

**Punta Rassa Condominium Association**  
**Minutes of Board Meeting**

**Date:**           **Friday, August 20, 2010**  
**Time:**           **9:00 A.M.**  
**Location:**      **Administration Office, 15008 Punta Rassa Road**  
                          **Fort Myers, FL 33908 (2<sup>nd</sup> floor)**

1. Meeting called to order at 9:00 a.m. by President Jerry Dehm
  
2. Establishment of Quorum  
    Present: Gerold Dehm, Chris Erickson, Eve Heffernan, James Simantel, John Rosser and Charlie Deason (via teleconference)  
    Absent: Margee Meyer  
    Also Present: James Walker, Association Manager, 3 residents
  
- 3 .Approval of Minutes from 7-21-2010. Motion made by Jim Simantel to approve minutes. Seconded by Chris Erickson. Unanimously agreed.
  
4. Manager's Report
  - Roof repairs for buildings 2 and 4 have been completed. I have negotiated with Crowther to maintain the roofs of buildings 1 and 2 for \$450 per year, and Camp Rigby To provide maintenance for buildings 3 and 4 also at \$450 per year. Inspections will be Twice a year beginning January 1<sup>st</sup>.
  - We have completed repairs to the dock after the boat crash. Kudos to our maintenance team for their great work! The total cost of that repair was \$860.00. One hundred dollars of that was for rental of a rowboat to access parts of the dock.
  - We've had a water pump failure at the spa. The vendor who treats our system wanted \$960.00 to replace it. We replaced it in-house for a cost of \$486.00.
  - We've awarded a bid for the erection of the fence around the pool equipment in the amount of \$2,600 and it should be completed within three weeks. We are still in the process of recovering the previous contractor's deposit. I've informed the Health Department on the status of the fence.
  - ConnectFreely, the Wi-Fi people, have begun installation of their equipment this week. Comcast must install a cable in the trash room tower up to the 4<sup>th</sup> floor and then a transmitter will be installed on the wall at the top of the tower which will transmit to the others located at the back of all four buildings, the pool and the office.

- I'm sure you've noticed that the Administrative building has a new paint job and shutters. We planted new shrubbery in front of the building. Plenty of compliments from residents.
- We had to replace a fan in elevator one of building 4.
- I'm pleased to report that Punta Rassa has passed the State Elevator Inspection and is in the process of receiving the appropriate certificates.
- Specs for paving should be received shortly and I would like the engineer to make a presentation to the Board prior to going out for bid. Pink spots all over the asphalt are markers for the topography map to determine drainage needs.

There was dialogue with the Board regarding asking the Marina to pay for the footage which belongs to them through the easement. Jim Simantel will be dialoging with the Marina.

- All pavers at the cabana have been power washed and will be sealed shortly.
- I have met with Spires & Associates regarding allocation of surplus monies to the reserves. A report will be made to the Board when finalized.
- Ameriflood, our insurance carrier, has told me that we will be receiving the 15% refund this week, amounting to some \$20,000 which will be allocated to the respective buildings. The check is in the mail.
- On August 26<sup>th</sup>, Florida Power & Light will be replacing the transformer in front of building 3. Maintenance will have to remove the shrubbery. Notice has been posted for residents indicating that power will be shut off from 9:00 a.m. to 1:00 p.m.
- The gas barbecue grills have been used so often that we have happily had to rebuild the igniters and replace the briquettes.

#### ADDITIONS:

A. LCM Engineering billing. The matter has been referred to our attorney who indicates that LCM 's claim won't stand. Jerry Dehm remarked that we have to pay more attention to nailing down engineering contractors regarding services to be provided and charges outside that scope. LCM was making charges which had not been discussed. Jim Simantel stated that all change orders were to be approved, however, LCM didn't do that. Chris Erickson suggested that a "not to exceed" clause be included. Jim Walker reported that Quarles and Brady has put together a sample contract which we will be using from now on.

