

Notes /Minutes from November 9, 2016 Board Meeting

Rob Parry, Interim President, Gulf Horizons

The Gulf Horizons Board of Directors met on November 9th, 2016 to hold a working session to make plans for 2017. We discussed the following:

New Full-Time Maintenance Man--We welcomed Bob Murray, our new maintenance man. Bob has the ability to perform many of the repair and replacement jobs that we hired out in the past. He is full time from 8:00-4:00 Monday through Friday. He will provide a full-time presence on site to deal with problems quickly and he will provide much more control over the timing of jobs that were hired out in the past. Bob is highly qualified and doing excellent work already. We are delighted he has joined us.

Capital Budgeting—I've attached our current standing on capital expenditures for 2016. All dollar amounts will need to be updated, but if you compare the original estimates with the Expected Capital Expenditures as of 9/31/16, you will observe that we are \$99,275.15 over budget on projects to be completed in 2016 (not counting the windows which will be done next summer). It looks like we will need about a \$2,000 special assessment in 2017 to get us back on track. Again, these projects are not completely finished. This is an estimate to give you some advanced warning. It may be more or less.

Roof—The roofing project has run into one problem after another and is about \$67,000 over budget. The numbers provided reflect approved change orders to date. Karins and Colonial continue to argue over two other change orders amounting to an additional \$6,229. I don't know how that will be resolved. However, this job was supposed to take 30 days plus adjustments for weather and change orders requiring additional time. Colonial is about 75 days beyond our contractual deadlines and subject to substantial penalties. These penalties and the bid bond (if approved) should reduce this deficit.

Firewalls—This project is essentially finished, except for some cleanup work the contractor should have completed by now. We are \$5,389 over budget. Let me know if you have any issues in your unit caused by this project.

Pool—Project is finished and came in \$3,910 under budget.

Fire Pump—This problem was discovered after completing the 2016 capital budget. We expect to spend about \$30,000 we didn't plan on. We have no choice.

Engineering Costs—These costs will probably be a little more than planned, but not by a material amount.

Window Project—Delayed until May 1 with no change in costs.

New Capital Projects for 2017-- Since we need to complete the window project in the summer of 2017, we are not planning any other major capital projects. We do plan to replace or repair the doors to the stair wells and laundry rooms.

Opt-Out of Sprinkler System for All Units—Don't skip this paragraph. A relatively new Florida fire code requires all "high-rise" condos to retrofit each unit with a sprinkler system. The code is detailed and not easy to understand. Though, we may not be subject to this new regulation, our lawyer recommends that we exercise the option of voting to opt-out of this requirement. If a majority of all owners votes to opt-out of this regulation by December 31, 2016, we do not have to install sprinkler systems. The cost of the sprinkler system would be in excess of \$100,000. Kevin Edwards, our lawyer, is preparing the paper work and proxies. Materials will be mailed out shortly. **To avoid incurring these costs, vote to opt-out and return the proxy as soon as possible.**

House Rules—The Board discussed some changes to our House Rules. I don't think they are worth listing here. If interested, I'll send you a copy. Please note: It is time to enforce the rules. In particular, we do not want any construction done "in season." If your unit needs work, plan to do it next summer.