

## Meeting Minutes

### Barefoot Beach Resort of Indian Shores Condominium Association, Inc.

Date – April 28, 2014

Time – Meeting called to order 5:30 p.m.

Place – Teleconference and Barefoot Beach Resort Vacation Rentals Office

Attendees – Bruce Bornick, Bill Priakos, Gary McMakin, Denise Reilly, Kim Porte

Also in attendance – Chris Stepanis, Mitzi Sharp and Doug Sharp

The meeting was called to order at 5:32 p.m. Bruce made a motion to approve the Minutes of the March 10<sup>th</sup> Board Meeting and April 9<sup>th</sup> and April 18 Special Board Meetings. Bill seconded the motion. Discussion was called for however no discussion was needed. A vote was taken and all three sets of Minutes were approved unanimously.

#### **Questions from Owners Present**

Bill offered the floor to the owners present at the meeting, Mr. and Mrs. Sharp and Mr. Stepanis. Mr. Sharp asked if BB&T had asked for any collateral for our loan. Bruce told him no, they did not. Mr. Sharp then asked if we were subject to a lease on the Clubhouse. Bill responded yes, his rental company has a lease. He continued to say that he had been trying to find an alternate space for his towel and linen storage. He is working on a solution and intends to be out well before the July 1 deadline he committed to at the owners meeting.

Chris Stepanis felt that the pool water was not looking very good. He wondered if we had changed companies. He also mentioned that we could possibly save money by moving the pool responsibilities to our Maintenance Staff and possibly just receive deliveries of the chemicals. He also wondered if at some point our system could be switched over to a salt system. Several members of the board and Mr. Stepanis all have salt systems at their homes and find them more economical. Denise is not sure if a salt system can be used on large pools or commercial pools. Bill will ask some of our commercial neighbors if they are using salt systems. Bruce said these were good questions and we will look into them.

#### **Property Maintenance**

B-112 Mold Inspection – Denise was at the property today to meet with two of the contractors and Bill attended one of the contractor meetings as well. Keith was at all three contractor inspections/meetings today. Keith had pictures of when the wall was open for all inspectors to

see. **Serve Pro's** biggest question was if there was any mold on the baseboards at the time of the problem, because this could indicate a potential problem with the wood floor in the bedroom. Keith said no, all mold was on the drywall. The **Premier** rep had not received the IEC report. Keith printed it for him. He read the report and saw the photos. The Premier inspector felt that there was no mold present. He said mold needs moisture to live. Once the source of moisture is repaired or removed any remaining mold dies. Dead mold does not cause a problem, it is not harmful to people. **911 Restoration** was the morning appointment that only Keith was present for. Keith told Denise that the inspector was going to give Keith a breakdown of prices for each procedure they would do. During all of the inspections no smell was detected. Denise, Bill and Keith also could not smell anything. Bruce stated that on his two previous visits to the condo earlier this week he could not detect an odor. Bruce stated that he is having a hard time spending thousands of dollars on a smell that is no longer there. It has been a month or more since the owner identified the odor. No odor was detected so Bill will continue to rent this unit while the Board looks over all three reports and discusses the issue with the owner.

D- 102 Palmetto Bug Issue – Keith, Denise, Bill and the owners were all present with Gary Geiger, President of Geiger Pest Control who has been handling our pest control since September 2013. Denise noted that there was a bug issue back in May 2013 when we were with Terminex (who was underperforming at the time and that is why we switched to Geiger). Geiger had been called out recently to this building but was not told about the extent of the bug issue here. Gary inspected the unit and noted that the owners kept the unit very clean. Many times bug problems develop when the residents are not clean. This is not the case here. The owners are doing a wonderful job at denying the bugs a food source. Gary determined that the bugs found were not German roaches which come in and stay when there is a food source and can be very difficult to treat. He stated that the Palmetto bugs are actually migrating into their unit from outside and then dying when they get in, probably coming from another nearby unit. Geiger will return on May 1st and plans to remove all the electrical outlet covers and other openings and spray in the walls of all the units in the D building. They will spray the exterior and through any openings on the roof. Bill and Denise felt that Gary Geiger was very knowledgeable and concerned for our problem and at no additional cost to us has an excellent plan to address this bug issue in D Building. We will work with Geiger to continue to track and work the issue.

