

CARIBBEAN BEACH CLUB ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
Ft. Myers Beach, FL
Minutes
February 26, 2016

I. CALL TO ORDER/ROLL CALL/QUORUM VERIFICATION

President Edward O'Connor called the meeting of the Caribbean Beach Club Association, Inc. Board of Directors to order at 9:07 a.m. The following persons were in attendance:

Board of Directors:

Edward O'Connor, President
David Siktberg, Secretary
John Vary, Director
Anthony Annunziato, Director
Steve Elbing, Director

Telephonically:

David Zibolski, Vice President

Excused:

Thomas Andres, Treasurer

Defender Resorts, Inc. /Resort Management

Mark Westbrook, President and COO
Carolyn Hray, Regional Director of Operations
Charlie Andrews, Operations Manager
Sondra Ritchie, General Manager

Owners:

Fourteen owners were in attendance.

Guests (only present for their portion of the meeting):

Robert Fowler Senior, John Phister, and Rob Masengale of Fowler Construction and Development.

President O'Connor called the meeting to order and called the roll at 9:07am.

President O'Connor called for the pledge of allegiance and explained the owner's right to participate in meetings.

A quorum was established with a majority of all Board members in attendance.

II. NOTICE VERIFICATION

President O'Connor verified that notice of the meeting had been posted on the Board approved location in accordance with the condominium documents and Florida Statutes.

III. APPROVAL OF MINUTES

The Secretary's draft of minutes from November 26, 2015 was presented. An earlier version prior to the Secretary's edits was also distributed in the meeting books in error.

MOTION: Anthony Annunziato moved to approve the Secretary's Draft of the minutes from the November 6, 2015 Board Meeting as provided. The motion was seconded by Steve Elbing. President O'Connor called the vote and the motion passed unanimously.

IV. FINANCIALS

A. The financial report in the briefing book -- presenting data as of December 31, 2015 -- was discussed by Mark Westbrook in the absence of the Treasurer. Discussion ensued on a number of points.

Agenda item IV.B to discuss adjustment of 2016 assessments was postponed until a later meeting since the Treasurer was not present to lead the discussion.

Agenda item IV.C was postponed until later in the meeting to follow the presentation by Fowler.

MOTION: Steve Elbing made a motion to add to the budget meeting agenda each year a determination of the flat fee per unit week, if any, to charge owners that pay their maintenance fee by credit card, so that Florida statutes regarding such fees are observed. The motion was seconded by John Vary. President O'Connor called the vote and the motion passed unanimously.

Tom Andres distributed to board members via paper copy two potential motions for the Board to consider. Only the first was moved by a member present in the meeting.

MOTION: Dave Siktberg moved to transfer the 2015 Surplus in the Contingency expense account in the amount of \$10,000 into the 2016 Contingency Expense Account as of January 1, 2016. John Vary seconded the motion. After a brief discussion David Zibolski moved to table this motion until the next meeting. That motion was seconded by Steve Elbing. President O'Connor called the vote on the motion to table, and it carried unanimously. The motion was tabled.

Agenda Item V was postponed until the Fowler Construction people arrived.

VI. MANAGEMENT REPORT

A. Carolyn Hray presented a Five Year plan which was briefly discussed, and changes were requested.

[The Fowler team arrived, and the meeting went back in the agenda to cover their presentation.]

V. SOUTH BUILDING/ROBERT FOWLER

Robert Fowler Senior, John Phister and Rob Masengale of Fowler Construction and Development arrived and presented their Project Assessment of work for the South Building renovation. See Attachment A for their report. Extensive discussion accompanied and followed their presentation.

MOTION: David Zibolski moved to accept into the record Fowler's Project Assessment of work for the South Building renovation and Pool Bath House as presented. Steve Elbing seconded this motion. President O'Connor called the vote and it carried unanimously.

MOTION: David Zibolski moved to authorize Fowler to proceed into Phase 2 of the work plan authorized earlier for them. David Siktberg seconded. President O'Connor called the vote and it carried unanimously.

The Board recessed for lunch at noon and reconvened at 1 pm. David Zibolski was unable to continue attendance by telephone and was excused from the afternoon session.

After lunch, the scheduling of construction work on the south building was discussed.

MOTION: John Vary moved to close down the south building during weeks 28 through 48 in order to do the renovation. Anthony Annunziato seconded. Discussion followed. President O'Connor called the vote. John Vary voted yes. Steve Elbing, David Siktberg, and Anthony Annunziato voted no. The motion failed.

