

HIDEAWAY BAY BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

Board of Directors Meeting

Wednesday, August 31, 2022, at 3:00 pm

Call Meeting to Order: The meeting was called to order by Gena Huebner at 3:03 pm.

Proof of Notice: The meeting notice was posted in accordance with the Bylaws and Florida Statute 718.

A quorum was established with the following members present Gena Huebner, President, George Pettengill, Vice President, Christine Junior, Secretary, Maria De La Nuez, Treasurer and Erika Johnson, Director were present by Zoom. Also in attendance were Barbara Vitolo and Kathy Dressel from Grande Property Services; and approximately thirty-four homeowners.

Approval of the minutes from July 27, 2022: A Motion was made by Christine Junior and seconded by Erika Johnson to approve the minutes from the July 27, 2022, Board of Directors meeting. **Motion passed unanimously.**

Guest Introduction: Mr. Ernie Sturgis, General Counsel for HBBC.

Good afternoon, everyone. I'd like to welcome all in attendance to this board meeting of the HBBC directors. The board has received numerous emails from several owners and has read the social media post surrounding the resignation of Mike Barter. The board response was delivered to the owners via the eBlast system rather than individual or group responses. The eBlast system reaches one or more owner of each unit with a few exceptions of owners that have not submitted email addresses.

The board will be opening up the floor to comment from the owners related to the resignation or any agenda items. Owners are asked to state their name and unit number and limit their comments to a few minutes so that we have time to hear from everyone who wishes to speak. The board has invited Mr. Ernie Sturges who is the association's general counsel to participate in this meeting. I will be turning the floor over to him shortly for his comments to the owners before we open up the floor.

First, I would like to comment briefly on the nature of some of the misstatements that have been written since Mike's resignation was announced.

- The caretaker is not called on to personally complete every item in the job description by his sole labor. A contractor or another employee is routinely given work order assignments by the property manager. The caretaker has been asked to touch base with the property manager to discuss any work order that can't be completed so that the management team (including board members) can put our heads together to find a way to get those items done.

- The current board, nor the past board, terminated Mr. Barter. He voluntary resigned.

- The board is taking the best interest of the association into account. The personal preferences of some owners are heard, but the interest of the association take precedence. No board member has anything to gain in pursuing a "personal agenda."

- Mike Barter arranged for Mike Moore to fill in as a captain while he was on vacation in July. Mike Moore was contacted to see if he would fill in as a captain until the we are at full staff again but was never offer a permanent position or offer the caretaker role.

- Board members have not removed owner comments from the FaceBook social page. Any comments that were removed would have been done so by the author.

At this time, I would like to introduce Mr. Sturges. He has served as the association's general counsel for many years. He has guided us through the revision of our association documents a few years ago. Recently, he has helped the board with our efforts to draft a service animal policy and a camera policy. The board has reached out to him in our efforts to manage fairly in our dealing with employees and he has introduced us to Karen Morinelli whose practice is employment law. Ernie will participate with us in the owner comment part of our meeting. **Ernie Sturgis** reviewed with homeowners and Board Members rules and regulations that govern what can and cannot be discussed in an open forum such as a board meeting. All HR issues must be kept confidential.

Reports:

- Presidents Report: See attached report
- **Management Report: See attached report**
- **Treasurer Report: See attached report**

Owner Comments:

The following owners brought forth comments on the resignation of Mike Barter, the date of the Annual Meeting, Lanai Screen Replacement, Annual Meeting Proxies, Insurance costs and the Budget. Barb Dwyer (G8), Eric Buffkin (A6), Rod Lovell (C6), Alex Tucci (E1), Lillie Estrada (I10), Fred Boykin (J6), Dixie Joyner (H1), Mariah Kittle (H8) and Jennifer Schaffer(G6). A **Motion** by George Pettengill, seconded by Erika Johnson to close the Owner Comment period. **Motion passed unanimously.**

- Committee Reports:
 - **Barge Alternative – See attached report**
 - **Facebook Board Questions and Answer Page – See attached report**
 - **Fire Protection Class – No report**
 - **Grounds - See attached report**
 - **HR - See attached report**
 - **LGPOA – See attached report**
 - **Public/Owned Sewer Advisory Committee - See attached report**
 - **Rental – No report**
 - **HBBC Access Committee - See attached report**
 - **Budget – See attached report.**