Indian Shores Intracoastal Drainage Filters – Earlier this week Bob Brotherton, Town of Indian Shores contracted engineer, called Bill to discuss three drainage filters located on Barefoot property for the purpose of filtering storm water runoff prior to its entering the intercoastal waterway. In total the town has 8 filters, 5 of which are on public property and three on our property, which they state we should be maintaining. Bill questioned the Town Engineer regarding a contract or some proof that we are responsible for cleaning these filters 2-3 times

per year at a cost, according to them of \$500 per filter per cleaning. Bill stated that he was Association President for the first three years and he has no knowledge of such a contract. Joan has no knowledge of such a contract and the town can produce no such contract. This information left several board members questioning how this Association could be financially responsible for cleaning storm water runoff filters leading into the waterway. At an annual expense of approximately \$4500, several questions need to be asked. Bill will take the lead on investigating this issue with the Town and ask the following questions:

1. Why are these filters on our property and why so many?
2. When were they installed?
3. Where is the contract?
4. Why do we have to bear the cost of cleaning these filters?
5. What is the true frequency that these filters need to be inspected and/or cleaned?

Clubhouse Repairs – We will be taking possession of the Clubhouse on May 1st. Bruce, Bill and Keith have looked at the flooring and it is old and not salvageable. The old wood parquet flooring seems to be floating over an original Terrazzo floor. We will have the maintenance staff remove the old wood flooring and then inspect condition of the Terrazzo. Denise is familiar with two companies that restore these floors so that is what we will look into first. Retiling the floor would be far more costly and Terrazzo floors are quite beautiful and durable. We will take action on this once we own the building. Barefoot Beach Vacation Rentals (BBVR) currently has a lease with the Developer for use of the Clubhouse. Bill has told the board he has already initiated plans to relocate his cleaning supplies and will voluntarily end the lease early (approx. 1 July) so the Association can begin repair work to place the Clubhouse back into the hands of the owners for their use.

Pavers for the Gazebo – The cost to install the same pavers as the rest of the pool area would cost around \$10,000 (rough estimate). Bruce is not sure if we have the funds available in the pool reserves to handle this expense. Denise will check the status of the reserves soon.

Roofing Assessments, Estimates and Repairs – As part of our long-range maintenance plan, Keith has received four roofing estimates assessing the roofs on each building and providing recommended repair estimates (Florida Southern Roofing, United Roofing, Munyan Roofing and Magnum Roofing) to be paid for out of our roofing reserve funds. The Board has reviewed all the estimates and is concerned about the poor estimating by some of the vendors and lack of a consistent estimating approach by the others. One roofer states we need to replace all roofs, some state that only Building B needs to be replaced, and another states we only need minor repairs. Some of the estimates recommended new roofing methods. We currently have Modified Bitumen on all the roofs. At a minimum we know that we have to replace the roof on B Building. The estimates are all over the place with regards to recommendations and pricing.

Some of the roofers provided very poor detail in their proposal, and one took an excessive amount of time and prodding before responding to our request. Bruce felt we should pare the bidders down to the best two roofers and get a more refined bid based on a written list of roofing requirements. Magnum and Munyan seem to have given us the two best quotes. Bruce will work on this with Keith; he will update the Board via e-mail and phone calls. We will conduct special Board teleconferences on this subject only to keep the process moving so as to quickly get the roofing work under contract.

