

**Minutes of the Board Meeting of
The Association of PELICAN POINT, Inc.
held **MONDAY, SEPTEMBER 19, 2022****

Board Meeting Called to Order: Randy Malecha, Board President, called the meeting to order at 11:00 am in the clubhouse. Ten owners were in attendance.

Establish Quorum of Directors: Board Members present were President Randy Malecha, Secretary Jeanette Cullen, and Treasurer Terri Knapp. Vice President John Wright and Director Linda Lumis could not attend. Manager Michelle Davis from Reconcilable Differences was also present.

Approve Minutes of the April 14, 2022 Meeting: Terri made the motion to approve these minutes, as posted and on the website. Jeanette seconded, all in favor, motion passed.

Financial Report: Manager Michelle Davis reported \$268,800 in operating, and \$739,156 in the various reserve accounts. We have 5 owners who have not paid August fees yet, as well as September, and year to date, the association is over budget by \$15,000. Water/sewer and insurance costs were much higher than we estimated this year.

Motion to use Pool & Interest Reserves for Pool Furniture: New chaise lounges, tables and chairs were ordered last month. They are scheduled to be delivered in late December. The cost is \$11,731. Jeanette motioned to use Pool and Interest reserves to cover this cost. Terri seconded, all in favor.

Motion to use Paint Reserves for Walkway Painting: In August, the front walkways were pressure washed and painted. The cost for labor and materials was \$6,540. Terri motioned to use Paint reserves to cover this cost. Jeanette seconded, all in favor.

Motion to use Miscellaneous Reserves for Pickleball Nets: Terri has researched pickleball nets on wheels and found a company that will cost about \$800 for two complete net systems. Terri motioned to use Miscellaneous reserves to cover this cost. Jeanette seconded, all in favor.

Group Reports

- **Building & Grounds:** Randy said the tennis court is coming along well. They have removed and replaced the concrete pad, put the first coat on, and the second coat and striping will be done this week, barring more rain. That has really slowed them down. All other maintenance work is going well, working with Missy.
- **Social:** Terri said there is no report yet. Randy reminded owners that if they use the clubhouse for anything, make sure to clean up after themselves.

New Business:

- **Mats on Walkways:** Randy reminded everyone that mats on the common walkways are trip hazards for those with walking difficulties, plus they blow around in the wind, the backing of the mats stains the walkways, it is very time consuming to move them to clean, and moisture is trapped under these mats which causes peeling paint underneath and causes concrete to spall. We need everyone to keep their mats inside their condos. Terri motioned to add this rule to the next agenda and add to the rules beginning in January 2023. Jeanette seconded, all in favor.

- **New Structural Inspection Required for Buildings over 3 stories high:** Randy reported that the state legislature has put some new rules into place. Michelle noted that since the Surfside tragedy, new laws have been discussed because many condos do not fund their reserves and do not handle maintenance issues as they come up. Pelican Point fully funds reserves and is always proactive with maintenance and repair, but the new law requires every condo over 3 stories high to have a “milestone” inspection of all structural components before 2024. And then if damage is found, a secondary inspection and report must be completed and work started, or the condos could be shut down. This new law also requires future inspections every 10 years. Three bids were obtained: Beachside Engineering \$14,980; Delta Engineering \$18K, and Building Mavens \$14,480. Randy motioned to bring this up at the annual meeting and choose a company then. Terry seconded. Then Jeanette asked if the price could go higher as the engineers get busier. Michelle acknowledged that this could happen. Right now, they are booked 3 to 5 months out. Later, that will change. Randy rescinded his motion, and Terri motioned to hire Beachside Engineering at \$14,980, paying a 40% down payment now, and using Miscellaneous Reserves to cover the cost. Jeanette seconded the motion, all in favor.

- **New State Requirement for Engineered Reserve Study:** Michelle said the state is also now requiring a structural reserve study of the 17 main condo “components”. Between Randy’s construction background and Michelle’s knowledge, Pelican Point has never had an engineer complete this study, and it was never required. Now it is. Michelle has worked with 4 Reserve companies and has found that Custom Reserves had the best price and worked well with board members, so recommended their bid of \$5,900 for the initial report. Two other verbal bids were \$7200 and \$8K. We estimate updates every 5 years. The new law requires “Component funding” of reserves, which Pelican Point has always done, so this community will be in really good shape even with the new requirements, but those condos that have “pooled” their reserves will see steep increases to bring funding back to what it needs to be. Terri made the motion to use Miscellaneous Reserves to cover this cost, paying 50% up front. Jeanette seconded, all in favor.

- **Approve Draft Budget to be Mailed to Owners:** With increased costs for materials and repairs, insurance going up 20 to 40%, and utilities going up annually, along with the estimated costs this year expected to be more than \$20K higher than anticipated, we are looking at a \$70 per unit per month increase, from \$320 in 2022 to \$370 in 2023. Terri made the motion to mail out this draft budget to all owners. Jeanette seconded, all in favor. Randy will hand deliver to those on site to save postage. We desire owner input and questions at the next meeting. Ultimately, the

board will approve a budget at that meeting, but we want your questions before they make that decision.

- **Manager Retirement:** Randy said after over 20 years as our manager, Michelle is leaving as of October 31, 2022. She gave some management options to the board, and they interviewed three companies. We wish Michelle good luck in her retirement.
- **New Management:** Jennifer Vo, owner of Clover Key, was chosen by the board as the best prospect to take over management at Pelican Point. She has a 3-person business right now, with Lindsey as head bookkeeper and also a CAM manager, and a part time bookkeeper. They have glowing recommendations from others in the industry, and they have agreed to charge the same amount as Michelle for November and December, and then in 2023, their fee will go to \$1600 per month. They will attend the next meeting to introduce themselves and set owners up to make their payments with the new company. Terri motioned to hire Clover Key as of Nov 1, 2022. Jeanette seconded, all in favor.

Open Discussion: Pool furniture should arrive the end of December. Love bugs are rampant, and Randy was asked if the walkways would be washed. He said bug spraying is tomorrow, so they plan to start cleaning one building per day starting Wednesday.

Set Next Meeting: The budget meeting will be held next month, on October 20, 2022, at 11am.

Adjournment: There being no further business, Jeanette motioned to adjourn the meeting at 11:25 am. Terri seconded, all in favor.

Respectfully submitted,

Michelle Davis

Michelle Davis CAM manager #17226
Reconcilable Differences, Inc.