Unfinished Business

- **Replace Skiff Motor.** A new engine will cost approximately \$19,000. John Seiden has a used engine we can buy for \$4,500 installed. A **Motion** by Erika Johnson and seconded by George Pettengill to purchase the used motor for \$4,500 as long as the motor is inspected and certified by a mechanic. **Motion passed unanimously.**

New Business

- **Ratify Purchase of Hoist for Sewer Plant.** A **Motion** by George Pettengill, seconded by Christine Junior to approve the purchase of the Hoist. **Motion passed unanimously.**
- **Ratify reassigning agent of record from Atlas to Time on Flood for A, G, H, and J.** A **Motion** was made by Christine Junior and seconded by Maria De La Nuez. **Motion passed unanimously.**

- **Fire Sprinkler Replacement and Replace 3G dialers (being phased out) with 4G dialers.** A **Motion** by Erika Johnson and seconded by Maria De La Nuez to approve the replacement of the exterior sprinkler heads, the needed interior sprinkler heads, and the dialers. **Motion passed unanimously.**

- **Put Pontoon Engine up for Sale.** A **Motion** by Maria De La Nuez, seconded by George Pettengill to put the pontoon engine up for sale as “best Offer”. **Motion passed unanimously.**

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Next Scheduled Board Meeting: Wednesday, September 28, 2022, at 3:00 pm.

A **motion** was made by Erika Johnson and seconded by George Pettengill to adjourn the meeting.

Motion passed unanimously.

Meeting Adjourned at 4:28 pm

Respectfully submitted by,

Barbara Vitolo, CAM

For the Board of Directors at

Hideaway Bay Beach Club Condominium Association, Inc.

The Secretary, Christine Junior.

President's Report August 24, 2022

Proposed public sewer utility- Environmental Utilities has submitted a request to ask the Public Service Commission to reconsider the ruling denying the certificate of operation for the proposed public sewer utility. The following has been copied from an eBlast from Pine Island Estate Association Inc.

As a result of the filing of EU’s Motion for Reconsideration, the docket calendar has been updated to include the remaining steps in the administrative process. First the Motion and responses will be reviewed by the PSC staff, who will make their recommendations to the Commissioners on August 26th. Then the Commissioners will vote at their Commission Conference on September 8th. Twenty days later the ruling will be posted to the docket, and at the end of October either the docket will be closed or the calendar will be revised again.

While the PSC’s ruling on this Motion will mark the end of the PSC’s jurisdiction in this case, their decision can still be appealed in the First District Court in Tallahassee. This case continues to be a long and slow process.

Reserve Study- The reserve study was received from Global Solution Partners on August 3rd. The entire board, 2023 budget committee, the management company reviewed it and came back with many questions for Global. The 2023 budget committee will reach out to them for answers and adjustments to our 30-year reserve plan. We are awaiting the revisions.

Insurance:

- **Flood Insurance Renewal A G H J-** These policies will be renewing through Time Insurance Agency rather than Atlas Insurance agency. Time was the insurance agent prior to Atlas, so they are very familiar with our association and had originally set up most of the policies that were later transferred to Atlas. Time Insurance is also the agency that negotiated the terms with Trisura Insurance that saved us a great deal of money on our property excluding wind policy. It also greatly improved the terms of insurance. The 2022 flood premium on each

building did go up from \$6,240 to \$7,496. The limits of insurance went up from \$2,030,000 to \$2,233,000.

- I have heard from many people that they don't need to buy flood insurance because the association has a master policy. I would encourage everyone to carry their own "unit owners" version of the flood policy. It shouldn't be too expensive since our buildings are on stilts. The elevation certificate for each building is on the website for your easy access. The limits should mirror the limits you have on your HO6 (condo unit owner's policy). So why should you carry your own flood policy?

- The real estate appraisal is based on interior elements as the developer put in the units.

Many units have now been upgraded. The appraisal does not consider those upgrades.

There may not be enough coverage let on the policy once the common elements are repaired for your unit.

- The association policy will not provide any coverage for your personal belongings.

Note: some mortgage companies require you to carry your own flood policy in addition to the association master policy.

- Wind coverage for buildings D, E, J, & K has been processed by Citizens Insurance now that the roof replacements are completed. The additional premium is \$124,949. That puts the total for this one policy at \$328,217. That exceeds our entire 2022 budget for all policies which was \$310,541. This does not include the return premium of \$16,914.11 we received from Avatar Insurance Co.

