

## **BAY HOUSE CONDOMINIUMS COUNCIL OF CO-OWNERS**

### **BOARD MEETING MINUTES Navigation District Education Center May 22, 2021**

President Lizz Salmon requested a motion be made to bring the meeting to order at 1:00 p.m. Said motion was made by Dorothy Rhoades, seconded by Carol Anderson, vote was taken and passed unanimously. Roll was called and a quorum was present.

Directors Present: Lizz Salmon, Carol Anderson, Dorothy Rhoades, Howard Stridde, Gail McClanahan, Becky Farnsworth, Shaun Blackmon, Lawson McDowell, Terry Hect (Zoom)

Directors Absent: None

Managers: Ed Naranjo, Pam Garrett

Guests: Noel Byrne (2601), Earle Bolks (2603), Rick Glassett (1602), Tommy and Barbie Stewart (2402), Troy Bolton (2403), Bennett Blocker (1802), Joe Ebrom (2302), Becky VanderVort (1702)(Zoom), Shanna Starkey (2710)(Zoom)

#### **Minutes**

The minutes for March were presented for review and approval. A motion was made by Becky to accept the minutes as written subject to change that Copano wants payment up front on the decks, seconded by Dorothy, vote was taken and passed unanimously.

#### **Agenda**

The agenda for May 22, 2021 was reviewed and Lizz added under New Business for the guests to speak and will be allowed only 5 minutes each. The Board will take their comments into consideration after the meeting and will respond to each one individually.

#### **Treasurer's Report**

Lawson introduced the Finance Committee: Noel Byrne, Gail McClanahan and Lynn Renaud (not present). He then reported that as of April 30, 2021, the account balances were: Operating, \$537,583.84 of which \$273,750.00 has been collected for the Association Loss Assessment; Savings/Major Projects - \$230,279.80; Insurance Proceeds - \$776,318.35 giving us a total cash balance of \$1,544,181.99. Year to Date we are under budget by \$1,237.87. The proposed budget for 2021-2022 will be discussed in Executive Session. There are no maintenance fees increases proposed next year. Lawson stated that they will be asking the Board to approve the purchase of a new utility cart as one is on its last legs. They are also asking for new computers for the office and digitize all of our records. We did go over budget with Legal due to By-Laws, liens, litigation,

etc. A question and answer period followed. A motion was made by Shaun to accept the Treasurer's Report, seconded by Terry, vote was taken and passed unanimously.

### **Manager's Report**

Ed reported that he has been working with Lawson regarding the windows. There are quite a number that are still leaking. We have begun caulking and painting those windows and it is a slow process. He has also been working with Robert Smith who is finishing out units. Ed has also been working with Becky regarding the stone mason for the entrance sign. We pulled a lot of dead plants out last week. He has been attempting to contact the pool contractor as the light in Pool #2 is not working. Ed reported he is starting to entertain bids for palm tree trimming. Ed will also be working on the fencing of the corner units. He has been in contact with the contractor and owners who are doing the patio extensions. Ed and Lizz have been working on an annual maintenance plan, including items that are to be done on a regular basis. Ed was requested to check all pool gate locks. Discussion was held regarding the sticker burrs and it was suggested that granules be used instead of spraying. Discussion was also held regarding lighting around Pool #1 as it is very dark at night. Ed explained we finally have the fixtures to go under the gazebo and will hire an electrician to install.

### **General Construction Update**

Lawson reported that we still have ongoing issues. Another leak was reported at #2515 and we may have to replace the flat roof. All of the doors that Roadrunner left unsecured are now secured. Roadrunner apparently went in and installed new windows on old flashing. The HVACs are all secured now. There are 3 units that the HOA has to complete that Roadrunner walked away from. We have found in many units that we have batt insulation with holes allowing heat in. The contract with Roadrunner called for spray insulation. Lawson went into detail on each unit as to what needed to be corrected that Roadrunner did not do and/or didn't complete. Lawson reported that we have a number of individual owners who paid Roadrunner for upgrades. It is not the responsibility of the HOA to pay for these items but will help out the owners with Roadrunner. He also stated that some units were not hurricane strapped in the attics, not only the roofs but the attics. We had an engineer come out and know exactly what's needed. We will probably have to pay for that and collect it back from Roadrunner. Lawson reported that we also have found some rotted wood due to termites which is our responsibility.

Lien Update – Lawson reported that the BOD tried for 3 months to get a bond to bond around the constitutional lien. They finally found a company that was willing to issue a bond. We checked with the title company to see if they would accept it. It turns out that title companies will not accept a bond around for a constitutional lien. They accept it for mechanics liens. Now Lizz and Carol will go back and reorganize our negotiation strategy with Roadrunner. On the 6 mechanics liens on individual units, our attorney stated that it is Roadrunner's responsibility to remove those liens and pay the sheetrock contractor. We have not heard from Roadrunner regarding those liens. The negotiation committee sent Roadrunner a second demand letter and this letter is seeking to reorganize our negotiation strategy. We have no idea at this time where the negotiations are headed. We do not want to go to court if possible. The Mathis Group is not helping so it has been

decided that Roadrunner contact Carol for negotiations and leave The Mathis Group out. A question and answer period followed.