MOTION: Steve Elbing moved to close down the south building during weeks 31 through 51 in order to do the renovation. Edward O'Connor seconded. President O'Connor called the vote and it carried unanimously.

[The meeting continued where it had left off when the Fowler team arrived.]

VI. MANAGEMENT REPORT (continued)

- B. The RCI report in the briefing book was presented and discussed.
- C. The Manager's report in the briefing book was presented and discussed.

VII. UNFINISHED BUSINESS

- A. The sales report was verbally presented by TJ Bryant, who made a suggestion to facilitate sales of South building units. Discussion followed.

MOTION: David Siktberg moved that the board authorize implementation of a sales program covering units owned by the HOA in the south building during weeks 17 through 22 and 32 through 50 for first occupancy in 2017. Maintenance fees for 2017 will be due from these new owners, but not 2016. The sale price for studios will be \$1699 and for 1 bedrooms \$1999, including closing costs. The HOA will receive \$300 of the sale price of studios, and \$400 of 1 bedrooms. Steve Elbing seconded. President O'Connor called the vote and the motion carried unanimously.

VIII. NEW BUSINESS

- A. Issues with the spa heater and pool were raised and discussed.

MOTION: David Siktberg moved that the board authorize Defender to engage Balgas to lay a propane gas line for a new spa heater at a cost not to exceed \$7,700, the heater to be provided in an even

exchange by Leslie Pools for the current electric heater. Anthony Annunziato seconded. President O'Connor called the vote and the motion carried unanimously.

B. Discussion of a ground level bath was skipped as the earlier Fowler presentation had covered this point.

C. Two bids for doing the 2015 Audit were presented by Defender and discussed.

MOTION: David Siktberg moved that the Board accept the proposal by Myers Bretholtz and Company to complete the audit at a cost not to exceed \$7,200. Steve Elbing seconded. President O'Connor called the vote and the motion carried unanimously.

D. The possibility of allowing owners to listen in on telephonic board meetings was discussed.

MOTION: Anthony Annunziato moved that Defender study the options and possible consequences of allowing owners to listen in on telephonic board meetings via conference line facility, and report back to the board at the next board meeting. Ed O'Connor seconded. Discussion ensued. John Vary moved that the motion be amended to include providing owners telephonic access to all board meetings, not just telephonic meetings, and Anthony Annunziato agreed to allow that amendment. David Siktberg seconded this motion to amend. President O'Connor called the vote. Ed O'Connor opposed, Anthony Annunziato, Steve Elbing, David Siktberg, and John Vary were in favor. The motion to amend carried. President O'Connor then called the vote on the amended main motion, which carried unanimously.

Items E, F, and G (Improvements in Common Areas, Activities, and Building Painting) were deferred until the next meeting, as they were to be presented by Mr. Andres, who was absent.

H. President O'Connor discussed the status of an owner complaint submitted to the state of Florida regarding the insurance settlement. The State reviewed the complaint and submitted a response closing the case. (See Exhibit B attached)

I. Defender Employees: This item was deferred until the close of the meeting.

IX. COMMITTEE REPORTS

A. The Website Committee report was verbally delivered and briefly discussed.

B. The Building and Grounds report was verbally delivered and briefly discussed.

C. The Investment Committee report was verbally delivered and briefly discussed.

D. The Insurance Committee report was verbally delivered and discussed. A telephonic board meeting was scheduled for 7 PM Monday March 28 to review the final bids received and make a choice.

E. The Internet Services Committee report was verbally delivered and briefly discussed.

X. FUTURE MEETING DATES

The following future board meeting dates and times are established:

Monday, March 28, 7:00 pm Telephonic – Insurance Meeting

Friday, May 20, 9:30 am at the resort.

Friday, August 19, 9:30 am at the resort.

Monday, November 7, 9:30 am at the resort and annual meeting and organizational meetings to follow.

John Vary moved that the Board go into Executive Session at 2:12pm to discuss personnel issues. David Siktberg seconded. President O'Connor called the vote and the motion carried unanimously.

The Board meeting resumed regular session at 2:27pm.

The Board discussed how to move the displaced owners during construction.

XI. CALL FOR ADJOURNMENT

There being no further business to come before the Board, Steve Elbing moved that the meeting be adjourned. David Siktberg seconded. President O'Connor called the vote and the motion carried unanimously, and the meeting adjourned at 2:40 p.m.

BY: _____

DATE: _____