

**ANNUAL MEETING
SECOND NOTICE**

To: All Members, Shipyard Condominium Association

The Annual Meeting and Board Election of Shipyard Condominium Association, Inc., will be held at:

10:00 AM, Friday, January 27, 2023 and will be conducted as an open conference call via Zoom.

The purpose of this annual unit owner meeting was to elect five (5) Directors and to conduct such other business as may lawfully be conducted as provided for under Florida Statute 718.112(2)(d).

The four (4) members listed below returned an Intent form prior to the deadline. These members will automatically be appointed to the next Board of Directors at the Annual Meeting. The remaining Board Member will be appointed by these four members.

Jack Agnew, Phil Babuder, Glenn Krauss, Craig Tellerd

The purpose of this SECOND NOTICE, is to provide you with: (1) an Agenda for the Meeting, and (2) a Proxy for the Meeting.

All members are encouraged to attend the annual meeting. Important information will be discussed which may require your input.

This SECOND NOTICE also serves as notice that, immediately following the Annual Meeting, there will be an organizational meeting of the Board of Directors for the purpose of electing officers of the Association and conducting any such other lawful business of the Association.

Enclosed please find:

Agenda - Annual Meeting on **January 27, 2023**.

Proxy - This is only valid for voting on non-substantive issues addressed at the meeting, meeting quorum requirements, and on those matters specifically limited on the proxy form.

PLEASE NOTE:

Whether or not you plan on attending the meeting, please complete the enclosed Proxy and return it to the Association's administrative office prior to the meeting date.

*Shipyard Condominium Association
109 Front Street, Lobby
Key West, Florida 33040*

305-296-0556 office

admin@cackw.com

Join Zoom Meeting

<https://us02web.zoom.us/j/86794658983?pwd=R25aemhzRXJsc1ZbVJLTINDUWE4QT09>

Dial by your location

- +1 305 224 1968 US
- +1 929 436 2866 US (New York)
- +1 301 715 8592 US (Washington DC)
- +1 312 626 6799 US (Chicago)
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)
- +1 669 900 6833 US (San Jose)

Meeting ID: 867 9465 8983

Passcode: 228833

Shipyards Condominium Association, Inc.
ANNUAL MEETING
10:00 AM, Friday, January 27, 2023
Open Conference Call
VIA ZOOM

AGENDA

1. Call to Order by Chairperson
2. Certify Quorum
3. Proof of Notice of Meeting
4. Approval of Prior Minutes
5. President's Report
6. Year 2022 Financial Report
7. Unfinished Business
8. New Business
 - Introduce Board of Directors.
 - Vote on reducing annual audit requirement for the present year to a review.
 - Vote on rolling over excess Member revenues to the following year.
 - Vote on allowing the use of reserve funds in case of a disaster.
 - Vote on clarifying that the Association will be governed by a Board of Administration of five (5) persons and to implement two (2) year staggered terms, and to delete outdated Developer language. See the attached full amendment language.
9. Questions and Comments
10. Adjournment

Shipyards Condominium Association, Inc.
Organizational Board of Directors Meeting
(Immediately following Annual Meeting)
Open Conference Call
VIA ZOOM

AGENDA

Purpose: Conduct Regular Business as Properly Brought Before the Board of Directors.

1. Call Meeting to Order
2. Determination of Quorum
3. Proof of Notice of Meeting
4. Approval of Prior Minutes
5. Elect Officers & Appoint Committees
6. Unfinished Business
7. New Business
8. Association Member Input
9. Adjournment

Jack Agnew

I would respectfully request your vote to continue on the Shipyard Board of Directors

As you know, there are a lot of changes happening with Shipyard and TAMPOA now having two separate management companies; insurance and other costs going way up, and we are getting closer to the end of our transient license agreement with the City. In the last two years, we have 24 new owners in Shipyard, and we hope that now that Covid is winding down, that you join in working with the board and with the various committees namely Finance, Pool and Landscape.

I believe there is value in maintaining the continuity of the board as we face these transitions, but fresh minds and voices are always welcomed.

Currently I am the Secretary on the board after stints as both president and vice president in the past. I am the liaison to the Landscape Committee and am proud of their work on a limited budget. I also have organized the annual social which I am glad to say will resume around the pool this year on the evening before the annual meeting.