- Coverage for D, E, J & K was added to the Trisura Insurance property excluding wind policy.

The revised premium with the additions is \$49,599.70. That is a savings of \$27,000 from the Landmark policy that we had no choice but to purchase when Avatar Insurance became insolvent. Our thanks to Time Insurance Agency for negotiating this alternative option for us!

- The Landmark Insurance policy cancellation is still pending.

- Replacing watercraft policy- Efforts continue to replace the current Markel American Insurance Company watercraft insurance policy. The main goal is to secure windstorm coverage on the crafts. We presently have two options available from Time Insurance Agency. Both options are being reviewed and negotiated. Both of the options that we are considering will offer Captain and Crew coverage without specifically naming the captain. This is an important part of the negotiation since only one captain is onboard at any time. I am negotiating to have a mate included as needed in emergencies and training.

- Pollution Liability- Time Insurance has gotten us a proposal to consider for pollution liability on the sewer plant. It is presently being reviewed by the board and our partners at NES. The premium will be \$6,084.75. Unfortunately, it was not budgeted for since we have not had proper pollution liability on the sewer plant since about 2018.

Florida Insurance Guarantee Fund (FIGA) Update on Insurance Claims and Return Premium:

- We now have an adjuster assigned to us at FIGA. I have left a message requesting the status of our claim and I'm waiting for a call back. The final repairs were only about \$33,000 over our deductible. The deductible is 3% of the building limits of insurance.

- Avatar Insurance Company Refund of Premium- Avatar Insurance provided our property insurance during 2021. As you know, they became insolvent, and our coverage terminated early. The Florida Insurance Guarantee Fund is responsible for liquidating the company. We recently receive a refund from them in the amount of \$16,914.11 for the period of 4/13/2022 to 5/17/2022. The funds have been returned to the operating account for insurance.

Ferry Repairs:

- The warranty on the ferry motors runs out in about one year. The motors will be evaluated at the next haul out service so that we might get a better idea of when they need to be replaced.

- The ferry was in for service for several days due to repairs needed to the drive shaft. The cost was \$5,999.01. A brand-new motor costs approximately \$18,500. This repair was NOT covered by the warranty.

Building Repair/Construction Update

- Fire Sprinkler Head Replacement- The fire sprinkler head are in dire need of attention.
 - 240 exterior sprinkler heads in C, J, H, & I have already been replaced. The also fix some test drains and some piping. The cost of the repair was \$16,801.30.
 - Some interior sprinkler heads in more than half of the units also need to be replaced. Some have been painted over. PLEASE REMEMBER NEVER TO PAINT THE SPRINKLER HEADS! Some are under recall from a long time ago that were never replaced. The manufacturer is no longer honoring the recall, but Piper Fire has given us a discounted price on those units. The work will be scheduled soon. The cost of the repairs are \$13,544.
 - These repairs were not part of the 2022 budget, so it will definitely put that account over the annual operating account budget of \$5,000.
 - Piper Fire also strongly recommends that we replace the wireless dialer system which is based on outdated technology. Piper advises that the only other alternative is to replace the entire fire alarm system. The projected cost of replacing the wireless dialers is a discounted price of \$6,630.50. The full price would have been around \$14,000.
 - Please be advised that keeping the sprinkler system working at all time is of the utmost importance. There is a provision on our fire insurance that voids coverage for a fire if the prior to the fire the system was not operational. We could not bear the loss of the building with no insurance coverage.
- Painting update
 - The caretaker complex painting is complete. That concludes the painting contract with Peacock Painting.
- WiFi- Joe Holme reports:
 - Joe is testing out the new "WiFi 6" Technology. He says that it is fast. It will be available in the office on his next visit. Installation of the new technology in the rest of the buildings will begin in 2024. The expected 3-year cost of this upgrade is \$15,000. The 2023 budget committee already has this number to plug into our future budgets.
 - He now has 45 antennas and 9 buildings uplinks to maintain.
 - We can expect labor and repair costs of \$350 - \$500 per month for our Wifi parts and labor expenses.
- Cameras- Joe Holme reports that the system is under a 3 year warranty. That does not include the two trash can cameras. The cost to maintain the cameras is \$100 per month.
- Mainland Dock Header Repair- Abbotts reports that they are experiencing delays in getting the permit needed to commence the work. It is still under review. Abbotts has also been asked to evaluate the entire dock for any other issues. They will provide guidance on how long we can wait to replace entire deck. It is possible that the mainland dock will be closed during construction. Details to follow when we know more. Yes, this is what was reported last month. There have been no changes in the status since then.
- Sewer Plant-
 - We are past due for the regular pump out for the tanks in the sewer plant. Once again, Martin's Septic was having problems with the truck, so the pump out was delayed. Then the Dixon's barge was not running so that the family could arrange for funeral services for Sammy Dixon. As of the today, Marty's truck is still not scheduled for service. Martin's