Property Manager Maintenance Update – Besides the specific maintenance actions listed above, our Property Manager, Keith Doseck, provided the following update on property maintenance issues:

- Landscaping – Spring clean-up of plants and trimming palms down the center aisle, pruning of the dead and unsightly fronds from the palm trees. This project is mostly complete.
- Power washing buildings as part of spring clean-up – Complete.
- Sprinkler System- Repairing leaks in several of the 24 sprinkler stations - Complete.
- Stepping Stones – The maintenance team removed non-standard stepping stones along the parking lots and replaced them with the standard circular white/grey stones. As part of this project they added ground shells and replanted plants as well – Complete.
- Walkway Repainting – Work continues on the walkways weather permitting – Ongoing.
- Low Level Lighting Repairs – Work will continue into the summer months – Ongoing.
- Annual Fire Inspection – All work is complete and we passed our compliance inspection.
- Sewer/Water Issues – Keith has recently worked on an issue in a second floor F Building unit that had an icemaker line leak and damage to the unit below – Complete.
- Gazebo Repairs – Keith has been working on building boxes to cover the mounting brackets on the gazebo posts – Ongoing.

### **Committees and Special Actions**

Audit – Bashor & Legendre, LLP is currently working on our Audit. Denise reported that the April 30 completion date will be delayed slightly due to the litigation. There are letters that cannot be signed until the revised budget is set.

Website – Bruce is selecting a web service company for our website for information storage, exchange and owner feedback. He estimates this can be done for approximately \$10 per month. He is looking for reliability and longevity. He is looking for the optimal site with unlimited storage and bandwidth. He will purchase the URL address –

[www.barefootbeachresort.org](http://www.barefootbeachresort.org) (approx. \$10 per year). He plans to meet his previous goal of having the site up by May 15, 2014.

Parking Issues – Keith reported a remarkably low amount of parking issues during this past peak season.

ADA Compliance Actions – The Board plans to review an offering from Gary Ciak of Aqualinc at the June meeting.

Maintenance Staffing – Keith is working on job descriptions for our three property maintenance employees.

Maintenance Employee Handbook – revise the handbook to reflect current practices and policy.

Perpetual Easement with Salt Rock Grill – Bill has provided the owner of the Salt Rock Grill, Frank Chivas, copies of our signed and notarized Perpetual Easement documents. We are still waiting on Frank to sign and notarize the documents so we can get them recorded with the county.

Clubhouse Usage – We need to decide what we want to do with the Clubhouse. The website will give us an opportunity to put out ideas and receive an immediate response from the owners.

Boat Slips – We also need to collect more information on what we should do with the boat slips. Bill feels there may not be much money in renting the slips to rental guests. Discussion as to whether the slips should be sold now or later took place. If we decide to auction the slips (to our owners) as was suggested at the recent owners meeting, Denise can look into Auction companies, which would handle the entire process. Any fees paid to the Auctioneer would come from the buyer. Bill will speak to the Developer to obtain more information on how he plans to market his slips (to our owners).

#### Mediation Agreement Actions

- 15 April – Completed signing of the loan documents
- 21 April – Met with the owners to present the results of the Mediation Agreement
- 22 April – BB&T approved the loan and deposited \$100,000 into our account
- End of April – Complete coordinating with the Developer and his Lawyer to ensure all the conveyance instruments that are required to transfer the properties (Clubhouse, Gazebo Area, Fishing Dock and two adjacent boat slips) from the Developer (Section 3.6 of the Mediated Agreement) to Barefoot Beach are drafted and acceptable.
- 29 April – Survey of the Commercial units including the Boat Slips should be complete
- 6 May – The revised budget should be complete

- 8 May – Mail the Revised Budget to the owners along with an announcement of the next Board Meeting at which we will vote on approval of the Revised Budget
- 22 May – Board Meeting to approve the Revised Budget
- End of May - Provide revised budget information to BB&T for new coupon books and BB&T mails coupon books to the owners
- TBD – Complete wire transfer of \$100,000 to attorneys' escrow account when notified that all terms have been met. Richard Zacur will keep us informed on this.
- TBD – Developer transfers Clubhouse, Gazebo Area, Fishing Dock and two adjacent boat slips to Barefoot Beach.
- 31 May – Revised Budget goes into effect (to meet the terms of the Mediated Agreement)
- 1 June – Owners begin to pay new dues amount based on the Revised Budget.