We on the board are always wrestling with keeping dues reasonable despite costs out of our control which are mostly insurance. We are proposing that all owners join in on investing in replacing their windows and doors with hurricane proof glass so we can slow down this insurance rise. I hope you will support this effort.

My past business life was owning a 50 person public relations firm in Boston after working for television stations in Cleveland, Syracuse, Seattle, Memphis, San Francisco and then Boston. My BA is from Case Western Reserve University; the MS from Syracuse University and I attended the special executive business school program at Stanford University.

Thank you for your consideration.

Most sincerely, Jack Agnew Unit 208-8 and 202-10.

Dear Fellow Shipyard Homeowners:

My name is Phil Babuder, and I am asking for your vote in the upcoming election to the Shipyard Board of Directors. I have worked this past year as president and previously as secretary on the board. I have enjoyed volunteering my time, learning from owners, fellow board members, and our management company about the intricacies of our community. During that time, your Board of Directors has resurfaced the pool deck, brought in a more cost effective highspeed internet/television service, added annual termite tenting, and improved the landscaping. We are currently working to reduce insurance costs and improve security. I would like to see those projects to completion by continuing to offer my time, working in your best interests, and improving our neighborhood.

My wife of 37 years, Pam, and I have owned in Shipyard since October 2020. We are delighted to be part of a community we could only visit and enjoy part time 20 years prior.

My upbringing in the rust belt of Ohio was where my strong work ethic and a hands-on approach developed. I put my backbone where my wishbone is and learned a good reputation is one of the most important assets a person can have.

I proudly served in the US Army and gained leadership and technical skills as a helicopter Avionics Technician. I was honorably discharged in 1994 with the rank of sergeant (E5).


A degree in Business, 28 years of sales and a lifetime of hard work have afforded me the ability to work in many industries and organizations. As a business owner and now independent manufacturer's rep I am involved in problem-solving through the design, testing and manufacturing of electronics, appliances, MRI systems, transportation, radar systems, satellites, and lunar landers.

I realize that some of our owners are in Key West full time, or they split time between Shipyard and their homes elsewhere. I also understand that most of our owners are interested in the investment value of Shipyard as a vacation property. There needs to remain a balance to maintain a high market value and continue as a desirable location in Key West. I am a proponent of and see the value in the transient licenses being renewed and will be working with the City of Key West to negotiate an agreement which is fair to our residents and benefits us all.

As a member of the board, I will continue to bring a fresh perspective to Shipyard, encourage owner participation, improve safety and maintain aesthetics, while working to preserve property value. You can reach me via email at pbabuder@micro-sales.com, or call/text me directly at 216-346-7665. I appreciate comments from you and want to hear your thoughts on how we can continue to make Shipyard the location of choice in Key West.

Please remember to mark your calendar to attend the Annual Meeting being held via Zoom at 10:00 AM on January 27, 2023. Your input matters and I would sincerely appreciate your vote. I look forward to seeing you January 27!

Sincerely,



Phil Babuder

Glenn Krauss

I am writing to express my interest in continuing as a member of the Shipyard Board of Directors (BOD). I reside in Selkirk, NY (Albany area). My wife and I first began visiting Key West over 20 years ago and in May 2020, we purchased a Shipyard property.

I have both professional and volunteer experience that will benefit the Shipyard BOD.

Professionally, I have worked for the New York State Department of Health, AIDS Institute for over 22 years. I oversee the Administrative and Fiscal Management Unit, within the Division of HIV/STD and Hepatitis C Prevention Services. I am responsible for the overall fiscal management of AIDS service providers throughout New York State with approximately \$90 Million in total contracts. I am also responsible for managing the expenditures and budget for a Centers for Disease Control (CDC) grant in the amount of \$11 Million.

Since 2022, I have been a member of the Board of Directors (BOD) for the Shipyard Condominium Association. Prior to joining the BOD, I was on the Finance Committee for the Shipyard Condominium Association. I am also the President and Treasurer for the Mill Run III Condominium Association in Quechee, Vermont (Since 2018). Also, in Quechee, Vermont, I am a member The Quechee Club's Finance Committee. Prior to joining the Finance Committee, I was on the Facilities Planning Committee (FPC). The FPC is charged with the concept development of all major campus amenities and facility improvements. In addition, the Committee is responsible for advising management on best implementation practices for approved projects. Finally, I am on the Board of Directors for the Sara Marie School in Clifton Park, New York, which is a private independent school (Pre-K through First Grade}.

