

MINUTES OF THE BOARD OF DIRECTORS MEETING OF BOCA LAKES CONDOMINIUM ASSOCIATION, INC. HELD ON WENESDAY, OCTOBER 16, 2019 AT 7:00 PM., AT THE CLUBHOUSE 8768 CHEVY CHASE DRIVE.

ROLL CALL

Those Board members present were Patricia Chapman, President; MaryAnn Biancardi, Vice President; Lisa Depace, Treasurer; by phone Howard Butler, Secretary. Directors, Vincent (Chancy) Tancredi, Jay Semmel, Joseph Zegarelli, and Norman Goldstein were present. Elissa Pratt was not present with notice. Also present was Ashley Grieco, Property Manager & Gary Palombi, Owner from Residential Management Concepts.

GUEST SPEAKER: R.N SAILAPPAN, P.E FROM QUEST ENGINEERING

Pat introduced the forensic engineer for the roofs, R.N. Sailappan (Sail). His contract was approved at the last board meeting on May 21, 2019 to create specs on repairing or replacing the roofs for the Association. Sail introduced himself, stating he has 30 years of experience in engineering specializing in roofs, and that he was hired by the Association to create the specs based on what QUEST recommends as the best option on repairing the roofs. Sail advised that based on the inspection, blisters were spotted in the coating currently on the roofs. Sail also stated that the plywood sheathing in several areas is soft, meaning it would be considered dangerous for anyone who is not an experienced/insured roofer to step foot on the roofs. After finding these results during the inspection process, QUEST advises that the best long-term solution on repairing the roofs in Boca Lakes is to replace all roofs with shingles. After consultation with the roof engineer at a meeting in the club house on August 14, 2019 with Pat Chapman & Jay Semmel, along with Residential Management Owner Gary Palombi, 3-dimensional shingles were chosen.

The completed specs were sent out to numerous roofing companies, (most of which already placed a bid on the roofing project before the Association hired QUEST) who are submitting bids/revising their old bids to meet the requirements of the engineer's specs.

OPEN FORUM – DISCUSSION OF ROOFS

Residents were given the opportunity to ask Sail any questions they may have regarding the roofing project. Board Member Joe Zegarelli addressed the engineer first, advising Sail that the roofs were recoated by Tar Heel in 2009 & that all leaks/needed repairs are covered under the (10) year warranty. Sail addressed Joe's

statements about Tar Heel & the re-coating option by saying that he understands what Joe is saying, however his specs advise the best long-term solution rather than advising the Board to make a quick fix, “band aid” repair. Sail went on to say that he is not a lawyer, however he would recommend the Board reach out to an attorney on what not repairing the roofs properly would mean for insurance purposes. The first resident asked what would happen if the Association does not replace the roof properly, and what would happen by recoating? Sail advised that the foam coating is keeping the water trapped causing inside damage as the sheathing begins to soften. Sail went on to state that these leaks in the foam are very difficult to track, and in several situations, you will repair the wrong leak or where no leak is located making repairs costly. The second resident to address the Sail insulted him, and stated that he is a “so called expert”, and that the money the association paid for his specs was a “waste”, as she believes his spec report, the summary (2) pages that were sent to the community, was not worth the \$7,500 paid. Sail immediately advised the resident stating that she is misinformed/confused, as his specs are bound booklets; what she was holding was only a summary that the Board sent out. The third resident to address Sail went on to question how he broke down his charges in various phases. Before Sail could address this, another resident supported this statement, and followed it up with stating that Sail must have a “vested interest” in this project. After this was said, it was clear to the majority of the Board that the residents were not utilizing this opportunity to ask the engineer questions about the roofs, but rather attacking his work and his business, along with the majority of the Board. Pat closed off any further questions and while apologizing profusely, dismissed Sail from the meeting.

