

**SANDPIPER TOWERS CONDOMINIUM ASSOCIATION, INC.
 MINUTES OF THE BOARD OF DIRECTOR’S MEETING
 SPECIAL ASSESSMENT REQUIRING 14 DAY NOTICE
 April 29, 2024 – Sandpiper Towers “Game Room”**

I. Opening:

- (a) The Treasurer, Delores Melton, called the meeting to order at 1:08 pm
- (b) The Treasurer, Delores Melton, held the Roll Call.

| Present (in person) | Present (via telephone) | Absent |
|---------------------------|-------------------------|--------|
| Scott Feighner, President | | |
| Rod Heck, Vice President | | |
| Delores Melton, Treasurer | | |
| | Joyce Wooden, Director | |
| | | |

II. Proof of Notice of Meeting:

Delores Melton stated that notice of this meeting in accordance with Florida Statutes and Sandpiper Towers’ bylaws was posted in the lobby and provided to all owners on April 16, 2024.

Delores Melton read Meeting Rules:

- (a) Please raise your hand to speak and only speak on the current topic.
- (b) Please limit yourself to two minutes.
- (c) If you need to communicate with others, please step in the hallway.
- (d) Verbal abuse and disrespectfulness will not be tolerated.

**III. NEW BUSINESS
 UPDATES**

The Board Discussed the following updates with a Q&A session with members present at the meeting.

➤ **Budget**

- Sandpiper continues to operate under the same amounts in the 2023 Budget through 6/30/2024.
- Concrete restoration, new seawall project, and other unusual and extraordinary events (i.e. Hurricane Ian, Hurricane Nicole) resulted in additional expenses that were not typical or common in the normal operation of the association for 2023 and 1st Quarter of 2024.
- The Board of Directors will issue a revised budget to be voted on and become effective 7/1/2024.
- Wren Agency continues to try and secure the additional \$10M policy for association coverage per our insurance appraisal.
- In accordance with the association bylaws members will receive the revised budget 30 days prior to the voting date and the meeting.

➤ **Non-Paying Owners**

- Two Units that are in arrears have a high probability of paying the association in full upon their closing date of 5/20/2024.
- As of this date, three of the units previously in arrears for the seawall have paid in full.

➤ **Fire Sprinkler System**

- Nine Units have not paid their fire sprinkler system assessment payments.

- 5/1/2024 the Fire Marshal will be notified that the non-paying units are impeding the installation of the fire sprinkler system.

➤ **Asbestos Project Update**

- Payments not received for the asbestos removal inside the individual units by the 1st day of the month that their floor is scheduled for asbestos removal the fire marshal will be notified as the fire sprinkler system cannot be installed until the asbestos is completed.

➤ **Seawall Project Update**

- Rails for the seawall are being fabricated and will be installed by CRI.
- Final inspection of the seawall cannot be scheduled until rails are installed.

➤ **Drainage and Pool Projects**

- Surveying for the West side and drilling for water tables has been completed.
- Civil Engineer is currently working on the drainage design. Expects to submit designs to agencies within the next two weeks.
- Both Civil Engineers (drainage and pool) and structural engineers state that with design approvals consisting of the parking lot system, building roof system, back (East) of the building, specifications for bid package, pre-bid meeting, sealed bidding process, review and contract award the earliest start date for drainage will be September 2024, and they feel this is an aggressive date.
- Drainage, as previously discussed, will take at least three months.

➤ **Pool**

- The Civil Engineer for the pool has submitted the design to the county and state. Brevard County will only permit the pool to be built in the same footprint (i.e. size, design, location) in compliance with current code specifications.
- Pool cannot be installed until drainage is complete.

IV. INSURANCE

➤ **Insurance increase from 12/1/2022–12/1/2023 Policies to 12/1/2023 -12/1/2024 Policies.**

- The Board once again discussed the premium increases. Also, the additional policy per the insurance appraisal. As previously provided and listed below.