Purchasing a condo in Key West has been one of the best decisions we've made as a family. Key West is a very special community, a community we want to see continue to thrive for generations to come. Further serving this community as a BOD for the Shipyard Condominium Association would be an honor and a privilege. I believe that my professional and volunteer business experiences as well as my experiences as a Shipyard owner would provide an important perspective on the BOD.

Thank you, Glenn

Craig Tellerd
KeyWest, FL 33040

December 13, 2022

Dear Fellow Shipyard Condominium Owners:

My name is Craig Tellerd, and I am asking for your vote in the upcoming election of the Shipyard Condominium Board of Directors. I have been an owner in Shipyard since 1995 (we are celebrating our 28th year as owners!). As a long-time owner, I have a great understanding and knowledge of our past issues and current challenges, including the dispute with the City over transient rentals and the upcoming expiration of our 20 year settlement. I am a past Board member of Shipyard for many years as well a past Board member of TAMPOA and the Porter Court association. After a brief retirement from "Board life", I was re-elected to the Shipyard Board for the past three years and wish to continue to volunteer my services to the Shipyard community again this year.

By way of background, I am a CPA and Attorney in law with a specialization in tax, real estate and vacation properties (my interest in vacation homes dates back to 1986 when the Univ. of Akron Law Review published my paper "Section 280A: Vacation Home and Rental Property"). While living full-time in Cleveland, OH, I have lived part-time and owned a home in Key West since 1995. Our first Key West home back in 1995 was a Shipyard Condo (Unit 267) and we have owned several Shipyard condos over the years. Along with my spouse, Cindy, and my twin 25-year old daughters, Carly & Alexis, we spend a good portion of the year in Key West. I am the past President of the Coral Hammock Homeowner Association Board in Key West and have served on the Board of other homeowner and/or condominium associations and believe my background is well-suited for such a role.

As for Shipyard, I believe there are currently two distinct property owners in our association including 1) Investment-oriented owners and 2) Primary or secondary residence owners. Cindy and I are investment-oriented owners but also frequently stay at our properties. While each owner has a different motive, I believe the one common goal is to have a first-class community that has a great reputation and "word-of-mouth" in Key West and a resulting strong resale market. We must also have a strong Board to deal with upcoming negotiations with the City of Key West.

Among Shipyard Board challenges during 2022 was the unprecedented increase in our windstorm insurance and related budget constraints resulting in us researching the installation of hurricane impact doors/windows; the final installation of fiber optic internet/TV which increased speed and reduced cost; the upheaval from TAMPOA separating from CAC; the challenges of finding ways to reduce our budget due to the higher insurance, including replacing TAMPOA security with an outside security firm and issuing our own car permits (which lowered the cost from \$150,000 to approximately \$50,000); and continuing work on the upcoming expiration of our transient licenses including the hiring of an attorney and meetings with a city commissioner on the subject.

My email address is craig@tellerd.com and my cell phone is 440-315-1700. I encourage everyone to send an email or call me with your thoughts and comments on how to make our community the envy of all of Key West. The upcoming Annual Meeting is scheduled for 10am, January 27, 2023. I encourage you to attend and respectfully request that you vote for my continuing as a Board member.

**PROPOSED AMENDMENT
TO THE BY-LAWS
OF SHIPYARD CONDOMINIUM ASSOCIATION, INC.**

(Additions indicated by underlining; Deletions indicated by ~~striking through~~.)

Proposed amendment to Article III, Sections A, B, C, D, E, F, and J of the By-Laws to clarify that the Association will be governed by a Board of Administration of five (5) persons and to implement two (2) year staggered terms, and to delete outdated Developer language as follows:

ARTICLE III: BOARD OF ADMINISTRATION

A. Authority and Composition.

The affairs of the Association shall be governed by a Board of Administration consisting of ~~three~~ five (3~~5~~) persons, ~~at least two (2) of whom shall be members of the Association.~~

B. Representation.

Board members shall be elected from amongst, and shall be, members of the Association.