Next Year's Condo Assn Board Elections – Some members of this year's board who have been on the Board for several years already indicated they will not be running again. If any of the owners reading these minutes are interested in helping manage the very successful Barefoot Beach Condominium Association, please think about running for the board. It is a very important duty that can contribute to the success of all the owners. Details about how to run for the board will be announced later this summer.

Owner Proposal to Revamp Election and Budgeting Process – At the 21 April Board Meeting the Board received a proposal from fellow owner, Paul Sottile, Unit F-205. Paul proposed several changes to budgeting and elections, which upon further review are inconsistent with the Florida Condo guidelines and statutes. Paul's letter is attached to these minutes. We have also attached our attorney's detailed response to Paul's request.

The meeting concluded at 6:55 p.m.

### **Actions on Hold**

Sealing Pool Pavers and Painting Pool Deck – Tentatively planned for September 2014. We will begin collecting estimates in July 2014. The budget estimate is \$1700-\$2400 for sealing pavers and \$500 for painting pool deck if our maintenance personnel complete the power spraying and painting.

Pool Bath Maintenance – Tentatively planned for September 2014. We will install wall tiles in both pool bathrooms to a height of approximately five feet. The budget estimate for both restrooms is \$1700 for material and labor.

Pool Bath Door Frame Repairs – will be done at the time of the pool bath tiling.

Trade Marking Barefoot Beach Logo – this item has been tabled for now. If Barefoot Beach Hotel drops the logo and adopts a new one, we could revisit this issue.

Storage Room Lottery – On hold until August 2014

Doormats – It would be more attractive to the property to have a common type of doormat throughout BBR. Many are getting old, sun damaged and unattractive. Also, we are concerned about the tripping hazard of doormats. This item has been tabled for now.

*Zacur, Graham & Costis, P.A.*  
*Attorneys and Counselors at Law*

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April 24, 2014

Barefoot Beach Resort of Indian Shores  
Ms. Denise Reilly

SENT VIA EMAIL

RE: Barefoot Beach Resort of Indian Shores

Dear Denise:

I received an email from Paul Sottile regarding certain provisions of the election that he would like to review.

First, it is a rather unusual request to have an accounting firm to provide legal services, which I do not believe would be acceptable, unless approved by the Division of Florida Condominiums.

Second, as far as committees or other requirements, the Association must follow Florida Statute Chapter 718 and the Division Rules, notwithstanding anything Mr. Sottile requests.

For instance, Mr. Sottile cannot have the Board pass a rule regarding the return of ballots that may be in violation of the Division Rules. I doubt very seriously if Mr. Sottile knows anything about the Administrative Rules for the State of Florida that apply to condominiums.

Third, Mr. Sottile cannot change the term of directors, nor can he provide that the ballot or votes will not be part of the Official Records and available for unit owner review.

Specifically, once the ballots are counted, they become Official Records and can be reviewed as set forth within Florida Statute Chapter 718.111 and the records are kept for a year, not 5 years. That is already statutory and Mr. Sottile does not have the right to change it.

Obviously, Mr. Sottile needs to be educated in the field of condominium law and the Board cannot allow rules and regulations that conflict with the current law to be passed



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or even considered.

Thank you for your cooperation.

Yours truly,

ZACUR, GRAHAM & COSTIS, P.A.

RICHARD A. ZACUR

RAZ/st

A large, stylized handwritten signature in black ink, appearing to be 'RAZ/st', is written over the typed name and extends upwards into the 'Yours truly,' line.