

MINUTES OF THE BOARD OF DIRECTORS MEETING OF BOCA LAKES CONDOMINIUM ASSOCIATION, INC. HELD ON TUESDAY, MAY 21, 2019 AT 4:00 PM., AT THE CLUBHOUSE 8768 CHEVY CHASE DRIVE.

ROLL CALL

Those Board members present were Patricia Chapman, President; MaryAnn Biancardi by phone, Vice President; Lisa Depace, Treasurer; Howard Butler, Secretary, by phone, Norman Goldstein, by phone. Directors, Vincent (Chancy) Tancredi, Jay Semmel, Joseph Zegarelli were present. Elissa Pratt was not present without prior notice, in person or by phone. Also, present was Ashley Grieco, Property Manager & Gary Palombi, Owner from Residential Management Concepts.

Patricia Chapman called the meeting to order at 4:07 PM. Pat opened the meeting by introducing Damian McFadden from USI insurance to discuss the condition of the roofs. Damian advised all residents that after Hurricane WILMA, the association was awarded an insurance claim of one million dollars to repair the roofs, and that with this claim the roofs were coated at that time. Joe Zegarelli confirmed this with Damian & stated that the one million dollars was used to recoat the roofs, which at the time insured them for another 10 years. Joe explained that the association was awarded the claim for the aesthetics only of the buildings that were not damaged, compared to those that had new roofs put on. Joe stated that the awarded claim of one million dollars was stated by the insurance company to not cover the “leaking or wearing” of the roofs, but only “purely aesthetics”. Damian explained that insurance companies cover damages only, and that paying for aesthetics only is considered insurance fraud. Damian asked whether the permits pulled for the recoating job were “coating permits” or “structural permits”, Joe answered they were coating permits. Damian explained that future claims would be affected since this claim was not used properly, and was used for aesthetics only, which Damian repeatedly explained is “unheard of”.

APPROVAL OF MINUTES

Jay Semmel noted the following corrections needed to be made to the minutes before approval: Page 1 the date will be changed to April 8th instead of April 10th, and on Page 5 the word “repeatedly” will be removed. Joe Zegarelli noted that he sent the office his corrections prior to the meeting. Ashley confirmed his corrections were made in the new copy given to him at the meeting. Lisa Depace motioned to approve the minutes with the corrections made, all in favor. Motion passed.

FINANCIAL REPORT

Lisa Depace read the Cash Status Report as of April 30, 2019, stating that there was \$263,184.16 in the Operating Cash account and \$1,565,738.73 in the Reserve Funds, making an unaudited total of \$1,845,042.04. Following a brief discussion, the Board accepted the financials as presented.

GUEST SPEAKER

Our invited guest speaker Damien McFadden, our insurance broker, reported on what was happening in the insurance industry.

- 1. The rates will be escalating next year.
- 2. The present roofs may present a big problem next year in securing insurance due to the fact that they are not up to present code. Arguments ensued between Zegarelli and Damien about the viability of the present coating and recoating with the same material. Joe insisted that he got the insurance claim money without any commitment to fix the roofs and that they paid us for aesthetic reasons. Damien reiterated that in all his years in the insurance industry he never heard of an insurance claim paid based on aesthetics, but rather structural damage.

COMMITTEE REPORTS

- **Grounds** – Joe Zegarelli stated that he wanted to set the record straight. He is Grounds Director in title only. In January he was advised that he could use a golf cart from 12-1 only, to ensure that the maintenance will always have a cart available. He has complied with that. He requested the purchase of a small chain saw for the maintenance men to use to cut small branches. Pat interrupted at this point, stating that liability and insurance coverage precludes the use of a chain saw. Joe further stated that he has noticed there are new repairs needing to be made regarding irrigation every week, therefore it is his opinion that we move forward with the plantings before confirming all irrigation repairs have been made. Joe reported that after reviewing both landscaping estimates from Leserra Nursery & RCH Maintenance, that RCH is the better option for moving forward with the project. Joe motioned for the approval of the RCH estimate so that the new plantings can begin being installed immediately. Before seconding the motion, Lisa Depace asked to see the list of the addresses to where the new plantings would be placed, stating she wants to make sure every resident who has reported plant damage by tenting, who have also reported to the office, is being accounted for. Joe assured that he has every address

accounted for, and that he would not release this information until plants have been ordered and arrived. Majority of the board did not agree and Lisa stated it would be out of order to purchase the plants before seeing a breakdown of exactly where they're going. All Board members except Jay Semmel requested this information before proceeding to purchase. Jay Semmel stated that the Board was being unreasonable and that Joe should be allowed to purchase with no questions asked. The Board responded that this was not standard practice and agreed that after this information is provided we would move forward. The board decided to table this topic until the next scheduled board meeting.

