redone
- Walkways, garages and the pickle ball court have all be cleaned. Moisture issues resulting in "bumps" in the latter have been addressed and will be individually repaired. This may result in some cosmetic unevenness in the surface, but it will be functional
- Kate Giordano continues her hands-on involvement with the day-to-day landscaping and much of the appearance of Cape Haze Resort is due to her efforts
- Larry Bowie was instrumental in the successful completion of the clubhouse water intrusion project and Mark Watkins, on behalf of the Board, acknowledged his help.
- Work orders are the primary vehicle for identifying projects and may be obtained from the office of from Stan on the grounds
- Proposed 2020 Budget  
Bridget reviewed the proposed budget spreadsheet that had been previously distributed to the Board highlighting changes in maintenance, landscaping, reclaimed water, gate maintenance, pool repairs, insurance, staff and administration. She pointed out that an increase in reserve allocation from \$60,000 to \$70,000 for 2020 was offset by a decrease of \$10,000 in the overall Community Association budget.

## 7. Committee Reports

### a. Strategic Planning

Ron Sanford reported orally on the ongoing discussions about options for the purchased land. This summer a concept drawing was prepared involving the construction of 20 duplex units, tandem garages, a small pool and landscaping.



The Board, by general consensus, will make that concept public for the community by posting it on the Cape Haze web site and sending it to owners via email. Ron will prepare a text to accompany the web site posting and the email.

**b. Safety and Security**

Jim Powell briefly discussed the new gate system in an oral report. Bridget Spence indicated that there were no issues with the gate system over the summer with management following through with the deactivation of codes when owners picked up their access fobs.

Remaining questions about access and codes have not been completely evaluated by the Committee. Recommendations to the Board are expected in the future.

**c. Communications** (Appendix B)

Pete Travers presented the report from the Communications Committee (Appendix B). The Committee is in active discussions with vendors to provide TV and internet services that are broader and less expensive than the current Comcast contract.

**d. Grounds** (Appendix C)

8. Unfinished Business: None

9. New business

**Revisions of the Rules and Regulations for Tenancy**

Bridget Spence and Pete Travers gave an overview of the final version of the proposed revisions to Section VI of the Rules & Regulations. These revisions were developed with input from owners and were approved by the Association's counsel. Bridget Spence reviewed the implementing administrative procedures for these revisions.

Questions from owners:

- Background checks. Background checks will be done by the Association for all new tenant applications
- Background check fee. The fee is \$25/adult and must be paid even if owners themselves have performed a background check.
- Assurance of compliance. The property manager will assure compliance with this section of the Rules & Regulations

**MOTION:** Upon motion duly made, seconded and unanimously passed, the Board approved the changes to Section VI of the Rules & Regulations and asked its attorney to file the modified Rules & Regulations with the Charlotte County Clerk of Courts as part of the Association's governing documents.

10. Owner Comments: None

11. Adjournment

**MOTION:** Upon motion duly made, seconded and unanimously passed, the meeting was adjourned at 11:30 AM, Eastern Daylight Time.

Prepared by: Pete Travers, Secretary

CAPE HAZE COMMUNITY  
ASSOCIATION BOARD



CAPE HAZE RESORT

PLACIDA, FLORIDA

OFFICE OF THE TREASURER

## Treasurer's Report September 2019

### *Financial Summary*

The Community Association has \$58,734.33 in the operating accounts as of August 31, 2019. At this time we have \$358,458.25 cash on hand in the various reserve accounts for a total of \$417,192.58 cash on hand.

### *Quarterly Performance vs Budget*

As of August 31, 2019 we are \$27,958.44 over budget. We are making headway on the summer projects list but we are over budget, the categories that continue to be over budget are General Maintenance, Grounds Maintenance, Pool Repair, Legal Services and Site Staff. We are utilizing "prior year fund balance" to help off set the amount we are over budget year to date.

Some of these categories will need to be adjusted for the 2020 budget as we now have better indication on what spending is routine and what is extraordinary.

Based on the cash position of the association we do anticipate that we will be able to cover the overage if it stays under \$30,000.00 at year end with the "fund balance" from previous years. However, we are proceeding with caution on any discretionary spending.

11 owners owe the second installment of the special assessment. Collection process has started for those owners with the reminder notification process. We have 1 owner delinquent on both and the attorney is involved in that collection.

### *Reserve Status*

The reserves are calculated using the "pooled" method versus the straight line method. There are no changes at this time to this method.

### *Investments*

The association has investment accounts with Fidelity Bank as well as sweep accounts with Centennial Bank.

### *Special Projects and Financial Implications*

The pool project has started. The tile work has been completed and a new light installed. The reserve schedule called for \$18,000.00 to be expensed for pool upgrades this year. We will be



under this budget. The custom railing was installed last week. However, we are now waiting on the second railing to be installed. We are anticipating that to arrive within three weeks. This will provide a more user friendly entrance to the pool at the center steps.

The window project has been completed and inspected. The final bills were approved in September and will be reflected on the September financials.

The gate system, fob system and camera system has been installed. Management is distributing the fobs and working through the protocols for this new system. This was expensed from "WORKING CAPITAL FUNDING" on the balance sheet and no longer impacts our budget comparison for 2019.

#### **2020 BUDGET PROCESS-**

We have received a few budget requests for next year budget. We have received the finalized reserve study for each association and that will be taken into account as we work through the budget process. We have new staff and we hope that the staffing changes made will make us more efficient with our onsite resources and reduce our outsourcing. The association budgets will reflect this change as will the community budget.