Board member Joe Zegarelli was waiving around a paper purporting to be a 10-year warranty from Tar Heel Roofing, and he was asked by Gary (Owner of RMC) to give us a copy. He refused to show the “warranty” or give a copy.

APPROVAL OF MINUTES

Pat Chapman motioned to approve the minutes from the May 21, 2019 Board Meeting, seconded by Mary Ann. Board member Joe Zegarelli opposed the approval of the minutes stating he has an issue with the way his discussion with Damian was presented. After the majority of the Board disagreed with Joe he persistently argued that he was opposed to the minutes, that the hired Sheriff Deputy in attendance had to take the microphone and advise the residents in attendance along with Board member Joe that “If I have to take the microphone again, I myself will force this meeting to adjourn”. Board member Chancy motioned once again for the minutes to be approved without changes, seconded by

Mary Ann. All Board Members in attendance approved the minutes except for Board members Joe Zegarelli & Jay Semmel.

FINANCIAL REPORT

Treasurer Lisa DePace turned over the financial report to Board member Norman Goldstein. Norman stated that contrary to all previous reports where bank balances as of the date of the meeting were read off that these were meaningless figures, as that changes daily. A more meaningful report is the year-to-date Income and

Expense statement, as follows:

Revenue for 9 months ended September 30	\$1,088,620
Total Expenses	\$ 1,166,413
Net Loss for 9 months	\$ 62,992

Norman stated “besides the obvious that we are spending more than we’re taking in, there are a few factors attributing to this loss. One is the continual breakdown of our aged irrigation system, with regular expensive fixes; second is very expensive fixes to our underground water and sewer pipes. Just last week we spent over \$7,000 at one unit. Third is the electrical connections for our address lights. As you know, there were already a few total street blackouts caused by these connections. Electrical repairs are expensive.”

Norman advised that the Board is looking into ways to cut costs, as the Association is spending more than they’re taking in. Norman used Comcast for example stating that \$43 of each resident’s monthly maintenance fee of \$270 goes towards Comcast Cable. Norman advised that although there is still a few years remaining on the 10-year contract, he is attempting to renegotiate the contract with Comcast to have this cost lowered as seasonal residents do not have access to cable service, and many residents are using other services such as Direct TV, Netflix, etc. Norman went on to remind everyone that the financials are available to all residents on the website, or they can request them from the onsite office. Norman Goldstein then read the Cash Status Report as of September 30, 2019, stating that there was \$108,399.14 in the Operating Cash account and \$1,660,669.17 in the Reserve Funds, making an unaudited total of \$1,678,629.62. Following a brief discussion, the Board accepted the financials as presented.

- Norman also took the opportunity to advise all residents that in the past, the Board reported the delinquency accounts was brought down to \$10,000, from the initial \$50,000 on 12/31/2017. This is not the case anymore. Norman advised the number of delinquencies is rising once again and

encouraged all residents to please pay your fees on time, otherwise late fees are charged.

REPORTS

- **Grounds** – No director involvement to report.
- **Clubhouse/Pool** – Norman Goldstein confirmed the pool coping was completed over the summer, on time and on budget. Residents have commented how nice it looks now. Norman also advised that regular maintenance is necessary; as an example, the holding tank inside the shed was recently repaired.
- **Insurance/Legal** – Nothing to report.
- **Buildings/Maintenance** – Pat Chapman reported the Association is going to begin tenting again in November. The office is currently collecting bids for tenting. Pat also reminded residents that an Architectural Change Form is required if you want to change anything on the exterior of your unit, including the windows. Pat also informed all the residents that an a/c wall unit was recently discovered cut into the wall of a unit. Pat reminded all residents that under no circumstances is that permitted, and to not make the same mistake. Lastly, Pat informed all residents that the bank finally claimed the Covington unit that was foreclosed. The bank will be preparing this unit for purchase.
- **Security** – Nothing to report.
- **Sales/Leases** – Lisa reported that over the Summer months there were 14 Sales, 8 New Leases, and 15 Renewed Leases. Lisa went on to inform all residents that (3) applications for purchase were denied due to the age requirement or vehicle count, as the Sales & Rental Committee is vetting all applicants as thoroughly as possible to make sure the documents are being followed. Lisa reported the percentage of rentals at this time is 12% and that the Association is capped at 20%.
- **Standards** – No director involvement to report.

