

THE WATERFRONT
OPEN BOARD OF DIRECTORS WORKSHOP
12/22/2022

The meeting was called to order at 7:30 AM EST.

Quorum established with Rhonda Tibbetts, Dennis Grant, Sam Spring, Bobbi Sajtar, and Kieran Repko. Proof of due notice.

Owners attending were Ruth Ann and Mike Pouliot, Diane Scott, Julie Pate-Forbes, Bobby Mez, and Encita.

First order of business was to approve ARC requests for the following:

Unit 2286 A remodel

Unit 2217 A remodel

Unit 2249 A replace sliding glass door

Unit 2190 B remove closet

Unit 2278 A remove closet

Kieran made a motion to approve, Dennis seconded it. Motion passed unanimously.

Kieran will inform the owners.

There will be a special Board of Directors Meeting on Wednesday, 12/28/2022 at 10:00 AM EST. A Public Adjuster, Jeff Sable, will be there to discuss what his firm can do for our association. The meeting will be held at the pool.

Rhonda will schedule a meeting with our insurance agent, Mike Keymont, of Brown & Brown to discuss the settlement and the role of Public Adjusters. Sam asked Rhonda to send Mike the files we received from Randy Hicks regarding our claim so he can interpret the settlement amounts, and also determine if this amount is the first payout or total settlement. Rhonda, Sam and Dennis will call Randy Hicks after this meeting and ask for clarification regarding the settlement amount and when will we receive the advance payout. Rhonda will also ask our insurance agent, Mike, to become more involved.

Kieran reported on our funds. Our operating budget balance is \$35,433. After paying out the first of three draws to Sam Plumbing, Williams & Thomas Construction and Coastland Custom Builders, we have around \$40,757 left in our reserve fund.

Dennis questioned the amount in the reserves. He thought we had more in that account.

Kieran explained that the line items for the reserve fund show the amount that was borrowed previously as part of the fund. That part of the total amount is actually money owed to the fund, not cash on hand.

The special assessment money due 12/31/2022 will add \$201,300. The quarterly dues add \$143,655 to our cash on hand. We will need money for the second draw for our contractors. It is imperative that we get a payout from our insurance claim. Dennis said he believes even if we sign off on our settlement, we can still file subsequent claims. Mike Keymont will be consulted about that.

Kieran is also pursuing a line of credit for the Association. He has been working with Newell Management Company to get the requested documentation to the bank. This is hampered by the fact that CMA, our previous management company, has not yet transferred all of our records. Rhonda will see if our accountant can supply the necessary information. Sam and Dennis both requested getting the largest line of credit the Association qualifies for. Kieran will follow up with information on the interest rate, loan fees, length of loan and anything else the bank may require.

Kieran has been trying to check our financial records and he believes the Honey Do Company has only made one reimbursement payment instead of the one per month for six months as stipulated in our agreement with them. If that is the case, we will have to refer it to our lawyer. Kieran is continuing his review of our financial records.

Dennis, if he has correctly interpreted the insurance files sent by Randy Hicks, believes our settlement to be somewhere around \$1.8 million, with the first payout being around \$500,000. A line of credit will be essential to paying our contractors when they bill us for the next draw.

Sam said we really need to make a decision quickly regarding hiring a public adjuster. He asked for the insurance files be sent to Jeff Sabel prior to the meeting with him next week. Getting the actual settlement dollar amount is also crucial and we need to know when we are getting the advance payout and how much that will be.

Dennis also feels we need to prepare for a second assessment to be levied in case of funds, either from the insurance payout or the loan, not being available when construction bills come due. Hopefully, this would be a worst case scenario but the Board needs to discuss this and have a plan for this scenario. He would like to be appraised daily of the financial situation regarding money on hand and bills now due.

The total for the first draw for the drywall installation work was around \$107,000. Will the second draw be close to that amount? Rhonda will check the contracts to find out the actual draw amounts and schedules. That will assist in determining a dollar amount for a second assessment, if necessary.

After the drywall installation phase is completed and paid for, the next phase will be the rebuilding and to plan how those costs will be covered. We have to stay on top of the finances, discussing the situation daily and maybe doing status updates.

Diane Scott asked a question about the settlement amount. Although it needs to be confirmed, it seems that \$1.8 million is the settlement. That is not a large enough settlement for damages incurred. Kieran said it looks like the insurance company allotted around \$200,00 for the demolition, remediation and cleaning done by DKI. DKI has submitted an invoice for \$1.8 million.

Bobby Mez asked if his drywall will be installed by beginning of January as he has a window installer coming out. Sam said he should reschedule the window company. We don't have a specific installation date for units yet.

Rhonda will work on getting a drywall installation schedule posted on the website. She asked contractors to give 24 hours notice before starting work on a unit. Owners are asked not to interrupt the crew or general contractors. The Board has given the contractors priority lists to work from. Chris Edden, of Williams & Thomas, will begin calling owners on Friday to schedule individual meetings with them. He plans on having crews working Christmas Eve and New Years Eve. Coastland Custom Builders may have a crew working on Christmas Eve.

Kieran made a motion to adjourn. It was seconded by Dennis.
Meeting adjourned at 8:28 AM EST.