



**Board Meeting Minutes  
May 13, 2021  
4012 Crocker's Lake Blvd.,  
Sarasota, Fl. 34238  
10am**

**Determination of Quorum:** Present in person was: Director Joseph Gianino. Present via telephone were President Dave Carter, Vice-President/Treasurer Karen Domaratzki, Secretary Joe Joseph, Director Charlie Benedict. Glenn Aitelli, Association Manager, was also present in person.

**Call to order:** President Dave Carter called the meeting to order at 10 am.

**Proof of Notice:** President Dave Carter acknowledged that the notice was posted at the Clubhouse and on the website according to Florida Statutes.

**Approval of Minutes: April 13, 2021:** Joseph Gianino made a motion (**Motion #1**) to approve the Board Meeting Minutes from April 13, 2021. This motion was seconded by Charlie Benedict and was approved unanimously.

**President Report:**

- Dave Carter confirmed that the building remediation project is on schedule. Building 1 is substantially completed. Building 2 is more than 50% complete and should be completed by late July. Scaffolding is being erected on building 3. Costs are coming in less than 1% over the contract cost estimates.
- Two legal claims are in progress:
  - **Hurricane Irma Roof Damage Insurance Claim-** Claim was filed last year before September deadline. We have received a forensic engineering report from SEI which strongly supported our claim. We also received a copy of a forensic engineering from a firm that was hired by the insurance carrier (Engineering Systems, Inc.) which did not support our claim. A third engineering firm was hired to produce a refined estimate for replacement cost. That estimate was \$8.2 million. Our lawyer sent that estimate to the carrier requesting payment. To date we have not received any response to deny the claim nor to request that we start settlement negotiations.
  - **Lawsuit Against Insurance Agencies for making error in preparing 2016 policy application.** Complaint was filed in January. Insurance agencies filed for dismissal; our lawyers are contesting. No schedule has yet been set for a hearing on the agencies motions to dismiss.

**Treasurer Report:** Karen Domaratzki gave an update on the March financials. The Association's operating expenses were \$11,800 over budget in March. This was all attributable to the Building Maintenance category, in particular drywall repairs caused by roof leaks, two subfloor replacements and some fire safety system repairs. All other categories were under budget by \$9,800 for a small monthly deficit \$1,700. As of the end of March, there was \$2.2 million in Reserves accounts and \$940,000 million in the Building Remediation Contingency account. Karen made a motion (**Motion #2**) to ratify the March Financials. Joseph Gianino seconded the motion and it passed unanimously.

**Manager's Report:** Glenn Aitelli announced that there were 13 leases and 2 sales during the month of April. Monthly accomplishments:

- 1) Upgraded landscaping by building 19
- 2) Replaced main pump Pool A
- 3) Pressure washed roof and walls of clubhouse
- 4) Reprogrammed the irrigation system pump drives
- 5) Replaced a sump pump by Pool A
- 6) Installed new flower rotation in entries
- 7) Painted entry signs and mail kiosks

#### Old Business:

- **Water Meter Replacement Billings-** Karen Domaratzki reported the status of the water meter replacement billings:

Total cost of meters and plumbing work: \$51,811

Billings to owners for meter replacement and unbilled water consumption: \$25,073

Amount collected thus far: \$18,109

- **Smoke Detector Inspections-** Glenn Aitelli proposed to do the smoke detector testing with our own staff. We received a bid of \$5,050 from Pye Barker to do the work but we can do it ourselves with about \$500 of out-of-pocket expenses. No special licenses are needed to inspect smoke detectors so we will have maintenance staff do inspection at the end of May.

#### New Business:

- **Association Insurance Policy Renewal-** Karen Domaratzki explained that the cost of our property insurance will increase 22.6% on our June 5 renewal even if we select a 5% deductible instead of 3% and do not continue with Defense Liability Gap coverage. The number of insurance carriers that submitted proposals was limited due to the status of our building remediation project and the condition of our roofs. Karen made a motion (**Motion #3**) that the association obtain coverage effective June 5, 2021 based on the Association's 2020 insurance appraisal value of \$51,378,617, with a 5% hurricane deductible, and accept the May 2021 insurance proposal of GCM Insurance and Risk Management Advisors. Referring to page 5 of that proposal, we will agree to the offered Property, General Liability, Umbrella and Workers Comp coverage but will not insure for Defense Liability Gap, providing us a total annual insurance cost \$430,200, plus financing costs and tax stamp to be advised and estimated at \$9,100. Dave Carter seconded the motion and it passed unanimously.
- **Contract for Gutter Cleanout and Removal of Plants on Roofs-** Glenn Aitelli presented three bids for the Gutter Cleaning contract from Supreme Seamless Gutters, Clean Pro Gutter Cleaning and Shenk Seamless Gutters. He recommended Supreme Seamless with a bid of \$3,370.00. Dave Carter made motion (**Motion #4**) to accept Supreme Seamless Gutters proposal. Joseph Gianino seconded the motion and it unanimously.
- **Building 1 Drainage System-** Glenn Aitelli presented a bid proposal from Aqua Tech Irrigation for \$7,495.00. Joseph Gianino made a motion (**Motion #5**) to accept Aqua Tech's bid. Charlie Benedict seconded the motion and it passed unanimously.
- **Water Heater Violations (Violations List #30):** The board was furnished a list identifying 6 units with water heaters that are more than ten years old and whose owners have not responded after receiving two written notices to replace their water heater. They will be fined \$100 per month until they show proof that they have replaced their water heaters. Dave Carter made a motion (**Motion #6**) that these 6 units be included on Violations List #30 which will be sent to the Fine Hearing Committee. Karen Domaratzki seconded the motion and it passed unanimously.
- **Other Violations (Violations List #30):** The board was furnished a list and set of pictures identifying 34 violations of Association documents pertaining to items left in breezeways or stored or hung in balconies or lanais. The board agreed to approve all 34 of the violations. Dave Carter made a motion (**Motion #7**) to refer those violations to the Fine Hearing Committee. Karen Domaratzki seconded the motion and it passed unanimously.