OLD BUSINESS

- **Bathroom Project** – Gary Palombi reported that the County Inspector was onsite with the contractor who is bringing the bathrooms up to code. the inspector advised that a Change of Architect contract needed to be signed and turned into them, before the city inspector can approve the project to begin. The Association reached out to the Falcon Group who prepared the

contract as needed, however the association's attorney suggested some revisions be made before Board approval. Gary addressed the Board asking that while we wait for Falcon Group to revise their contract based on the attorney's recommendations, can this be approved once received back? Gary warned the Board that if not approved, the bathrooms will not be able to be brought up to code. This will mean that there will be nothing to stop the county from shutting down the clubhouse & bathrooms entirely, if not the pool as well. Pat agreed with Gary and motioned for the contract with Falcon Group to be approved. Lisa seconded the motion stating she approves only with the attorney's recommendations. Joe stated that he voted against the bathroom project from the beginning, therefore he will follow suit on voting against the approval of this contract. All Board members voted in favor except for Joe Zegarelli & Jay Semmel.

- **Any Business Necessary** – Nothing to report.

NEW BUSINESS

- **Community Announcements** – Pat advised all residents that the October Announcements Flyer is posted on all mailbox bulletin boards. Pat went on to encourage all residents to check it out.
- **Bocce Court Estimates to Repair** – The Board was presented (2) estimates to repair/resurface the Bocce Court. The first Estimate is from Robert Lauer costing \$1,850 & the second estimate is from Fast Dry costing \$1,500. Norman motioned to approve the estimate provided by Fast Dry. Seconded by Chancy, all Board members in favor, motion passed.
- **Ratify all contracts from Summer Months: Landscaping, Pest Control, and Lake Maintenance** – Ashley reported to all residents that the Association is ratifying all contracts from the Summer months. After several resident complaints regarding landscaping, the new landscaping contract is with Cutting Edge, which includes landscaping and irrigation. This contract was approved for the yearly cost of \$155,820. Interior Pest control moving forward will be by work order only, as the Board is utilizing an exterior treatment called Termidor, that should eliminate the need for interior spray. This contract was approved for the yearly cost of \$19K. Lawn & Ornamental Pest Control/Fertilization will now be handled by The Pest Logic for the yearly cost of \$31,980. The last contract to ratify is for the Lake Maintenance company, the new company is All State and they are costing the Association less monthly than the old company Aquatics was. All state is maintaining the lakes for the yearly cost of \$4,188.

- **Roof Discussion – Approval to negotiate loan arrangements for payment of roofer.** – This item was removed from the Agenda as several residents argued this topic was being discussed too prematurely. The Board respected the wishes of most of the residents and removed this topic from being discussed.
- **Any Business Necessary** – Jay Semmel addressed the rest of the Board on an update for where the Association is at with updating the Rules & Regulations, as this was discussed at the past meeting. Jay advised he has not heard anything regarding updating the documents in some time and wants to know if this is still moving forward. Norman answered that an email was sent to all Board Members asking them for their input, and Jay did not provide any input other than grammatical corrections. Norman went on to advise that all the recommended changes that were sent to the Board are now being vetted by the attorneys. However, “as we did not make this a number one priority, do not expect instant results”.

Being no further business before the Board, Patricia Chapman moved to adjourn the meeting; seconded by Lisa Depace at 8:36 PM.

A Good & Welfare portion of the meeting was held which included a question and answer session between the membership in attendance and the Board of Directors.

Respectfully submitted,
On behalf of the Secretary
Boca Lakes Condominium Association, Inc.