

Parasol BOD HOA Meeting July 8, 2017 @ Key Concepts Realty-Perdido Key Florida

Board Members Present

Joe Mirabile
Greg Carleton
Bob Massey
Bob Thomas

Members Present

Winston Legge

Board Members on Phone

Jim Ginter
Mike Mouron
Board member absent: Tim Walden

Members on Phone

Andy Tofe
Dave Mendrek

Meeting was called to order 9:02 by Joe Mirabile

The minutes of the 6-10-17 meeting were approved with the following addition **“a complaint procedure, from a 2001 BOD meeting, concerning the handling of complaints between homeowners was introduced and discussion followed.”** The board had no evidence this procedure was ever adopted.

Financial Statements-Bob Massey (Treasurer) indicated no changes occurred to the last reviewed statements. Checking/Savings account balances totaled \$65,854.41, consisting of an operating balance of \$25K, a reserve balance of \$34K, and money market balance of \$5100. The BOD will determine the optimal level of reserves and make the appropriate recommendations. Note: Reserve balances and capital improvement recommendations are separate and distinct. The board should accomplish this task by the next meeting so it can be presented at the HOA meeting in September. Greg Carleton will have the overview complete for discussion by the next BOD meeting.

Winston Legge spoke to the board by reading a prepared statement. There was no additional discussion. His statement is attached.

Member’s meeting July 29, 2017. Jay Frasier (McDonald, Fleming and Moorhead Law Firm in Pensacola) has been retained to advise on the beachfront landscaping covenant issue and will be available for no more than 2 hours at the meeting to accept input. The board unanimously agreed it is not their intent to ask for a change in the covenants on this issue.

Common Area Issues. Greg Carlton reported the following: 1) The fence on the eastern boundary has been repaired. 2) A punch list is being put together for review with Executive Landscape. Anyone wishing to input or attend is encouraged to do so. 3) A pipe pumping pool waste water on to the paver surface at the exit lane is to be rectified. Additionally, Greg will have prices on a new pool sand filter and salt system at the next meeting. 4) The Johnson Beach Road fence project will be estimated for replacement in wood & vinyl, and for repair only. (One vendor said the repair would exceed the cost of a new one.) Greg will analyze and make a recommendation. The cost of replacement includes removal and disposal of the old fence. Pricing is being obtained on facing the pilasters with faux stone. The cost differential between facing and not facing the pilasters and the addition of 3 small walls at the front entrance faced with the same stone will be obtained. Multiple bids on each area of work will be

obtained. Jim Ginter stated data obtained by the owner survey indicated the respondents felt overwhelmingly the Johnson Beach Road fence was at the top of the list of things to be addressed. In addition, the homeowners also believe items needing attention should be brought to current standards/technology and beyond where prudent.

Review of Written Contracts. Bob Massey reviewed the written service contracts and will summarize for the next board meeting. Three of four are only 1 page. Each are for 1 year with a 30 day termination clause by either party without penalty.

Entrance Gates. The entrance and exit gates are out of square and leaning. Card swipe as an entrance process as recently installed by Lost Key was also discussed. Mike Mouron indicated FOBs are an alternative. An evaluation of updated methods for gate entry will occur.

Beach Signage. Greg Carleton will initiate an evaluation of the kind of signs, the language and positioning. The primary intention is to communicate that Parasol is a private beach. Winston Legge suggested examining what La Playa and others have on their signs. Greg will research all issues and make recommendations. Security locks on the walkovers to prevent trespassing are also under consideration.

Reserves and Assessments- Bob Massey asked if project funding would be by assessment or building excess reserves over time. There was agreement that an optimal level of reserves should be maintained. The board's intent is not to build an excessive reserve fund.

Parasol as a 'Diamond in the Rough'- Bob Massey stated the idea of investing money in capital improvements in the common areas was important, however, it is counter-productive if we did not have the homeowners/lot owners taking care of their property. Such things as painting, lawn care, fence maintenance, building condition, etc. are essential to maintaining value and an aesthetically pleasing environment. The board agreed. Bob will draft a position paper on homeowner responsibility. Greg indicated that the Grand Caribbean sprinkler was discoloring our fence and Cherie was asked to contact Grand Caribbean management.

August Meeting- August 5 @ 9 am was set. Meeting adjourned at 9:50

Legge Submittal

Letter to the Board of Director's Parasol Home Owners Association July 8, 2017. (Winston Legge)

Minutes of the 3/18/17 meeting indicate the Board will present a proposed Covenant change to 'grandfather' any landscaping installed for two years, without a 'complaint having been formally registered, 'to be deemed in compliance with the Covenants.

My purpose in speaking today is to offer my thoughts that this should not be done-I hope you will be patient as I talk through my knowledge and experience that leads to this conclusion.

Does anyone want to live in a small community where there is rampant animosity, dissention, quarrels and litigation? Would you buy or build to live in such an atmosphere? Does not such circumstance substantially cause a loss of property value for all if it is the norm in Parasol.?

The lawyer retained by the Parasol Board will advise you of four important points:

- (1) Florida has a five year statute of limitations to bring an action to correct, cure or remedy a Covenant violation.
- (2) The Covenants allow, but do not require you (the Board) to take action to correct, cure or remedy a covenant violation.
- (3) By Florida Statutes governing Homeowners Associations, the Homeowners Association (by its board) cannot bring a court action against a parcel owner and a parcel owner cannot bring such an action against the Association in Covenant enforcement disputes until there has been a demand for pre-suit mediation.
- (4) The 'water view' allowed to some lots is not stated to be 100% unobstructed, but is protected only from obstruction that does not 'unreasonably interfere.'

With Landry's complaint resolved (by neighbors talking) we still have issues with Blakeney (two lots) and Felton objecting to landscaping of Tofe, Mouron, and maybe Nicholas. This is at most five owners of six lots, with thirty-six lots unaffected-even if all 'water view' lots and all 'beachfront' lots are counted, there is still a majority of the Parasol lots unaffected by the controversy.

The proposed change is not necessary as, at best, it would be an effort to change the existing Florida Law Statute of Limitations from five years to two years.

From years of experience, I can strongly say that it is never best to ask for a vote on a matter where the majority of voters are unaffected by the outcome.

I can also strongly say that 'opening the door' to covenant changes at an annual meeting can be a disaster. A complete study of the entirety of the Documents is prudent before proposing an amendment so as to avoid conflicting provisions.

People in attendance often make 'spur of the moment' proposals which have not been thoughtfully considered. If an individual brings a proposal to the meeting, it may well have been carefully considered. But I suggest the Board Chair should not ask for proposed amendments. I make this point because the 3/18/17 minutes state "There could, of course, be other covenant change motions from the floor at the annual meeting."