

OCEAN VIEW MANOR CONDOMINIUM ASSOCIATION, INC.

3600 SOUTH OCEAN SHORE BOULEVARD

FLAGLER BEACH, FL 03624

MINUTES OF THE BOARD OF DIRECTORS MEETING

OCT 29, 2013

The meeting was called to order by Association President Jim Stanton at 11:00 AM. Directors Pinky Burgos, Bill Hopson, Allyson Huskisson, Bob Minahan, Eunice Poole, Jim Stanton and Terri Westwood were present. Also Attending were Maintenance Manager Tom Pawson and Office Manager Debi Pawson. Proper notice of the meeting had been posted and a quorum was present to conduct business.

Jim asked for a moment of silence in honor of long-time owner and past Board Member Rosemarie Claxton, long -time resident owner Doris Rock and long term resident Anne Miller all of whom passed away since the last meeting.

MINUTES: Minutes of the Sept. 11, 2013 were approved as read.

CORRESPONDENCE:

Letter from #523 re: dog problem

Letter from Lenny Semblewski re: asks for payment for damages

Letter to and response from #915 re: excess number of dogs in unit.

Letter to and response from #221 re: use of common areas when unit is rented to others

Letter from #612 re: short term rental fee

Letter from #816 re: short term rental fee

Letter from #816 to all short term rental license holders re: short term rental fee

Letter from #423 & 713 re: short term rental fee

G-Mail from #423 & 713 re: confirmation of receipt of letter

e-mail from #614 re: short term rental fee

e-mail response to # 614 and the Board from Jim Stanton

Anonymous letter to Jim Stanton sent to his address re: extortion threat

e-mail from #611 re: Budget and short term rental fee

MAINTENANCE REPORT: Tom reported that since the last meeting:

The locker problems have been corrected; The claim against Ms. Knight has been prepared for filing in small claims court; Unit #517 has a court date of Feb. 2014 for foreclosure; Unit washer/dryer vents have a problem with lint disposal and Tom will suggest possible solutions and funding at the next meeting; Balcony re-bar is spalling (rusting through the surface) and will need to be repaired next year; Structural cracks in the front portico roof have been repaired and a new coating applied; Two more tubs have been replaced and piping inspected and repaired as needed.

Tom also presented some serious problems facing us in the near future. The new A/C code requirements require changing the way our A/C units are mounted on the roof. The State has ruled that we must comply with the new regulations. The Town will not approve any new replacement units on the roof without a new mounting system for all units. This means 125 compressors have to be lifted and mounted on a new support system. Tom, engineers and the Town have arrived at a compromise plan that we can do "in-house" over 6 months at a cost of about \$125,000. This will save about 50% or more of the cost of having it done commercially. Jim stated that we have a good roof, good paving and new paint. We have enough reserves and deferred maintenance to fund the project. The Board will do all it can to avoid any assessments for this mandated project, using one only as a last resort to complete funding.

THE BOARD UNANIMOUSLY APPROVED A MOTION FOR TOM TO PROCEED WITH PURCHASING THE NEEDED MATERIALS AND SUPPLIES AND TO INFORM THE TOWN THAT WE WILL COMPLY AND REVAMP THE MOUNTING SYSTEM TO THEIR SATISFACTION.

The public washer/dryer contract is expiring in December. We can renew and get new machines for \$29.00 per month per machine, buy our own new machine at a cost in excess of \$20,000 (they will not sell us the current machines) or re-lease the same machines on a month-to-month basis for \$17.00 per unit. This would include free service and any changes to the coin mechanisms. **THE BOARD APPROVED A MOTION TO LEASE THE CURRENT MACHINES ON A MONTH-TO MONTH BASIS AND TO RAISE THE COST OF OPERERATION FROM \$1.50 TO \$2.00 PER USE.**

NEW BUSINESS: Jim spoke in response to the criticisms contained in the various letters and e-mails to the Board and to the personal letter threatening him if he did not rescind the short term rental fee imposed at the last meeting. He defended at length his positions on rentals, renters and the need for adequate income to fund the Association. He believes that we are getting the best possible insurance program at a very reasonable price. If we were to be dropped for non-renewal, we would most likely have to join the Citizens Insurance program underwritten by the State at a much higher cost to us.

The president reported that he had requested of our attorney an opinion letter regarding the legality of the proposed short term rental fee and the restriction on the leasing of units for a period of six months, both approved by the Board at the September meeting. The Attorney responded in an advisory opinion of five pages which was provided, in advance of the meeting, to all Board members.

The president read the concluding paragraph of the opinion letter which is as follows:

"Based on the foregoing, there are no genuine issues in dispute. Construing the condominium documents and applicable statutes, the BOD of the Association acted within the purview of their authority, as required providing for the regulation of rental units, imposition of rental terms and a rental assessment fee, which would be proper and for the benefit of the Association and for the Common Expense of the Association."

Jim then opened the floor to members comments. A very lively, but orderly, discussion centered around the short term rental fee imposed at the last meeting. Most owners that participated in the discussion were opposed the fee. After all had a chance to voice their opinion, **A MOTION BY BILL HOPSON AND SECONDED BY ALLYSON HUSKISSON TO RESCIND THE MOTION CREATING THE SHORT TERM RENTAL FEE WAS UNANIMOUSLY PASSED BY THE BOARD.**

Jim was questioned about the accuracy of some of his statements on mortgages and insurance costs being limited by the percentage of rental units in the building. Jim replied that to the best of his knowledge and understanding the statements were factual. Debi added that lenders call her and ask for the number of rental units when evaluating applications for mortgages. Tom said that all insurance inspectors ask him to sign off on how many units are rentals.

Jim then proposed the budget for adoption. The Board voted to ask Jim for a line item review to explain in detail the proposed income and expenditures. After a very thorough review and an agreement to change the income line item "short term rental fee" to read "miscellaneous

income", **A MOTION BY TERRI WESTWOOD/PINKY BURGOS TO ADOPT THE 2014 OPERATING BUDGET AS AMENDED WAS PASSED UNANIMOUSLY.**

A short discussion on the need for each unit owner to inspect the condition of their circuit breaker boxes to look for signs of corrosion and water damage and to report any such damage to Tom immediately concluded the business for the day.

The meeting was adjourned at 3:00 PM.

Respectfully submitted,

William Hopson, Secretary