| | 12/1/2022 - 12/1/2023 | | | 12/1/2023 - 12/1/2024 | | | Increase in Premium |
|--|-----------------------|------------|-----------|-----------------------|------------|------------|---------------------|
| | Coverage Amount | Deductible | Premium | Coverage Amount | Deductible | Premium | |
| Property Wind Only | 13,000,000 | 50,000 | 48,185.55 | 10,000,000 | 100,000 | 210,892.50 | 162,706.95 |
| **Property X Wind Policy | 13,000,000 | 2,500 | 25,067.50 | 10,000,000 | 40,000 | 32,550.86 | 7,483.36 |
| **Property X Wind Excel | | | | 6,225,260 | 25,000 | 8,010.26 | 8,010.26 |
| General Liability Policy | 1,000,000 | 5,000 | 20,363.00 | 1,000,000 | 5,000 | 21,344.40 | 981.40 |
| ***Crime Policy | | | | | | 723.09 | 723.09 |
| Directors & Officers Policy | 1,000,000 | 1,000 | 2,616.24 | 1,000,000 | 50,000 | 19,832.40 | 17,216.16 |
| Umbrella Policy for GL | 5,000,000 | | 9,369.15 | 5,000,000 | | 11,668.65 | 2,299.50 |
| Flood Policy 5/18 - 5/18 | | | 24,061.14 | | | 30,431.70 | 6,370.56 |
| Financing; Interest Exp | 6.85% | | 3,349.08 | 7.60% | | 10,736.75 | 7,387.67 |
| Totals | | | | | | | 213,178.95 |
| *Wind X Policies; Two Companies Combined | | | | | | | |
| **D&O Policy is no longer combined with Crime in Florida | | | | | | | |

➤ **Special Assessment Insurance Catch-up on Premiums from January – May 2024**

- The Board explained, as per the special assessment agenda, there is required amount for an assessment in the amount of \$88,850 to cover the difference in premiums allocated in the budget to the actual premiums between January-May 2024 as per the following schedule.

| Special Assessment Insurance Catch-up January - May 2024 | | Increase in Fees per Month | Assessment per Unit |
|---|--|-----------------------------------|----------------------------|
| Unit #101 per Month | | 240.00 | 1,200.00 |
| 1 Bedroom per Month | | 261.00 | 1,305.00 |
| 2 Bedroom per Month | | 295.00 | 1,475.00 |
| 3 Bedroom per Month | | 329.00 | 1,645.00 |
| | | | |
| | | Unit #101 per Month | 1,200.00 |
| | | 1 Bedroom per Month | 19,575.00 |
| | | 2 Bedroom per Month | 51,625.00 |
| | | 3 Bedroom per Month | 16,450.00 |
| Total Insurance Special Assessment Amount | | | 88,850.00 |

(a) Vote by Board of Directors for a special insurance assessment in the amount of \$88,850.00 to cover the premium increases from January through May 2024.

Scott Feighner made a motion to approve a special assessment in the amount of \$88,850 to cover the premium increases January through May 2024. Assessment per unit as per the above schedule. Motion was seconded by Rod Heck.

All in Favor. Motion Approved.

(b) Vote by Board of Directors for the special insurance assessment in the amount of \$88,850.00 to be due on or before May 15, 2024.

Scott Feighner made a motion to approve the special assessment for \$88,850 to be due on or before May 15, 2024. Motion was seconded by Rod Heck.

All in Favor. Motion Approved.

- **Special Assessment by Board of Directors for an increase in monthly maintenance fees to cover the increase in insurance premiums from June through December 2024 as per the following schedule.**

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| Increase in Insurance Premiums for 12/1/2023 - 12/1/2024 | | | |
|---|----------------------------------|-------------------------|-------------------|
| Increase in Insurance Premiums Per Unit Based on Declarations | | | |
| Units | Percentage based on Declarations | Total Increase per Unit | Annual Total |
| Unit #101 | 1.34994% | 2,876.80 | 2,876.80 |
| 1 BR | 1.47128% | 3,134.16 | 47,012.39 |
| 2 BR | 1.66101% | 3,538.63 | 123,851.98 |
| 3 BR | 1.85097% | 3,943.78 | 39,437.78 |
| | Totals: | 13,493.36 | 213,178.95 |
| Monthly Increase per Unit | 12 Payments | | |
| Unit #101 per Month | 239.73 | | 2,876.80 |
| 1 Bedroom per Month | 261.18 | | 47,012.39 |
| 2 Bedroom per Month | 294.89 | | 123,851.98 |
| 3 Bedroom per Month | 328.65 | | 39,437.78 |
| Total | | | 213,178.95 |
| Reconciled Balance | | | 213,178.95 |
| | Current Monthly Fees | Increase in Fees | June - Dec Fees |
| Unit #101 per Month | 577.00 | 240.00 | 817.00 |
| 1 Bedroom per Month | 629.00 | 261.00 | 890.00 |
| 2 Bedroom per Month | 710.00 | 295.00 | 1,005.00 |
| 3 Bedroom per Month | 791.00 | 329.00 | 1,120.00 |

Delores Melton made a motion to increase monthly maintenance fees to cover the increase in insurance premiums from June through December 2024. Motion seconded by Scott Feighner.
All in Favor. Motion Approved.