B. Jim Walker reported on his request for Kramer-Triad request for reimbursement of expenses. When Stroemer and Spires came on board with Punta Rassa, they were unable to do a proper audit because Kramer-Triad's work was so poorly done. Stroemer had to reconstruct....The contract stated that KT would provide clear and precise records which they did not do. Attorney says we have a case. First we had to

send a letter. Stoemer and Spires have agreed to testify in court. \$8,500 plus attorney fees.

C. Eve Heffernan reported that the gate to the pool is broken due to kids swinging on it. Jim Walker said he already has authorized a repair.

Respectfully submitted,  
James J. Walker

5. Light and Air Easement Disposition. Jim Walker summarized a letter from attorney Eric Veenstra. The Board is not required to enforce that easement and the County could override a "yes" decision if it so chose. (Attorney letter attached).

Per Chris Erickson- if we go ahead and remove trees, the County will fine us \$100 per tree and will demand that 3 be planted for every 1 taken down. It is his opinion that, based on the attorney's remarks, the County is probably going to reject a request for tree removal because the trees do not pose a health or safety problem. Further, that he believed the Board should look specifically at the people in building 1 who actually had an opinion. There were 8 out of 32 from Building 1 who responded and voted affirmatively for removal. His opinion was to write a letter to Sanibel Resort saying we feel it's our responsibility to attempt to enforce this easement and ask that they do what they can to get permission to remove them. He feels the Board should go through this process. He added that the Strangler Fig and Cabbage Palms are protected and they cannot be cut down.

Jim Walker noted that 71 residents had recorded opinions against cutting any trees. He stated that he is recommending we take out some trees to clean up the area. Application must be made to the County, but then the trees must be moved somewhere else. We're looking to eliminate "clumps" and anything along the road edge that is not indigenous. However, if we follow the easement to the letter, we'd have to remove our street lights and signs because they are within the easement and some over 6" in height.

Charlie Deason stated that he understands the attorney's legal point to put the ball in the Resort's court. However, what does the vast majority want? 71 unit owners don't want that tree down. Why wouldn't we do what our people want? It is the only place on this property that gives shade. I wouldn't vote to send this to the Resort. Clean up the trees and try to satisfy people as best you can. This can perhaps be done through a visit and discussion with Cory Clark.

Jim Simantel's concern had to do with good neighbor policy – that it's important we maintain relationship with the Resort and Yacht Club. He felt sending a demand letter would cause a problem.

Gerold Dehm called for a motion: Eve Heffernan moved that the Manager and any Board member who wishes, meet with Cory Clark from Sanibel Harbour Resort to discuss our dilemma with the easement and removal of trees. Seconded by Jim Simantel. All agreed

6. Management's Recommendation to the Board to adopt a policy limiting height of vegetation, and spacing of trees and palms along the seawall. After Board discussion, no consensus was reached regarding removal of the Seagrape bushes or other plantings currently in place. A resident disagreed with the removal and was invited to walk the property with the Manager and a Board Member.

Chris Erickson moved that this matter be tabled and offered to walk the property with the Assoc. Manager to discuss options. John Rosser seconded the motion. All agreed.

7. Contractor's and Homeowner's failure to utilize Unit Modification Forms and abide by Association Rules and Regulations Jim Walker reported on issues with residents making changes in their units without getting proper permits and/or filling out Unit Modification Forms. Anything that requires a shower tray installation to be performed must have a permit. People are tiling over old tile and covering scupper drains and causing flooding problems. Charlie Deason pointed out the need to educate people about their responsibilities. Jim Walker stated that the office is already preparing notices and that the newsletter would be used as well.

John Rosser moved to have the attorney draw up a policy regarding Jim Walker's recommendation on this matter. Chris Erickson seconded the motion. All agreed.

8. Recommendation to waive the requirement of retrofitting buildings 2, 3 and 4 with a sprinkler system in the common areas (hallways and stairwells). Jim Walker stated that by 2019 retrofitting will be required. A motion was made by Chris Erickson to put this recommendation on the agenda before the Membership. Eve Heffernan seconded the motion. Charlie Deason asked that the cost of retrofitting be included in the ballot. All agreed.

