

THE CASTLE COUNCIL BOARD MEETING MINUTES

March 25, 2024

Call to order

The 2024 budget meeting was called to order at 6:36 P.M. on March 25, 2024 in the Castle Council Meeting area by Anita Reich, President/Chairperson and Ken Anderson, Secretary recorded the minutes. A quorum of directors was present and the meeting, having been duly convened, was ready to proceed with business.

Certify Quorum of the Board

Anita, President/Chairman conducted a roll call. The following people were present.

- Anita Reich – President
- Jon Snyder - Vice President
- Ken Anderson – Secretary
- Jody Pavlak – Treasurer
- Craig Theisen – Director at large

quorum was met

Proof of Notice of the meeting –notice was sent by Ameritech via e-blast, and notification was hung in Sea Castle as required.

Read or waive minutes of the last members meeting

A motion was made by Jody Pavlak and seconded by Jon Snyder to waive the minutes from the previous board meeting. Unanimous

Reports

a) Treasurer report was given by Jody Pavlak

1. Bank account balances as of 02/29/2024

Operating funds \$ 177,436.17

Reserve funds \$ 334,144.31

Total funds \$ 511,580.48

2. Delinquencies as of 2/29/24	
Maintenance Fees 2023	\$ 3,418.38
Maintenance Fees 2024	\$ 9,293.48
2023 Special Assessment	\$ 10,546.46
Insurance Special Assessment	\$ 6,104.41
Legal fees & interest	<u>\$ 3,303.34</u>
Total delinquencies	\$ 32,666.07

Note – 5 owners are with lawyers for collection.

Please note : From our rules & regulations page 7

17. Maintenance payments

Monthly maintenance fees are due and payable on the first of the month. Delinquent fees will incur a late fee and interest in the amount of 10% per year, after 10 days past due. Failure to pay assessments within 30 days of the due date will result in legal action as provided in the Governing Documents and the State Law.

3. Actual vs Budget as of 02/29/24

Revenue (excluding 2023 Special Assessments)

<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
\$ 201,482.20	\$156,041.81	\$ 45,440.36

Expenses

Operating Expenses

\$ 161,723.72	\$ 145,766.46	\$ (15,957.24)
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Non-Operating Expenses

\$ 10,275.32	\$ 10,275.32	\$ 0.00
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A motion was made by Ken Anderson and seconded by Jon Snyder to accept the report as read. Unanimous

b) Boat Committee

Billing for the annual fee of \$500 has been sent out by Ameritech, due March 31, 2024.

Sid will add additional hooks to hold electrical & water lines

The cost of removing the barnacles from the floats is \$1800, as discussed in the last dock committee meeting, we will move forward with this.

c) Events Committee

We will be posting a new list to join the committee on the office window.

Cheryl and Jody have volunteered to plan a Cinco de Mayo party on 5/5/24

d) Grounds and Maintenance Committee

While they presented some wonderful ideas and volunteered a great deal of time, Anita suggests we eliminate the committee and continue to get subject matter experts involved when needed. We can e- blast a request for volunteers when needed.

Old Business

Old business information was given by Anita, President/Chairman.

- Sea Castle 3rd floor concrete walkway replacement.
Our building permit was closed by Pasco County 3/07/24
The total project was \$ 21,307 under budget.
- The exterior paint project is approximately 90% complete. Munyan's final punch list items are repainting the 3rd floor concrete walkway, touch up work on the knee wall by the boat docks and touch up the newly painted light fixtures on the 2nd floor east.

Florida paint is investigating why the deck paint has color variation and is not holding up. We received a report 3/14/24 and have asked Munyan to help us with a rebuttal.

- Let's thank Stan Kokotka, unit 811. He identified parts needed and rebuilt the gas grill.

- The 5 year Internal piping inspection of our fire system uncovered an issue of low water pressure to the pump. Piper identified a leak in one of the underground water pipes. The Board received quotes and have unanimously agreed to go with Pye Barker.

Based on today's code the fire pump is undersized for the building. Pye Barker will contact the fire Marshall to see if we can remove the pump and turn the system into a wet automatic standpipe system. This will be a less expensive option than replacing the pump.

- USI Insurance Services met with the 2023 Board of directors and presented opportunities to save on our insurance rates. The number one issue is that Citizens have our roof classified incorrectly. We have been working on correcting this situation for over a year. After rescheduling four times, the Pasco County building inspector was here 2/22/24 to verify that our roof is in fact concrete, rather than steel frame or truss as stated in most of the county records. We believe he agrees and is researching past records to determine when/if and why the change was made. As it has been a month since his visit and this has a major impact on our insurance rate, we are open to suggestions on how to proceed. Anita has found a forensics engineering company that may be able to help. USI also has an engineering & legal department that may be able to support us. The Board unanimously agreed to make USI our agent of record.

Andrew is also investigating My Safe Florida Condo Pilot Program

- Our fire protection alarm kept going off in the lobby and pump room. After numerous attempts to fix it Piper Fire Protection stated that we needed to replace 25 horns at a cost of \$6,618. We called Pye Barker and they recommended the replacement of 11 horns for \$2,500. This seemed to solve the constant shorts in the system.

