

Highland Towers, Inc.

Board of Directors Meeting Minutes January 9, 2023

1. Call to Order and Roll Call:

Chris Van Horn welcomed everyone and called the meeting to order at 7:03 PM.

Roll Call of Directors:

President – Chris Van Horn, Present

Vice President – Sally Gleicher, Present

Secretary – Jennifer Schammel, Present *via Zoom*

Treasurer – Jim Keefe, Present

Director – Lou Mazza, Present

Director – Mike Hernandez, Present *via ZOOM*

Director – Bob Turrentine, Present

2. Proof of Notice of Meeting: Jennifer Schammel

The notice for the meeting was provided via email and posted onsite on the three bulletin boards with statutory notice. Email addresses provided by Shareholders and maintained as an Association Distribution List are on file in the office.

3. Prior Meeting Minutes: Jennifer Schammel

Motion: Approve the following meeting minutes as presented:

November 14, 2022, Board Meeting

Motioned: J. Schammel

Seconded: S. Gleicher

Vote: 7-0 Approved

4. President's Report: Chris Van Horn

- Chris began the meeting thanking the Shareholders for attending and advised that there was a lot to cover in the meeting.
- Chris thanked the Staff – Ralph, Dale and Andre for all their efforts keeping the building running smoothly and asked Shareholders to thank them as well.

5. Treasurer's Report: Jim Keefe

- Jim advised that the bottom line for 2022 was that we closed the year in the red by \$15,500. Most of this was attributable to legal expenses and office administration. There was also an overage in water utility expense which together was a total of \$22,135 increase in expenses which netted out to approximately \$18,000 with some other savings.
- Jim advised the loss will be made up this coming year or we will have to raise income for 2024.
- The surplus from 2021 was applied to 2022 but wasn't enough to cover everything. The Board will continue to keep an eye on the costs.

6. Committee Reports: Chris Van Horn

a. Admissions Committee: Bob Turrentine

Bob reported that there were two rental agreements this period involving Units 103 and 605.

b. Architectural Committee: Dean Coscia

Dean advised that there was a total of thirty-three requests so far this year. Of the thirty-three, twenty-seven were approved, five were denied and one is still pending. Later in the meeting a discussion will take place regarding proposed improvements to the Architectural Review process.

c. House Committee: Anne Dunn

Anne reminded the Shareholders of the following important rules:

- Deck Rules – return furniture and push in chairs when done using; put down umbrellas when leaving the area; no towels on railings; no saving chairs – if you are not using, please allow others to use the furniture on a first come first served basis (no reserving).
- For safety reasons, please make sure gates are closed and locked behind you when using the North and South stairs.
- Please ensure your visitors and renters have a copy and are familiar with the House Rules.
- Parking – all Renters and Visitors are required to park in the West lot. All second vehicles of Shareholders are required to park in the West lot even when spaces in the East lot are available. It is important that these spaces are available so that last minute Shareholder parking accommodations can be made. It requires a lot of coordination to provide parking for everyone, so Shareholders are being asked to cooperate with these rules.
- Please try to provide at least one week's notice for requesting a parking space and advise of your departure date to assist in coordination of parking.
- G2 – Anne provided an update from Pearl Licata on G2 Rentals. Currently there are ten bookings for G2 for a total of \$6,848. The Shareholder must be in residence while G2 is rented to their family or friends. Please call Pearl for reservations or any questions regarding G2.

Priscilla O'Hara mentioned the plans for the upcoming Annual Shareholder Dinner to be held March 4, 2023 at 6:00 p.m. on the deck. Patti Van Horn has been working to plan a paella dinner and invites all Shareholders to attend. It is free to all Shareholders and \$25 per person for all others (renters, guests, etc.) Dinner will include dessert, but donations are welcome for appetizers. Beverages will be BYOB.

d. Construction Committee: Jennifer Schammel

- Jennifer presented the current Concrete Restoration Update (see attached).
- An updated construction budget was presented (see attached). A detailed explanation of the original budget for the project and the additional scope required was highlighted by line item. A review of the available funding was also detailed. The net result of the budget analysis is that the cost of the restoration project is projected to be under budget.