9. Repair of water penetration, Building 4. Contractor recommendations are to patch and paint the whole wall currently affected by a water leak. The cost could be around \$8,000-\$10,000. It is the responsibility of the Association to maintain this exterior wall. Jim Walker will obtain bids and present them to the Board. This is an information item only; no Board action required at this time.

10. Recommendation for increased fee for owners in need of engineering drawings. Jim Walker stated that, in the past, the Board had decided to draw up specific plans for the enclosures of the lanais because contractors were doing it differently. There was no uniformity and no specified right way to do it, and once done, it became the Association's responsibility to maintain it. State ordinances have changed so we've had to pay to update the plans.

Chris Erickson moved to approve the fee of \$350 for the plans. John Rosser seconded the motion. All agreed.

11. Adoption of Investment Policy.

Jim Walker stated that in the past, all money was in one bank. There have been 11-12 banks that went out of business in this area. Ours did as well, but was acquired by another.

He indicated the lack of guidelines for effective investment, growth and protection of Association money. John Rosser, Treasurer, and Jim Walker have been developing some guidelines which were presented to our bank manager, the Association attorney and Spires & Associates, our CPA firm. John Rosser added that they felt a need for parameters for how we

handle our investments and that this Investment Policy statement was the end result of that process. The asset management investment guideline statement follows:

## **ASSET MANAGEMENT PUNTA RASSA CONDOMINIUM ASSOCIATION INVESTMENT GUIDELINES**

### **INVESTMENT OBJECTIVE**

The Treasurer will act as the investment advisor in cooperation with the President and Association Manager. It should be the intent to maintain principal value, a high degree of liquidity consistent with the Association cash flow requirements and to maintain a high level of return on investments. The Treasurer will call upon the manager to provide administrative support and may call upon various financial professionals for advice.

### **PERMISSABLE INVESTMENTS**

The Punta Rassa Board of Directors hereby directs the Treasurer to consider the following investments only:

A. Obligations of the United States Government and its agencies: marketable securities issued by the U.S. Government, backed by the full faith and credit of the U.S. Treasury and / or Federal Agency Securities issued by the Government sponsored entities.

B. Domestic Certificates of Deposits, Bank Power Certificates of deposits that are insured by the Federal Deposit Insurance Corp. and that do not exceed the current the F.D.I.C. insurable cap.

C. These investment may be made only in the following domestic financial Institutions: any commercial bank or Federal Savings & Loan Insurance Corp of any thrift institutions.

### **INVESTMENT STRATEGY**

No investment shall be greater than five years in duration. No investment shall be invested in amounts greater than F.D.I.C. maximum coverage. The total amount of monies invested shall be in staggered maturity dates. One third of the monies invested shall not be invested more than six months. All funds in excess of one months operating expenses should be moved from the operating fund to a money market fund at the beginning of each month.

Notwithstanding anything to the contrary contained herein, the investments made by the Association shall conform, at all times, with the provisions of the governing documents of Punta Rassa Condominium Association, Inc., including all Declarations, Bylaws, Articles of Incorporation, the same as may be amended from time to time, and all laws and ordinances applicable to Punta Rassa Condominium Association, Inc. (8/2010)

A motion was made by Jack Rosser to adopt the Investment Policy. Charlie Deason seconded the motion. All agreed.

12. Comments from Audience.

Resident of Building 3- passed out copies of ideas and remarks regarding energy savings, etc. for the Boards perusal.

Resident of Building 1 voiced a strong opinion about wanting the Board to save that tree which she saw there as early as '70's.

Resident of Building questioned the painting of the Administration Building and asked how long it would be before the other buildings would be painted since they really need it. Board agreed, and it will happen as quickly as possible

Jim Walker stated that the Administration Building was painted because the contractor volunteered to paint at no cost for his labor, and without obligation. The other buildings *will* be painted. If the Board approves the asphaltting, which is really in need of repair, then the last capital expense will be the painting of the buildings.

13. Adjournment. Motion made by Jim Simantel; seconded by Eve Heffernan; All agreed.

Respectfully submitted,

Eve Heffernan, Secretary