

Minutes of Meeting

Sea Air Towers Condominium Association, Inc.

Wednesday, March 15th, 2017

The Board Meeting was called to order at 7:14 pm by Mrs. Deanna Jimenez.

Board Members Present:

Mrs. Deanna Jimenez

Mr. Tom Jordan (Via Telephone)

Mr. David Twitchell

Mr. Leon Zucker

Mr. Kaj Koci

Approval of Minutes:

Mr. Koci reads the minutes of the prior meeting. Mrs. Jimenez requests a motion to approve minutes as read. Mr. Twitchell makes a correction on the minutes read by adding the “grievance” to committee. Mr. Zucker seconds the motion with the correction. All voted in favor. Motioned passed.

President Communication:

Future Project: Mrs. Jimenez communicates to the owners present of the proposed changes the board is looking into. The proposed changes are as follows:

- Replace Mural with Marble (Material is being donated by the Diplomat Hotel)

A piece of marble will be displayed in the lobby for residents to see.

- Proposed Glass Sea Wall
- Synthetic Turf on lower roofs

Mrs. Jimenez advises that the upgrades will have an additional cost to the owners should the majority of the owners vote for those changes. A special assessment will be levied to all unit owners to help pay for these improvements. More information to follow.

Old Business:

Exterior Building Paint: Manager presents to the board the professional services of Mr. Edgar Duenas from Bunker Engineers. As part of their service they will prepare painting specification and allowable repairs for concrete work. All contractors will be submitting their bids to the Engineer based on the engineer’s outline specifications Mr. Duenas will meet with the board to review all bids presented. The board may take the advice of the engineer for selecting the contractor or they may use another of their choice. The engineer will serve as the association inspector in making sure the work is being done according to the written specification. Mr. Edgar Duenas has previously provided engineering services

to the building including threshold inspector for the pool deck renovation project done 2 years ago. The cost of his services will be a fee of \$2,500 which will include:

1. Preparing painting specifications
2. Prepare bid package
3. Coordinate with contractor for obtaining a construction permit
4. Coordinate and attend pre-constriction meeting with contractor.
5. Construction and Administrative Services will be billed on an hourly basis.

Mrs. Jimenez makes a motion to approve Bunkers proposal seconded by Mr. Zucker. All voted in favor.

Building Insurance: Manager expects to meet with Mr. Juan Cordoba from Wells Fargo by mid-April. Mrs. Jimenez and Mr. Zucker has previously met with Mr. Cordoba and feel comfortable that he will provide the best building insurance options available.

Laundry Contract: Manager updates the board that Laundry Systems representative has retracted their agreement with the association mainly because of the initial 100% of the first 18-month income is no longer financially feasible to them. Because of this, the manager has renegotiated with CSC and they have agreed to increase their entry fee from \$47,000 to \$52,000 with a 50% split. The association will be receiving an additional \$25,000 this year due to the percentage split difference which is not allocated in this year's budget. The load usage cost will increase from \$1.25 to \$1.40 per wash or dry.

Mrs. Jimenez makes a motion to retain CSC as the laundry machine provider pending contract review from the association attorney. Mr. Twitchell seconds. All voted in favor.

Hallway Carpeting Update: Mr. Zucker informs the ownership present on the carpet proposals received by management. The association has received four (5) proposals with seven (7) options. They are as follows:

- 1st Proposal - \$225,000
- 2nd Proposal - \$201,000
- 3rd Proposal - \$213,000

The following proposals are just for material only the labor is separate ranging from \$34,000 to \$61,000. The carpet material cost is the following:

- 4th Proposal - \$170,000 plus labor
- 5th Proposal - \$133,000 plus labor
- 6th Proposal - \$136,000 plus labor

The selected contractor is Capital Contractors the cost of the carpet will range from \$207,000 to \$213,000 includes lifting and disposing the old carpet, leveling the floors where it's needed and the installation of the new carpet. The carpet will be double glue down with a padding. The cost will exceed what we have currently budgeted for and will be short by roughly \$65,000 the reserves will cover the additional cost without passing special assessment to the owners.

Mrs. Jimenez makes a motion to approve and hire Capital Construction Services to replace the old rugs with the approved carpet voted by the owners. Mr. Twitchell seconds the motion. All voted in favor. Mr. Zucker announces the winning carpet. Carpet A (Lighter color) received 40 votes carpet B (Dark color) received 92 votes. Carpet "B" was the overall favorite.

Grievance Committee: Mrs. Jimenez informs the owners present that last year the grievance committee members were composed by Mr. Jack da Cruz, Mr. Oscar Sotolongo and Mr. Sam Stupple. They all have agree to remain on for this year. Mrs. Jimenez motions to reconfirm their appointment and continue serving on the grievance committee. The vote was unanimous. All voted in favor.


Financials: Mr. Zucker met with Mr. Sam Samfree CPA who provides professional accounting services for the association. In the conversation there was concern about the interest that appears in the reserve study which may affect the association in the near future. In today's market on CD's interest rates are low. In our reserve account we are currently receiving less than ½ percent interest. The reserve study is based on a 30-year projection at 3 percent. However, in a 5-year projection the interest earned in our reserve will not cover the anticipated line items. We have close to 1.7 million in our reserve account but at some point we will need roughly \$51,000 to cover the shortage of interest we were projected to receive. At this point, it is uncertain how to cover the short fall but the board will look at options available. It is important to make the owners aware of this now because this will need to be address in the very near future.

Manager Report:

- Financial ending in February 28th, 2017
 - Operating Account \$28,494.08
 - Reserve Account \$1,677,194.42
- PRITTS Roofing yearly service performed
- Sam Samfree CPA
- 2016 Financials completed

Mrs. Jimenez motions to adjourn the meeting moved and seconded by Mr. Zucker. All voted in favor. Motioned passed.

Meeting adjourned at 7:42 p.m.



Mr. Kajetan Koci, Secretary

April 26, 2017

Date