Septic is the only contractor that is willing use the Eldred's Barge. Robert Hill does not have a barge at this time that is big enough to accommodate Marty's truck.

◦ The association received a warning letter from the Department of Environmental Protection dated 6/21/2022. NES had already completed temporary repairs to the leaks in the tanks.

Other deficiencies were discussed in a meeting with the DEP on August 15th.

- The winch is being replaced at a cost of \$9,678.72.

- Jim Novak feels that the rest of the deficiencies can be cleared up without additional cost, but we are scheduling a time to go over the list of deficiencies with him. We are still waiting for DEP to send us their notes from the last meeting.

◦ On July 20th, we received the renewal on our sewer plant permit. The new permit runs until 9/20/2027. There are major repair items that we are responsible to complete in 2023. This is contrary to the three-year plan that we started to look at last year. However, Jim Novak advises that the completion dates are negotiable and will lead the effort to get a schedule that will be the most manageable for our association. We have gone over our reserves for the sewer plant with him and hope that we will not have to have an assessment since we will have time to build our reserves by the time the money is needed. That, of course, will drive up the quarterly dues. Some people may prefer to have an assessment instead. We will have that discussion when all the completion dates and costs are known.

- Scheduled Building Maintenance- At this time, no new projects are slated. We will have the information needed to set the schedule once all the details of the 30-year reserve study are final.

Respectfully Submitted,
Gena Huebner, President

Management Report August 2022

- Pest control treated 7 units on August 26th (A-2, A-3, A-6, A-7, K-4, D-6 and J-8)
- Mike Stone reports that he does Landscaping on Thursdays and he mows one week and trims on the others. He is currently working on building D trimming. He will then move to building C and then J. I communicated with Mike Stone the work orders that are assigned to him.
- All Painting is complete
- I have met with Richard Leydon concerning the work orders assigned to him.

Barbara Vitolo, CAM

Treasurer's Report for Period Ending July 31, 2022 Presented at the August 2022 Board Meeting

Total expenses 104,901.95

Total Income 100,656.56

In our reserves we currently have 321,694.03

We have Equity of 423,796.87

The balance in our Operating Account is 316,723.43

Balances

Fifth Third Bank 155,886.06

Centennial Bank 59,402.17

Cadence CD 106,405.80

August Alternative Barge Report

Eldred's Marina is under contract. The buyer has not released their plans for the property as yet. Robert Hill has ordered the framework to start building a larger barge to service LGI. He plans on meeting with the county in September regarding permitting.

Respectfully submitted

George Pettengill

Rod Lovell

Kevin Kendall

Alex Tucci

Hideaway Bay Board of Directors Question and Answer Page Monthly Report for August 31, 2022

The number of owners now in the group as of 8/26/2022 is 58.

There were 6 new posts.

Respectfully submitted,

Gena Huebner, President

Grounds Committee Report....August 2022 Meeting

There have been small alligators spotted in both ponds. Please be aware when walking near the ponds.

They were too small to be removed at this time.

The pumps in both ponds are working. The copper being added to the ponds seems to be working in preventing the buildup of clams.

New signs were ordered and received for the ferry carts.

HR Committee Report**Aug 23, 2022**

Committee did not meet this month, however Erika revised the job description we collectively worked on to organize areas of work that is daily and areas of work that are scheduled and ongoing and the use of vendors and management of. That job description did go to the attorney for review. We are waiting for that status.

I plan to reach out to Erika Johnson and Anita Roederer, Committee members this month.

Sewer Project

As most of you have heard, the Public Service Commission (PSC) denied the certificate for Environmental Utilities (EU) to install a sewer system on Little Gasparilla, Don Pedro & Knight Islands at their meeting on June 7, 2022.

