

La Entrada Del Mar Association

Board of Directors Meeting

May 12, 2021, 6:30 p.m.

Roll call, quorum establish – Ray Combs, President:

Board members present: Ray Combs, President; Buddy Emerson, Treasurer; Deb Baker; Henry Ashburn; and Christina Hardy, Secretary (*participated via telephone*)

Approval of minutes from the Wednesday, April 14, 2021 meeting – Ray Combs, President

Motion to approve minutes by Buddy Emerson, seconded by Deb Baker, and carried.

Proof of meeting established and posted.

Vesta Property Management Presentation – Question and Answers led by Buddy Emerson, Treasurer:

Jayne DeMello of Vesta introduced herself. Vesta has a local office in Vero, the office manages properties on Hutchinson Island including two condominium complexes in the Ocean Village community as well as local PGA communities and properties in Stuart. Services are conducted under the discretion of the Board of Directors and include but are not limited to: accounting, AP/AR, monthly financials, neighbor network integrated platform (all members can access their owner activity) with Alliance Bank, coordination of all board meetings, management of vendor contracts and interactions, provides management of projects and all member/association issues, communications, correspondence and documentation needs.

On behalf of the Board, Buddy Emerson questioned the vendor about the full range of services, not just administrative secretarial services, available. Vesta would:

Maintain owner files; take applications for new owners and renters; produce and maintain all official records; handle daily owner issues; maintain 24/7 availability for emergency situations; solicit bids and negotiate contracts with all vendors; provide services such as the annual member and budget meetings, meeting agendas, notices, develop the annual proposed budget and budget recommendations for the board; manage the Association's website; perform routine inspections of the property and notify board of findings; enforce the Association's rules; handle the Association's funds, including deposits, paying all bills, day-to-day bookkeeping with expenses limited to whatever dollar amount the board deems is maximum amount to spend; maintain all licenses that federal, state and local governments require; communicate with all owners as necessary, and; be assigned a local dedicated and licensed manager from the Vero Beach office. Ms. DeMello confirmed that yes, all of these services and more are included in their proposal.

A member interjected a question and was asked to hold remarks until the end of the presentation.

In follow up to a question from a board member, Ms. DeMello responded that due to the enormous amount of work required to set up the property management relationship, there is no trial period or cancellation within "two weeks" but that there could be a 60-day clause. It was noted that it will take 4-6 weeks, likely the latter, to set up all processes with the new management company. Costs and charges will be addressed once contracts are under negotiation.

Discussion ensued about the frequency of communication with members on topics such as violations, account delinquencies, and other related grievances – it was noted that this will be determined during contract negotiations and at the direction of the Board. It was noted that currently, all functions other than bookkeeping are done in house by volunteers of the board. In follow up to a board member's question, Ms. DeMello stated that should there be an issue with the assigned property manager, steps would be taken by the company to address issues and if needed, replace the assigned property manager.

Responses to additional questions asked by members:

- The Board has 100% say in what the property management company does. The company acts under the board's direction. The management company absorbs liability and operations responsibilities of the Association, all of which currently is the responsibility of the Board.
- The Association can continue to do business with current vendors. The management company will address any issues with vendor performance or replace vendors if needed.
- The management company interacts with the attorney under the direction of the Board. As an example, the management company will handle the delinquency process.
- Discussion ensued about who owners should contact and under which circumstances. Owners would handle their individual owner items. The management company handles association related items. Example: If there is an issue with the pool, call the management company. If there is a plumbing issue resulting from a common building element, call the management company. Unless there is an emergency situation, vendors typically arrive on the next working day.
- The contract will be standard flat fee based. If additional services are requested such as for a hurricane or other situations, those things are billed hourly and, again, are dependent on the final negotiated contract terms.
- The property manager is not onsite full time, but would be onsite once a week, twice a month or whatever frequency is negotiated in the contract. The majority of property management work is managed via phone, email and online.
- It was noted that the current bookkeeper fees would be incorporated into the new property management contract thereby offsetting that cost.
- Final contract pricing and responsibilities/services will be determined during contract negotiations.
- Is there an owner onsite now who could take over the secretarial and operations responsibilities? Ray Combs shared that with the recent vacancy of the secretarial position, no members volunteered to join the board and he explained that the job encompasses much more than just administrative secretarial duties. The needs of the Association and care of the property are arduous. The Board has determined it is an overwhelming amount of work to expect from a nonpaid/volunteer.

The Board solicited member comments and any prior experiences with property management companies:

Comments by Joe Roberts: Need management company from a liability standpoint. Management companies do not act without board direction, the Board has 100% approval and direction; however, the liability and operation details are incurred by the management company. Is there someone within the Association who is a full-time resident, licensed, available and interested in being paid to fulfill this role? It was noted that Henry Ashburn and Mitch Hilburn provide substantial support to the ongoing needs of the property.

Discussion ensued about the benefit of having an outside individual, independent to community member life, in the role of managing condominium issues. It was duly noted that there is need for balance in terms of how the management company will interact (enforce rules) with owners.

Steve Tarr commented that the Association should have a licensed professional manager.

Buddy Emerson outlined the process should the board approve the decision to move forward in hiring a property management company. The process will be similar to the recent contracted roof replacement project. Proposals from property management companies will be reviewed, followed by vendor interviews/presentations, then the Board negotiates pricing and services. The final negotiated contracts will be presented to the Board for vote.