- Socotec Engineering has been hired to perform the milestone inspection and reserve study (SIRS). The engineers inspected our building 2/29/24. The preliminary report is that we will pass phase one. The final report is due by the end of May. A comment from the engineer was that we are in better shape than many others in the state of Florida, both structurally and financially.
- The pool pump room electrical piping has been replaced as it was deemed hazardous.
- In addition to general maintenance, the pool heater has been repaired under warranty. The AC that cools the main elevator room was replaced, the automatic door by elevators was repaired, and four water heaters replaced
- To reduce costs, we have investigated a new pool service, jetting service, elevator company and fire protection company. The pool company, jetting company and elevator company presented quotes significantly higher than our current vendors. We are transitioning to Pye Barker as our fire protection company as they have provided better service and significant savings over Piper.

New Business

- The Board is working with Ameritech to update our website to add a section that will require owner login. This will be used to disseminate information that we may not want to make readily available to the public, such as monthly financial reports. Each unit will have its own login which will be reset upon sale of the unit. This code is not to be given out to tenants, real estate agents, etc.
- Pasco County Fire Marshall inspected us 3/13/24. Four violations were noted that must be resolved by 4/12/24.
 1. One exit sign was not illuminated. REPAIRED
 2. Our fire extinguisher annual certification is past due. COMPLETED

3. Cover plate is missing on a junction box in the 6th floor electrical room – REPAIRED

4. Underground leak not repaired; riser pump reveals no pressure. West side riser not working (see old business)

- Our elevators failed the initial inspection for water in the pits and an internal safety rail was not to code. Oracle should have installed the correct railing in 2017 when they modernized our elevators. They have fixed the problem at no cost. The water was removed from the pits, however they were full of water again within 1 – 2 weeks. Each time we pump them out it costs about \$2,200. The board has started to investigate a long-term solution.
- Some of our lightning conductors need repair. The Board unanimously agreed to hire Lightning Specialists, Inc
- The underground sewer pipe from the 09 stack needs to be replaced. A camera shows that the bottom of the pipe has rotted away. The board unanimously agreed to hire Friend's Plumbing.
- Based on our continuous plumbing issues and the fact that at least one pipe has rotted we have started to investigate the cost of relining our pipes. We have quotes for the camera work from three different vendors. On average it will cost between 5-10 thousand dollars. The Board unanimously agreed to proceed with camera work. A group of residents who have extensive knowledge of plumbing and engineering matters have been asked to help identify which company to use. If you have vertical pipes in your storage unit, please let Anita & Andrew know and kindly supply a key to the office for cleanout access.
- How do we pay for all the unbudgeted expenses?
It has been determined that the costs of the sewer pipe repair, fire room pipe leak repair, camera work on existing pipes, elevator pump and lightning protection will be covered using our Interest

Reserves, Elevator reserves, and the funds left in the 2023 Special Assessment Reserve account.

Note: The board asked the owners present if they wanted to add the cost of updating our security cameras, and it was deemed to put this hold until it can be budgeted for.

- Discuss rules and regulations regarding owners renting rooms and living there. It is a violation of our rules and regulations and regulations to rent a room in your unit while living there.

According to our official documents we have a complex situation. The rules and regulations were set up to address units as a whole, for either lease or sale. On the lease side the rules state the unit owner upon lease relinquishes all rights to the use of all common and limited common elements of the association including pool, recreation area, parking etc. Therefore, if we allow this room rental the owner is handing her rights to her tenant and loses all rights to use of common areas as stated above.

While this benefits an individual owner it creates additional costs to the other owners as additional wear and tear is being put on common elements, utility usage, insurance rates, and valuable amenities such as parking will become overburdened. The building was designed for 104 families, parking one vehicle. You can imagine what would happen if 104 owners wanted to lease a room for income. Additionally, the buildings rental percentage impacts new owner's ability to obtain mortgages. As the rate of rentals increases, it has a negative impact on our insurance rates and potential buyers' ability to get a mortgage. Due to the age of the building, banks are already scrutinizing mortgage applications to the extreme. If our rental percentage increases, mortgages may not be approved

It is the Board's fiduciary responsibility to make rulings based on the documents of the association and for the good of 104 owners, not individuals.

It was suggested by an owner and well received by most present that we initiate a cap on the number of units rented at any given time. The Board will address this through the rules and regulations.

- If anyone left screens in common areas, please remove them. Any remaining screens will be disposed of in four weeks.

Welcome new Residents: New owners: Chelsey Lambert, unit 902, Gail Smith, unit 301, Mike & Elaine Salter have purchased a second unit (#312), Bruce & Stacey Rosenberg, unit 311 .

New renters: Wesley Hodges unit 302

Adjournment

There being no further business to come before the meeting, a motion to adjourn was made by Ken Anderson seconded by Jody Pavlak. Unanimously approved . Chairman adjourned the meeting at 8:11