7. Management Report: Ralph Skarecki

Ralph reported on several issues including:

- First Floor Pool Access Door FOB is still being worked on. The electronic hardware required more power than what was currently available and is being addressed.
- The 2022 Financials are complete and are posted on the Highland Towers website.
- The 2023 Insurance rates have been received and are 15% higher than last year as opposed to the potentially 25% projected.
- Hotwire fiber is being repaired in the 7 Stack. The conduit needed to be removed from the exterior of the building and new cable pulled. This work should be complete this week.
- Fire Pump update: A Johnson Controls representative is scheduling a meeting with the water line contractor to discuss next steps.
- Parking Lot update: Three Engineers were contacted – one responded, one declined and still waiting to hear from the third on proposal for the parking lot revisions to accommodate the FDOT changes. The responding Engineer suggested obtaining a survey for the parking lot. The deadline for meeting the FDOT requirements is February. The contingency plan is to not park any private vehicles in the third row and park in the West lot. Commercial vehicles are okay in the third row (construction and vendor parking).
- Action Items for the Board:
 - Roofing Contract
 - Decide on roof davits
 - Board Candidate Night – Ralph asked if there was interest in the Board sponsoring this event. One Board member responded favorably. No response from other Board members.
 - Ralph asked if there was interest in renting out parking space in the West lot to Trafalger next door during their restoration project. There was no favorable response for this.
 - Annual Meeting – Ralph suggested the Board consider hiring our Attorney and the Inspector to facilitate the Board Candidate voting process during the upcoming March 6th Shareholder meeting.

Motion: Approve having our Attorney and an Inspector present to conduct the Board Candidate voting process at the March 6, 2023 Shareholder meeting as similarly performed in 2022's Shareholder meeting.

Motioned: S. Gleicher
Seconded: B. Turrentine
Vote: 7-0 Approved

8. Building Recertification Committee: Jim Keefe

The following update was provided by the committee of Jim Keefe, Mike Hernandez and Jennifer Schammel.

- Structural: Jennifer advised that since Miller Engineering has been performing inspections throughout the restoration project, they will be able to write the required report without having to do a great deal of additional work. Miller may need to perform some additional miscellaneous inspections such as the roof and sea wall, etc. but the inspection for the Phase I report should be minimal. In addition, since the required

repairs have already been done during the project, the Phase II portion of the structural work will mostly be completed in the next few months.

- Jim advised that the committee has interviewed and narrowed down three Electrical Engineering candidates for the electrical component of the required Phase I report. The committee would like to revisit the candidates for additional information but asks the Board to approve them to move forward with one of the three qualified Engineers whose scope of work is under \$10,000.
- Jim advised that the report is not due to the Town until the end of 2024, but it is advantageous for us to have the inspections complete and know what the required repairs will be as well as any recommended improvements for budgeting planning purposes. In addition, Jim reminded the Board that some of the electrical equipment has very long lead times, so it's best to get these items ordered early if needed.

Motion: *Approve the Building Recertification Committee to select an Electrical Engineering firm to move forward with the Phase I Inspection required by the Town of Highland Beach.*

Motioned: C. Van Horn

Seconded: S. Gleicher

Vote: 7-0 Approved

- Roofing Update: Jim summarized that through the assistance of our consultant, RoofTek, Infinity Roofing was identified as the apparent low bidder of four competitive roofing contractors who responded. Infinity was previously approved by the Board to proceed with the roofing work. We are awaiting the contract draft and confirmation of the roofing materials.
- Roofing davits: Mike provided an update for the installation of roof davits, which need to be installed prior to the re-roofing work. Mike advised a vendor for this work has been identified and the cost is approximately \$27,000.

Motion: *Approve the committee to select a roof davit vendor up to \$30K to engineer, supply and install the roof davits required to allow routine window cleaning necessary to maintain warranties.*

Motioned: S. Gleicher

Seconded: J. Keefe

Vote: 7-0 Approved

9. NEW Business: Chris Van Horn

a. Shareholder Expenses: Chris Van Horn

A letter from the President was sent out to all Shareholders in December regarding actions of two Shareholders who removed popcorn ceiling in violation of the Association's House Rules. At the time, it was inferred that the Board would determine if the costs incurred by the Association as a result of these Shareholders' actions should be charged back to them.