### **By-Laws Update**

There were no updates on the By-Laws. Shaun explained that the BOD wanted to consolidate Schedule A into a more readable document so that anytime any discussion or conversation is held regarding the By-Laws that there is only one document that we basically formulate from all of the things that have happened to date. It will also include the rules and regulations for the docks/piers and decks. Nothing is being changed. It is to put everything in one document.

### **Landscape Committee**

Bonnie Gilson was not available so Dorothy spoke for her. Dorothy presented a plan from Native Dave that is an example of one building's preliminary plan of how it would look. Dorothy explained Native Dave's ideas such as extending the planting area in certain areas and getting rid of the grass and installing native plants that are hardy and use less water and won't have to deal with sticker burrs, mowing, etc. The theme is a coastal theme not tropical with blooming plants and foliage year round. Dave will be doing plans for each building differently to account for the sunlight that hits the buildings and that the plants are appropriate. A question and answer period followed.

### **Deck Committee**

Carol reported that we have a signed contract with Guy Pfitzner. He has honored the prices that he gave us in October. Trex will be the only price that will change. He is hoping to start in September, even though the contract states November, and to be finished in December. Terry reported that we had 3 different contractors bid on the project. The prices were relatively the same but did not have the background and qualifications that Guy does. Carol stated the reason the e-mail went out this week is that Guy needs to know how much Trex to order. He will not have a definite price until he places the order because he will get a bulk rate. A question and answer period followed.

### **Architectural Committee**

Lizz stated there was nothing to report.

### **Entrance Sign Update**

Becky reported that engaged a stone mason who disappeared on us. They have now hired a new stone mason but we do not have a price at this time. He is going to get a bid to Becky anytime now. We have purchased the limestone block and have ordered laser cut letters. The stone mason does not feel comfortable placing the letters and will find someone to do that. Becky reported that we are also going to do a limestone block way finder sign to replace the temporary directional signs at the entrance.

## **Website**

Sonny (#1906) sent a note to Becky stating that he noticed a breach in the security area of the owners section. Karl said that it can be fixed. The possibility of placing a payment portal on the website was discussed. A question and answer period followed.

## **Old Business**

## **New Business**

Lizz stated that it was time for the guest speakers and each one has five minutes. The Board will respond at a later date after consideration of the comments.

Noel Byrne: As requested, his comments and e-mails are attached hereto and made a part hereof.

Troy Bolton: Mr. Bolton spoke on the subject of the patio extension policy.

Earle Bolks: Mr. Bolks on the importance of upholding the existing By-Laws.

There being no further business, a motion to adjourn was made by Howard, seconded by Becky, vote was taken and passed unanimously. An Executive Session was then called. During this session, the Board unanimously approved the FY 2021 – 2022 budget. The Board also unanimously approved a full membership vote to validate: (1) The April 2, 2021 Association Loss Assessment; (2) Policies concerning decks, patios and balconies; (3) The Board's recommended deck replacement project.

Respectfully submitted,

Pam Garrett  
Secretary

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To: Bay House Council of Co-Owners

From: Noel Byrne, Owner of 2601

Subject: Deck Replacement

Date: May 22, 2021

I respectfully request that the Board of Directors follow the Bylaws of the Bay House Council of Co-Owners and allow the Ownership to formally vote on the proposed deck replacement project. A copy of the original ballot from August of 2020 is attached for your review.

I received an email from the Board yesterday requesting my preference for my deck replacement, but this project has never been voted on by the ownership. The cost is well in excess of the \$40,000 expense which requires the approval of the Ownership.

The damage to the decks is the result of age and erosion and not storm or emergency related. The Board researched the problem and came up with a recommendation which was believed to be in the best interest of our community. That recommendation needs to be presented to the Ownership for approval.

Almost a year has passed since the recommendation was crafted. It is the Boards responsibility to move forward quickly but in accordance with our Bylaws to resolve this very important issue.

Attached: Original August 2020 Deck Replacement Ballot

## **Bay House Council of Co-owners**

### **Deck Replacement Ballot**

The Board of the Bay House Council of Co-owners approved the following plan to replace all decks in our community. At this we are asking for approval of the ownership by returning this ballot as an email or printed copy by regular mail. All owners are asked to vote but since the financial assessment will only be charged to unit owners with decks if a majority of those owners vote no the proposal will not pass.

### **Proposal**

The Board has researched the options of repair or replacement of the decks throughout Bay House and concluded that the most cost effective solution is replacement. To that end five contractors were asked to submit bids for the project and the Board selected Pfitzner Enterprises Inc. Pfitzner is the company that completed our bulkhead replacement.

The project includes removal of existing decks, installation of drainage pipes from gutters, vinyl retaining wall to insure long term foundation stability, lattice railings, new stairs and concrete pads between the bottom of the stairway and the bulkhead cap.