EU filed a motion for reconsideration of the decision on July 22, 2022. The standard of review for reconsideration of a Commission Order is whether the motion identifies a point of fact or law that the Commission overlooked or failed to consider in rendering the order. Granting a reconsideration must be based upon specific factual matters set forth in the record and susceptible to review.

On June 28, 2022, Charlotte County (CC) Commissioner William Truex submitted a letter in support of EU's request. This letter was posted well after the record was closed in February 2022 and after the PSC voted to deny the certificate on June 7, 2022.

On July 29, 2022, the Office of Public Counsel (OPC) objected to EU's attempted use of the unauthorized June 28th CC letter. The OPC filed a response solely for the purpose of protecting

the record in this case and for principles of fairness in Florida PSC proceedings. This letter is not within the record of the case & cannot form the basis for reconsideration. No party was given the opportunity to conduct discovery, depose the author, or conduct cross-examination on the assertions. The OPC requests that the EU motion is denied.

On August 26, 2022, the PSC Staff submitted their recommendation to the PSC Commissioners. The staff disagreed with EU that there are points of fact or law that the Commission overlooked or failed to consider in denying EU's application. EU has offered only reargument to support their claims. The PSC staff recommends that EU's reconsideration should be denied.

The PSC Commissioners will vote at their Conference on September 8, 2022. You can view the complete file at floridapsc.com under Docket #20200226.

Eldred's Marina

Eldred's Marina has a contract for sale, though the details of who has purchased the property is not known. The LGPOA plans to send a letter to the CC Commissioners reinforcing that we need a mainland location for a barge landing, not for CC to run a barge service.

Respectfully submitted,
Barb Dwyer

Sewer Committee Report August 2022

On July 29, 2022 Gretchen Tenk and Rick Thompson met with Daniel and Jim Novack of NES, our sewage treatment plant operator. The purpose of the meeting was to discuss the prospect of NES assuming ownership and control of our plant and running the utility for a month cost. This was a very preliminary meeting and more of an information gathering function.

NES manages over 100 such utilities in the area, most of which are manufactured home communities on the mainland. With some of these communities they have had success by obtaining full ownership and control of the utility and property and charging the community a set fee for usage. The fee would be set on costs plus profit and future rate increases may be contractually tied to something such as the CPI or SS increases. This gives them full control of the maintenance and operation of the plant, with no need to seek permission by a Board for any purchase or repair. They feel they can more efficiently run the plant than the Board and as a result, we would both enjoy savings. And we would be out of the Utility Plant business.

The concept seems to have merit; however, I would like to explore leasing the plant and land to them as opposed to selling it outright. We need to maintain control in the event we have a "falling out" with NES. The purchase/lease would be done in conjunction with the impending and expensive repairs we are facing, so I can see a proposal with includes a trade along those lines.

Gretchen and I asked them for an initial proposal and references from some communities that transferred their plant to NES. Once we receive their proposal we will report back. This is a very long term project and if we get anywhere close to making an agreement, we will need to engage specialized counsel.

Rick

[This just in....](#)

[The Staff for the PSC has recommended that the PSC deny EU's Motion of Reconsideration. We now wait to see if the PSC follows the staff recommendation, which they normally do](#)

HBBC Access Committee

8/25/2022

The Ring camera installed between the 'K' and 'J' buildings was reported as damaged. The following was included in the caretaker's weekly report:

"Fire Chief Bill was passing through Hideaway about 2 am on Wednesday night when he noticed that the camera between K and J buildings was glowing orange. The camera was very hot and Bill removed it so it would not start a fire. He placed it in his UTV on the floor since it was too hot to put on the seat. While traveling, the camera fell off the UTV and could not be found. Joe the IT person was notified and will be contracting the camera company."

As per the recommendation from Ring, a police report was filed so that the camera can be located using its MAC address. Ring also advised that the siren be activated so that it can be located in this manner as well. The good news is that the camera was in fact located after the siren was activated. It was found in the bushes several yards away from the road in front of the K building. It is operable except for the battery door which will not close.

Budget Committee Report

August 2022

The Board and the Budget committee received the first draft of the Reserve Study report from Global Solutions. There were some questions and suggested changes by the Board as well as some of the members of the Budget Committee. A meeting over TEAMS took place on Tuesday, August 23rd between a representative of the Board, a representative from the budget Committee and Global Solutions. The questions and suggested changes were reviewed, and Global Solutions is in the process of updating the report. We are awaiting the final draft of the report.