V. LEGAL FEES

- **For clarification purposes only: Two association members at the meeting that were confused as to what was covered by insurance. The same owner has filed two lawsuits against the association members.**
 - **Lawsuit No. 1** = Records review civil lawsuit. Covered by Insurance.
 - **Lawsuit No. 2** = Filed against the association for failure to maintain the roof. The owner does not have insurance and filed for alleged water damages in their unit. This lawsuit is not covered by insurance.
 - **This special assessment relates to Lawsuit No. 2**

There is a pending lawsuit against Sandpiper Towers Association for failure to maintain the roof filed in the Circuit Court for the Eighteenth Judicial Circuit in and for Brevard County Florida. This lawsuit was worded as the Association’s failure to maintain the roof. Therefore, our insurance provides no coverage for the association’s defense.

The Board of Directors hired a defense trial lawyer to defend the association.

- **Vote to Return unused Legal Fees to Owners.**

Delores Melton made a motion for any monies not utilized for this lawsuit to be refunded to the current unit owners, including any additional fees awarded to the association. Rod Heck seconded the motion.

All in Favor. Motion Approved.

- **Board of Directors Vote for Special Assessment to cover paid and upcoming legal fees to defend the association as per the following schedule:**

| Legal Fees - Association's Failure to Maintain the Roof Lawsuit | | | | | |
|---|----------------------------------|-----------------|---------------------|-------------------|--|
| Paid and Upcoming Defense Legal Fees | | | 50,000.00 | | |
| Assessment and Payment Analysis | | | | | |
| Units | Percentage based on Declarations | Per Unit Cost | Total for all Units | | |
| Efficiency | 1.34994% | 673.59 | 673.59 | | |
| 1 BR | 1.47128% | 735.09 | 11,026.35 | | |
| 2 BR | 1.66101% | 830.01 | 29,050.21 | | |
| 3 BR | 1.85097% | 924.99 | 9,249.85 | | |
| | Totals: | 3,163.67 | 50,000.00 | | |
| Reconciliation to above | | | | | |
| Efficiency | | 673.59 | 673.59 | | |
| 1 BR | | 735.09 | 11,026.35 | | |
| 2 BR | | 830.01 | 29,050.21 | | |
| 3 BR | | 924.99 | 9,249.85 | | |
| | | | 50,000.00 | | |
| Paid and Upcoming Legal Fees | | | 50,000.00 | | |
| TOTAL | | | 50,000.00 | Legal Fees | |

Scott Feighner made a motion for a special assessment for legal fees to defend the association in the amount of \$50,000.00. Motion seconded by Delores Melton.

All in Favor. Motion Approved.

Scott Feighner made a motion for the special assessment for legal fees to be due on or before June 1, 2024. Motion seconded by Delores Melton.

All in Favor. Motion Approved.

VI. Resignation and Appointment of Director.

- On March 25, 2024, Lorna Farley, one of the directors for the Sandpiper Towers Board resigned.
- The Board recognizes her resignation during this meeting, April 29, 2024.
- The Board would like to nominate Joy Sanford Williams to accept the position of Director.
- If accepted by Joy Sanford Williams, the Board will vote for Joy Sanford Williams to fill the vacancy of Director until the term for Lorna Farley expires at the next annual meeting or such a time that Joy Sanford Williams would resign.

Delores Melton made a motion to appoint Joy Sanford Williams to fill the position as Director. Joy Sanford will fill the vacancy until the term for Lorna Farley expires or at the time that Joy Sanford Williams resigns. Motion seconded by Rod Heck.

- All in Favor. Motion Approved

➤ **VII. Adjournment**

Delores Melton stated there are no additional items on the agenda. There being no additional items, Scott Feighner made a motion to adjourn the meeting. Motion seconded by Rod Heck.

All in Favor. Motion approved. Meeting Adjourned at 2:45 pm

Scott Feighner, President

Date