Buddy Emerson motioned to hire a licensed community association property management company using the same process as was done for the roofs. The motion was seconded by Ray Combs. Board members voting for the motion are Ray Combs, Buddy Emerson, Deb Baker and Christina Hardy; Henry Ashburn voted against. The motion passed.

Treasurer Report:

Buddy Emerson reviewed the Treasurers Report for the month ending April 30, 2021. All reserve accounts were rebalanced to accommodate for the roofing work. The report will be sent to owners along with the minutes of the meeting. Deb Baker motioned to approve the Treasurers Report, seconded by Ray Combs. The motion passed unanimously.

Membership Comments:

In follow up to a member's question about the duties falling under a new property management company contract, Buddy Emmerson confirmed that all bookkeeping responsibilities will be incorporated into the management contract and therefore that current expense will be offset. It was noted that the required year-end accounting audit is separate and performed by the Association's accountant. No more comments.

Committee Reports – Dock Committee, Steve Tarr (presented):

Steve Tarr presented the final owner survey responses: 41 of 57 (4 units on the market) owners responded to the dock options survey. Of the 41 responses, 39 chose option B or C. (an expanded dock with between 28 and 36 slips and either no assessment or a low assessment). 25 owners answered yes, they were interested in buying the rights to use a slip, 13 said no and 3 were maybe. It was noted that the committee held several meetings and considered input from others to establish the options presented to the Board and members. The Committee recommends hiring Ardea Consultants (the same company that did the original preliminary report back in November showing the preferred configuration – available on the website under the Documents tab). Ardea is familiar with the process and did the work for the surrounding docks.

The first phase under Ardea's contract would be to conduct a seagrass survey as required by the Department of Environmental Protection (DEP). In order to move forward, the Dock Committee requests the board vote to sign the contract for Phase 1 and 2 of Ardea's contract to include the seagrass study and initiate work with appropriate contractors and engineers. The Board noted and clarified that the Dock Committee is not to initiate any plans or recommendations about the configuration of the new dock. Configuration plans will be conducted in the next phase by a board approved engineer.

Discussion ensued about construction plans and configurations. The committee outlined the estimated timeline (projected timeline of approximately 18 months is an estimate only): develop configuration options, nine months applications and engineering; construction of the final plan three months; followed by three to five months of construction. Steve Tarr commented that great plans are in place.

On behalf of the Dock Committee, Steve Tarr requested the board vote on moving forward with phase one – sign contract with Ardea and do the seagrass survey. The fee structure for phase 1 and 2 was presented. Buddy Emerson motioned to approve phase one and two in the amount of \$4500, seconded by Deb Baker. No opposed, all in favor. Motion passed.

NOTE:

After the meeting, and because of owners' questioning details of the project, and to be as transparent as possible in communicating the dock plans to the owners, the Board believed it was necessary to reiterate guidelines for the dock developed in November in consultation with Ardea Consultants and a Marine Contractor. The guidelines were also discussed during the December 9, 2020 Board of Directors Meeting – minutes available on the website – and prior to establishing the Committee. The basic guidelines are as follows:

- Any plans for the dock must maintain the basic current “L” shape running parallel to shore but may be moved outward to deeper water with additional fingers heading north.
 - A conventional T shape was ruled out by the Board in December due to the potential for a lower number of slips and issues with moving the entrance walkway closer to E building – which could negatively impact both E and A buildings.
 - Subsequent concerns were raised including loss of the protected beach swimming area if the L shape is changed, negatively impacting fishing if the parallel (to shore) length of dock is removed, loss of the widest portion of the beach if the walkway is moved to that area, loss of sand if the beach is not protected by the L shaped dock, and problems with relocating utilities (electric power is provided through A building’s transformer, a separate meter located on the west side of A building, and a free-standing electrical panel on the west side of the property, and ; water for the dock is stubbed out through the seawall on the west side of the property where the access walkway is currently located).
- In the original preliminary Ardea Report, the consultant discussed the importance of keeping the significant fish structure located under the east platform of the dock. Any dock plans must preserve this area.

Unfinished Business – New Cleaning Service:

The new cleaning service has been hired. In addition to cleaning the property, Stephanie has also been hired by several owners to clean their units. Stephanie has the appropriate key fobs and access to the property. Colleen Galione negotiated the contract.

New Business Updates:

1. Roof Access Log - Chains have been installed on most roof access ladders; the remaining 3 ladders will also be chained. Anyone needing access to the roof must contact a member of the board and complete the information on the roof access log. This new process is required for the warranty protection of the newly installed roof on each building. The warranty requires protective measures which if not followed will invalidate the roof warranty. A common example for roof access is when an owner needs to have their AC unit serviced, the owner must contact a member of the board prior to needing access to the roof, gain permission and complete the roof access log prior to the service provider accessing the roof.
2. New washers and dryers - The new machines are currently in the vendors local warehouse, plans are being confirmed for the removal of the current machines, cleaning and repainting of the laundry room and installation of the new machines. During this process the laundry room will be closed for a few days, dates to be determined. Owners and renters will be informed of the temporary closure of the laundry room.

NOTE: The Laundry Room has been repainted/refurbished by Henry Ashburn, Buddy Emerson, and Mitch Hilburn. The old machines were removed, and the new washers and dryers have been installed. We hope the process has been relatively smooth for everyone.

Correspondence – Dock Committee Report by Steve Tarr:

The Dock Committee Report was submitted and sent to members with the board meeting agenda. Updated numbers were shared in Mr. Tarr’s report to the board at this meeting. Report attached.

Meeting Adjourned at 7:27PM