- **Clubhouse/Pool** – With Elissa Pratt not being present there was nothing reported. Norman Goldstein, who has been working with the pool people for years, reported that the pool coping project is scheduled to begin in June. The office will be posting the exact timeline as soon as it has been made available.
- **Insurance/Legal** – Howard Butler summarized our insurance agent Damien McFadden's talk, stating that payouts have been such over the past years that unless roofs have been newly installed and/or are in excellent condition, premiums may increase by at least 25% (approximately \$75,000). Howard suggested that it would be necessary to locate the adjuster's report and all other pertinent information filed at the time of the submission of the million dollar claim in order to determine the basis of the payout.
- **Buildings/Maintenance** – Pat Chapman reported that the next scheduled tenting is going to be for (6) buildings on May 28, 2019. Pat stated that this would be the last tenting scheduled until the end of the summer due to hurricane season. Pat confirmed that any buildings in need of tenting would be scheduled in September.
- Pat addressed the roof situation and believes that after hearing Damian's comments, it would be in the best interest of the association to hire a roof engineer to advise the board on what the best route is to repair the roofs. Pat presented (3) engineer bids to the board: Crain Atlantic, Inc, QUEST, and EMA. Pat stated that Crain & QUEST both have provided bids that were very close in price: Crain came in at \$7,750, QUEST came in at \$7,550, and EMA was an open-ended contract. Following a brief discussion, the board agreed that QUEST provided more with their estimate than Crain, therefore Pat motioned to approve QUEST estimate, seconded by Lisa, all in favor. Motion passed.
- **Security** – Chancy Tancredi updated all residents that Lake Worth Water District (LWWD) is currently completing work on the canal located along

Lyons Rd. Chancy confirmed that the LWWD was only able to complete their project by taking down the fence that protects the association in that area, leaving Lyons Rd. completely exposed. Chancy stated that the board has had a camera installed in that area, and that a sign will be posted stating the area is protected by surveillance.

- **Sales/Leases** – Lisa Depace reported that there were seven (7) lease renewals, and five (5) new leases. Lisa confirmed that there have been no approved sales application at this time.
- **Standards** – Jay Semmel had nothing to report.

OLD BUSINESS

- **Pool Coping** – Norman Goldstein has been taking care of this project and confirmed that this will be starting in June and will take 2-3 weeks to complete, weather permitting.
- **Bathroom Update** – Lisa Depace confirmed that the board is working to schedule the bathroom project at the same time as the pool coping project, if possible. Pat Chapman confirmed that Hartzell was awarded the bid for the project & that the permits are going to be what holds up this project the longest. Gary stated that once the permits are completed, the project could take 2-3 months due to the uncertainty of what the contractor will find when he starts to take the bathrooms apart. Gary did advise however that everything in the bathrooms, being the toilets, mirrors, etc, are all able to be reused. Gary advised all residents that at this time the association is legally going after the Contractor along with the Architect due to their failure to permit and complete the project properly up to code when hired. Gary confirmed that the association did file suit and at this time has only received a minimal offer from the Architects insurance company of \$12,000, which the association has turned down. Joe Zegarelli asked that with the amount of money the association is spending on legal fees, if it would make more sense just to accept the settlement? Gary answered that since the association is currently at a loss of \$80,000, with a settlement of \$12,000, it would not benefit the association to do that. Gary advised that the association is going after the insurance companies, therefore the chances of getting what's deserved are higher. After a brief discussion on the timeline of the bathrooms, the board moved on to the next topic.
- **Any Business Necessary** – Lisa Depace asked Ashley on the status of the full green glass door that is currently in violation in the community. Ashley confirmed that a letter has been sent to the homeowner advising that

although the door was approved in the past by Joe Zegarelli, it is not in uniform with the community & is against the rules and regulations.