Motion: *Approve Board action to charge Shareholders in violation of House Rules as it pertains to popcorn ceilings, any costs incurred by the association as a result of their actions.*

Motioned: S. Gleicher
Seconded: B. Turrentine
Vote: 4-3 Approved

b. Renovation Moratorium: Dean Coscia

Dean made a recommendation to the Board that the Construction Moratorium for individual unit renovations be lifted now that the concrete restoration project is at a point where additional construction can be accommodated at the building. The lifting of the moratorium should be effective immediately to allow Shareholders with approved Architectural Requests and associated building permits to move forward with their work.

Motion: *Approve lifting the Construction Moratorium for approved unit renovations as recommended by the ARC Chairman effective immediately.*

Motioned: C. Van Horn
Seconded: S. Gleicher
Vote: 7-0 Approved

Dean reminded all that the HT Building Rules and the Town of Highland Beach's rules must be adhered to especially related to working hours, coordination with the Manager, scheduling deliveries, etc.

Dean then advised that the ARC recognizes there is confusion in the approval process for Unit Improvements. In an effort to provide Shareholders a more streamlined process for obtaining approvals for renovations, Dean presented a proposed Architectural Review Process Criteria spreadsheet to be used as a guide to help Shareholders identify what is required for their specific type of improvement or renovation. The intent of this document is to specify certain criteria required for different types of work (i.e. when a permit is needed, when MEP (Mechanical, Electrical and Plumbing) engineered drawings are needed, etc.)

Dean stated that since our building is not large enough to have an Engineer on staff, the ARC and Board must rely on the Association's Consulting Engineer on custom renovations to help guide the Association on what is needed to ensure the building is not impacted. This is common practice in buildings our size and it has been recommended to the ARC and Board to employ a consultant for this task.

Dean also commented that if outside consultation is required and the response is that sealed engineering drawings are required by the Consulting Engineer, these need to be submitted for his review. With the age of the building, it needs a high level of scrutiny. The ARC's job is to protect the building and its residents and therefore must follow the professional advice we receive.

As a closing remark, Dean stated that we are nearing the completion of a large \$3.6 million concrete restoration project. Decisions made in the past in an effort to save money by eliminating scope such as waterproofing the slabs, etc. have created a much larger restoration project than was needed. We must take a conservative and proactive approach and do what is best for our building to avoid large construction projects in the future. This

includes proactive maintenance. For example, we should select the Electrical Inspector who will be thorough and look inside the panels so we know what should be repaired before it turns into a major project in the future and not try to cut costs during the inspection.

Dean walked through the proposed Architectural Review Process spreadsheet in detail. There was Board and Shareholder discussion related to the content of the spreadsheet and changes suggested by the Board as well as the Shareholders were made to the document subsequent to the meeting and a revised draft of the document is attached to these minutes.

Sally Gleicher provided a statement related to the Architectural Review process and is attached to these meeting minutes.

After much discussion, the Board agreed it can recognize that this current process is being used by the ARC to evaluate renovation requests and can also recognize that the ARC will treat applications with more elaborate/custom renovations differently than ones with standard or simpler changes. Because of the diversity of opinions about the process, the ARC Process spreadsheet will be revised with some of the suggestions shared during the meeting and sent back out to the Board and available to the Shareholders for additional comment and discussion at the next meeting.

10. Adjournment:

Motion: Adjourn the Board Meeting at 9:11 P.M.

Motioned: S. Gleicher

Seconded: J. Schammel

Vote: 7-0 Approved

Respectfully Submitted,



Jennifer Schammel
Secretary
Highland Towers, Inc.

2-2-2023

Date

Enclosures:

Concrete Restoration Project Update, January 2023

Concrete Restoration Budget Update, 1/6/2023

Architectural Review Process Criteria, revised 1/25/2023

The Architectural Review Process by Sally Gleicher, 1/6/2023