We will work on having a draft to present at the October meetings.



## MEMORANDUM

**From:** Communications Committee (H. Travers, liaison)  
**Date:** 20 September 2019  
**To:** Community Association Board of Director  
**RE:** CenturyLink Negotiations and Contract

THE COMMUNICATIONS COMMITTEE REQUESTS THE BOARD ISSUE A LETTER OR EMAIL OF ACCEPTANCE TO CENTURYLINK FOR TV/INTERNET SERVICES UNDER THE GENERAL TERMS BELOW.

<b>Starting Date</b>	September 2020
<b>Services</b>	<i>WiFi</i> - 100 mbps internet to each unit; 5GB to the office <i>TV</i> - 48 HDTV channels to each unit and the common areas
<b>Term</b>	10 years internet; 5 years TV; level pricing
<b>Cost</b>	\$46.47 per unit per month
<b>Comcast buy-out</b>	\$50,570 net after cash payment of an upfront “door fee” of \$28,800 to the Association (approximately \$350 per unit for 2020 ONLY)

**Background.** Currently we receive basic cable TV for \$50/unit/month; internet costs and additions to TV (high definition etc) are the responsibility of individual owners. The proposal essentially offers TV **and** internet together for less than the Association is paying now, a savings for both the Association and the Owners. Based on the survey from the Communications Committee earlier this year current and projected costs are found in the table on the next page.

**Savings.** Our analysis is based on the assumption that owners purchasing *internet services* use them for 6 months of the year, taking advantage of Comcast’s “seasonal” offers. We did this to keep from overestimating the projected savings for owners.

From the table on the next page, subtracting the Association’s annual payment from the current *total* yearly cost for TV and internet services (\$158,544 – (\$86,400 + \$4,609)) leaves a total of \$67,535 that *owners* are paying annually for services. *This amounts to \$469/unit/year on the average. This is the amount that the average owner would save on services, although the exact amount for each individual owner may be different.*

# Owners	Basic Cable	HD Cost	Internet Cost	High Speed	Total/Month	Total/Year	CenturyLink (year)
144	\$50				\$7,200	\$86,400	
115		\$10			\$1,150	\$13,800	
6			\$53		\$318	\$3,816	
128				\$65	\$8,320	\$49,920 <sup>1</sup>	
16						\$0	
Comm Assn					\$384	\$4609	
<b>Total</b>					\$17,372	\$158,544	\$80,300

<sup>1</sup>This is the monthly total x 6 months under our “seasonal” assumption.

**Cost to owners.** We think that this savings, extending annually over the life of a CenturyLink contract, more than offsets the additional one-time payment of \$350 owners would be charged to buy out the remaining 11 months of the Association’s Comcast contract. Again, owners would save at least that amount out of pocket *each year* for the duration of the CenturyLink contract.

**A Caveat.** We estimate (based on our survey) that about 10% of owners have added no services beyond the basic cable TV the Association’s Comcast contract provides. Since these owners derive no cost savings from a Comcast to CenturyLink conversion, one might argue that they derive no benefit from a Comcast contract buyout and should therefore be exempt from a share of the buyout payment. On the other hand, the Comcast contract was an Association (representing *all* owners) contract, and buying it out will also be an Association (*all* owners) action. Moreover, it is possible that these owners had not added services because of the cost. The benefit of full TV/internet services for the entire community includes lower overall costs to the Association.

**Next Step(s) – Board Action Requested.** CenturyLink requires a communication from the Association to indicate our basic agreement with this pricing model in order for them to begin to craft a contract for the Association that will require both legal review and, probably, negotiation. We request that the Board president draft such a communication, either letter or email, at the earliest possible time.

# Appendix C

**From:** Kate Giordano kategiordano4@gmail.com  
**Subject:** Grounds Committee Board of Directors' Report  
**Date:** October 18, 2019 at 3:12 PM  
**To:** Mark Watkins mewatkins@yahoo.com, Ted Mottola tmottola64@gmail.com, Henry Travers sdobwan@icloud.com, larry@bowiecontracting.com, Richard Bolles kbrhbolles@gmail.com, Scott Diamond sdiamond@caseymanagement.com, Jim Powell jim@jphoto.com  
**Cc:** afayisles@gmail.com, wally phair mactrade25@gmail.com, Lucy Mottola lmottola258@gmail.com, Sally hdmcRGR8@hotmail.com, Yvonne Young bonson@sonbon.ca, Debra Vicario Brideb4@aol.com

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October 22, 2019

From: Kate Giordano  
Board Liaison: Jim Powell  
Members: Alice Faye, Lucy Mottola, Wally Phaer, Debbie Vicario, Sally Travers, Yvonne Young

1. Administration: 17 Island enhancement project completed end of August.  
Early Sept. Bridget and Kate took thorough grounds walk, later met with Artis Tree Jeff & discussed concerns.
2. Committee Work Plan/Tasks:  
Ongoing watering, trimming, weeding, fertilizing.
3. Recommendations to the Board:  
Upon Casey Management's request for a 2020 Grounds budget recommendation, Grounds submitted a recommendation of \$19,032.00  
This figure is based on the following 3 proposed costs:  
MULCH: Artis Tree's proposal of \$13,800.00 \*\*\*\*\*This cost would be significantly lower if the Board chooses another company that Casey Management has contacted.  
  
TREE TRIMMING: Primarily Palms, Artis Tree's proposal \$3,811.00.  
  
MINIMAL ENHANCEMENT TO CONDO BUILDINGS' ENTRANCES:  
Artis Tree's proposal \$1,420.72.