- Lisa Depace discussed with the board that a resident in the community has recently reported one of the associations tree roots to be coming through her toilet. Lisa motioned on her behalf for the board to pay for a replacement toilet to be purchased and installed, seconded by Pat. All in favor, motion passed.
- Howard Butler discussed with the board that he received an email from a resident requesting information on which of the following is covered by the association: the weather head, insulator, riser, meter base, and service entrance conductor. After a brief discussion the board concluded that this needed to be investigated further by Jay Semmel in standards, as some aspects are covered by the association.

NEW BUSINESS

- **Proposal for Landscaping – Beautification Project** – see Committee reports.
- **AT&T Subcontractor – Lawsuit** – Gary confirmed that the association did send a certified letter to the contractor regarding the damages he caused while working onsite. Gary stated that the contractor was required by the certified letter to drop off a check at the associations attorney on May 20, 2019 which they failed to do so. Gary confirmed that since the contractor did not drop off payment, the association is moving forward with filing suit. Gary confirmed the association is asking the contractor to cover the \$44,000 in damages, along with legal fees.
- **Red & Blue Construction – Club House Bathrooms & Code Corrections** – This was discussed under old business under Bathroom Update
- **Roofs – Engineer** – This was discussed in the Buildings & Maintenance committee report.
- **Street Patrol Security Company**– Pat discussed with the board that the office has received (2) bids for parking enforcement: Garing Parking Enforcement, and SOS. Pat advised the board that there are only (2) bids because towing companies need to be within a 15-mile radius of the community. Pat went on to discuss that Garing’s contract is confirmed to be a month to month and will cost \$410/ a month with 30 days written notice to get out of the contract. Pat stated we would have them onsite to patrol the community. After the 2nd month Pat feels that the residents will understand the rules in place, and the association will be able to give Garing their notice. Lisa Depace confirmed that no one would be towed without

receiving a warning first. A resident in the audience raised the question of how many spots each unit owner has a right to. Lisa answered the resident, one spot, but at this time the board has been unable to locate this in writing, It will be added when the rules and regulations are revised. Lisa motioned for the Garing Parking enforcement contract to be approved, seconded by Pat. All in favor, motion passed.

- **Resident Awning Damage** – Pat advised all residents that while Robert and Henry were prepping the buildings to be tented by lowering the homeowners brand new awning, the hardware was not placed back properly, causing the awning to be destroyed. Pat motioned for the association to cover the cost of the awning to be replaced, and not taken out of the maintenance men’s pay checks. The cost to replace the awning damaged is \$1975.00. Joe Zegarelli stated that moving forward the company completing the tenting should be responsible for lowering/raising the awnings. Gary answered that he agrees, however the current rules/regulations do state that the maintenance men are to lower/raise the awnings. Gary also mentioned that not all of the awnings in the community are in good condition, therefore it would be unfair to have a contractor lower/raise an awning that are bound to fall apart. The contractors need to be protected as well or they will refuse the work. Gary stated that any owners who are going to hire the maintenance men, will be required to sign a waiver beforehand stating that the owner is responsible for any damage done. Howard Butler advised that since they are RMC employees, that RMC should be responsible to cover the cost. Gary stated that when RMC came onto the property, they only took on the previous Boca Lakes employees as RMC employees to save the association the cost of workers comp. For those reasons, Gary advised that RMC would not be paying for the damaged awning. Pat advised that moving forward the awnings will be the owner’s responsibility & the maintenance men will be distanced from situations such as this. Pat motioned again for the association to cover the cost of the new awning, seconded by Jay Semmel. In favor, Pat Chapman, Joe Zegarelli, Chancey Tancredi, Jay Semmel. Against Lisa Depace, Norman Goldstein, Maryanne Biancardi, Howard Butler.
- **Delinquency Collections** – Gary advised that there was nothing new to report at this time.
- **Any Business Necessary** – Jay Semmel addressed the board on whether there will be another meeting this summer. Joe Zegarelli advised that according to the rules/regulations, there are no meetings scheduled in July & August. Pat advised that we need to check with everyone’s schedules before deciding on a date/time in June.

- Jay Semmel asked for the status of the audit. Norman confirmed that this should be delivered within the next week.
- Joe asked the board to reconsider approving the bid for new plantings in the community. Pat advised that in order to approve this bid, the entire board would need to see placement on where the plants are going. Pat stated that until this information is made available to everyone, the subject will remain tabled.

Being no further business before the Board, Patricia Chapman moved to adjourn the meeting; seconded by Lisa Depace at 5:36 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.