- **Recent Short-Term Rental Violations-** Joe Joseph discussed the ongoing issue of short-term renting even after a July 2020 court order. Evidence of multiple recent incidents has been discovered. Board has spoken with lawyer about violation of court order. Joe Joseph made motion (**Motion #8**) to re-open our court case against the responsible owner. Dave Carter seconded the motion and it passed unanimously.
- **Other Governing Document Violations-** Dave Carter discussed violations of document provisions and referenced a 5/7/2021 draft document titled "Violation Reduction Initiative". This initiative will primarily address alterations to units, balconies and lanais and/or common areas without board approval. Issues began with developer as condition of sale (upgrades). Dave Carter made a motion (**Motion #9**) that the Board endorse the 5/7/2021 draft plan and forward it to our Association Attorney requesting his review and comment on the proposed corrective measures. Joe Joseph seconded. During discussion, Joseph Gianino commented that he did not support the motion. The vote was called and the motion passed on a vote of 4 in favor and 1 opposed, with Joe Gianino casting the oppositional vote.
- **Sarasota County Grants-** Karen Domaratzki discussed possible county grants available to associations, \$10,000 with association match per year. Karen attended a webinar presentation. Grant may be possible for bicycle storage upgrade for property. Grant must be applied for and reviewed by the county. Charlie Benedict volunteered to head the project.

(Joe Joseph and Joe Gianino left the meeting)

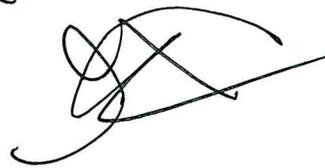
- **Board Appointments to Fill Vacancies**

- Board Director Position-** Dave Carter nominated Don Sheehy, Karen Domaratzki seconded. Don Sheehy accepted nomination and was elected unanimously by those present.
- Treasurer Position-** Dave Carter nominated Don Sheehy, Charlie Benedict seconded. Don Sheehy accepted nomination and was elected unanimously by those present.
- Vice President Position-** Dave Carter nominated Charlie Benedict, Karen Domaratzki seconded. Charlie Benedict accepted nomination and was elected unanimously by those present.

**Adjournment:** Dave Carter made the motion (**Motion #10**) to adjourn the meeting. Charlie Benedict seconded the motion and it passed unanimously. The meeting ended at 12:09 pm.

Minutes prepared by Glenn Aitelli.

*Secretary acknowledged  
the minutes were approved  
at 6/16/21 Board Meeting.*



### Treasurer's Report: March 2021

Submitted by Karen Domaratzki, VP & Treasurer

In February the Association's **operating expenses** were \$11,800 over budget. This was all attributable to the **Building Maintenance** category, which was \$21,600 over budget for the month. There were drywall repairs caused by prior roof leaks, two sub-floor replacements, electrical and plumbing repairs, and fire safety expenses. This was an unusually busy month for building repairs performed by vendors.

All other categories were under-budget by \$9,800, resulting in the \$11,800 over budget mentioned earlier. When we add in \$10,000 in sundry revenue fees, fines, and interest invoiced in March we had a small \$1,700 deficit for the month.

On a 3 months year-to-date basis we are tracking at breaking-even, which is our goal. Expenses are \$20,000 over budget – but keep in mind that this includes the huge annual expenses for tree trimming, which are behind us now – and we have invoiced \$20,000 in fees, fines, and interest. We are exactly where we want to be.

Turning to the **balance sheet**, Accounts Receivable from owners increased slightly to \$179,500. Our largest debtor now has \$96,000 in unpaid assessments and legal fees, and 7 owners owed between \$5,000 and \$10,000 and were with the collections attorney for action. Since March 31, 3 of those 7 have paid all or most of their overdue assessments.

The Association had \$3.5 million cash at the end of March. **Reserves** continue to grow and accounted for \$2.2 million of this, the **contingency rebuilding** fund had \$940,000 on hand to continue to fund the project, and our operating funds make up the rest, at \$300,000.

I move that the March financial statements be ratified as presented, and the Treasurer's Report submitted to the minutes as a report, and included as an attachment.