Each owner with a deck will be assessed an amount necessary to complete this project. A typical interior unit will have about 220 sq ft and an end unit may have up to 350 sq ft. The following options will be available:

- 1) Treated wood \$48.12 per square foot  
Interior unit estimate \$10,587.00; End unit estimate \$16,842.00
- 2) Owner supplied Trex \$48.12 per square foot: Owner responsible for approved deck material.  
Interior unit estimate \$10,587.00; End unit estimate \$16,842.00, both plus cost of deck material
- 3) Contractor supplied Trex \$54.26 per square foot; Trex will be the same color and quality as the docks.  
Interior unit estimate \$11,937.00; End unit estimate \$18,991.00

The design to the decks will be like our current design with the following changes:

All stairs will be a single stairway shared by two units with each having their own access gate. All decks will have a uniform width and length except for end units which will have the option to extend the deck up to ten feet from the side wall. You will find a drawing attached to show the design approved. There will be additional limitations on the size of some end unit decks to ensure community access to the bulkhead and fish cleaning stations. Those will be discussed with each individual owner during the final order stage.

As with the dock/pier project each owner will complete and order form to confirm their preference and will be assessed based on that request. All assessments will be due with in 60 days with limited payment options available which will match the bulkhead project.

**Vote**

**Owner Name** \_\_\_\_\_

**Unit** \_\_\_\_\_

**Yes** \_\_\_\_\_ **No** \_\_\_\_\_

To: Bay House Council of Co-Owners Board of Directors

From: Noel M. Byrne, Owner of 2601

Subject: Unauthorized Assessment

Date: May 22, 2021

I respectfully request that collection of the unauthorized assessment be immediately suspended and any funds already collected be escrowed until such time as the Owners vote per our Declarations and Bylaws.

None of the ten subcategories listed as the purpose of the assessment are allowed without ownership approval. Also, expenditures greater than \$40,000 require the approval of the ownership which generally occurs with an approval of the assessment.

Specifically, the following categories: Basic Landscaping, Pool Repairs, HVAC/ELEC Repairs, Roofs and Ceilings, Sidewalks and Patios, and Signage have already been funded through the existing assessment for major projects. As of April 30, that fund stands at \$230,279.80 with an additional \$5,900 to be received each month from the \$375 monthly assessment. This amount is well in excess of the \$137,588 combined cost of these categories. In addition, the pool expense is greater than \$40,000 and requires owner approval. Several of the other categories should be part of the construction settlement, specifically HVAC/ELEC and Roofs and Ceilings.

Establishment of a "Contingency Reserve" requires the approval of the Ownership as the Board proposes its funding at \$86,612 which is well in excess of \$40,000.

Drainage & Erosion are huge problems and the solution is desperately needed however it is a requirement of our Bylaws that the Ownership is allowed to vote on the plan. That vote has not taken place so no assessment may be made for the projected cost of \$295,000. This issue is not storm related so there is no emergency action allowed.

Similarly, The Irrigation system must be replaced but this also requires the approval of the Ownership as the proposed expense is much greater than \$40,000. Again, this is not a storm caused emergency, so no special provisions apply.

The final category is the Harvey Account Reimbursement of \$200,600. This is something that should be part of the final contract negotiations and needs to be fully itemized. If it proves to be a correct number, then we have already provided \$92,691.80 plus and additional \$5,900 monthly from existing assessments. The maximum need currently is \$102,009 assuming the numbers in the original amount are correct.

The Bylaws are clear, and this Assessment is in violation of those Bylaws. Corrective action must be taken immediately to avoid further disruption to our community. The ownership needs to be made aware

To: Bay House Council of Co-Owners Board of Directors

From: Noel Byrne, Owner of 2601

Subject: Unauthorized Alterations and Improvements

Date: May 22, 2021

I respectfully request that the Board of Directors enforce the provision of the Declaration for Bay House Condominiums governing "Alterations and Improvements". Several first-floor patios in the 2500 and 2400 buildings have been expanded contrary to our rules. Specifically plans must be presented to the Board for review and if approved by the Board an affirmative vote of 67% of the ownership is required before an Improvement or Alteration is approved.

It is important to note that the ownership of Bay House overwhelmingly approved this provision following an unauthorized build out of a second-floor balcony to prevent any changes being made without the consent of the Owners. It is the responsibility of the Board to follow the Declarations.

Following the precedent of allowing the expansion of the second-floor balconies which in addition to the provision of our Declarations further required the approval of the downstairs neighbor, out of respect for the ownership rights any vote to allow expansion of the first-floor patio should also allow for the approval of the second-floor neighbor.

Any further expansion should be halted immediately until the vote is taken.

Should the proposal be voted down then any patio altered shall be restored to its original dimensions. If an owner made the alterations on their own, they are responsible for the cost. If the owner relied on an unauthorized approval by the Board then the cost shall be paid by the Council of Co-owners.