~~When members other than Developer own fifteen percent (15%) or more of the units in the Condominium, such members shall be entitled to elect not fewer than one third (1/3) of the persons on the Board of Administration. Unit owners shall be entitled to elect not fewer than a majority of the Administrators upon the occurrence of the first of the following events:~~

1. ~~Three (3) years after fifty percent (50%) of the units that will be operated ultimately by the Association have been conveyed to purchasers;~~

2. ~~Three (3) months after ninety percent (90%) of the units that will be operated ultimately by the Association have been conveyed to purchasers;~~

3. ~~When all the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others is being offered for sale by Developer in the ordinary course of business; or~~

4. ~~When some of the units have been conveyed to purchasers and none of the others is being constructed or offered for sale by Developer in the ordinary course of business.~~

~~Developer shall have the right to elect a majority of the Administrators until the occurrence of any of the above events. Developer shall be entitled to elect at least one (1) Administrator as long as Developer holds for sale in the ordinary course of business at least five percent (5%) of the units in the Condominium.~~

~~The rights reserved to Developer to elect and maintain Administrators may be assigned to and exercised by Developer's successor(s) in interest.~~

C. Election Procedures. Generally.

~~All Administrators not chosen by Developer shall be elected at the annual meeting of the members of the Association. The election of Administrator shall be in accordance with the provisions of Chapter 718, Florida Statutes, the Condominium Act, as amended from time to time, immediately following Developer's election of Administrators. Member-elected Administrators shall be elected in the following manner:~~

~~1. A nominating committee of three (3) members shall be appointed by the Board not less than thirty (30) days prior to the annual meeting of the members. The committee may nominate one or more persons for each available position. Members also may be nominated from the floor at the annual meeting.~~

~~2. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast. Each person voting shall be entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.~~

D. Vacancies.

~~Vacancies in the Board shall be filled by the remaining Administrators and such vacancy shall fill for the remaining unexpired term of the seat vacated. may be filled, until the date of the next annual meeting, by selections by the remaining Administrators except that should any vacancy in the Board be created in any position previously filled by a person elected by Developer, such vacancy shall be filled by Developer electing by written instrument delivered to any officer of the Association.~~

E. Terms of Office/Staggered Terms.

~~At the annual meeting an election of Administrators in 2024, five (5) Administrators shall be elected with three candidates who received the highest vote totals to be elected for a two (2) year term. The two candidates receiving the next highest vote totals will be elected to a one (1) year term. Thereafter, the terms of all Administrators shall be two (2) years, or until their successors are duly elected. If, at the 2024 meeting and election there are not a sufficient number of candidates to require an election, a vote will nonetheless be held of those members who indicate an intention to be a candidate to determine the terms of office, unless there are three or less candidates in which case all of them shall be elected for a two (2) year term and shall appoint the remaining Administrators for terms consistent with the intention to create staggered terms as set forth herein. The term of office of each Administrator, whether elected by Developer or by the membership, shall be for one (1) year, expiring at the next annual meeting of the membership, or when successors are duly elected and qualified, or any shorter period in the event of removal in the manner provided herein or by law.~~

F. Removals.

Any Administrator elected by the membership may be removed in accordance with the provisions of the Condominium Act, as amended from time to time, ~~with or without cause, at any time by a vote of a majority of the members at any special meeting called for such purpose by at least ten percent (10%) of the Voting Interests. If the recall is approved, the recall shall be effective immediately, and the recalled Administrator(s) shall turn over to the Board any and all records of the Association in his (their) possession within seventy two (72) hours after the meeting. Only Developer shall have the right to remove an Administrator appointed by it. Developer shall have the absolute right to replace any Administrator(s) chosen by it. Such replacement of Administrators shall be made by written instrument delivered to any officer of the Association, specifying the name of each person designated as successor to each Administrator so removed.~~

J. ~~First Board of Administration.~~

~~The first Board shall be comprised of three (3) persons designated to act and serve as Administrators in the Articles of Incorporation, who shall serve until their successors are elected at the first annual meeting of the members of the Association called after the Declaration has been duly recorded. The undertakings and contracts authorized by the first Board shall be binding upon the Association in the same manner as though such had been authorized by the first duly elected Board, so long as such undertakings and contracts are within the scope, powers and duties which may be exercised by the Board in accordance with all applicable Condominium documents. Should any member of the first Board be unable to serve for any reason, the remaining members of the Board shall have the right to designate a party to act and serve as Administrator for the unexpired term of the Administrator unable to serve.~~

SHIPYARD CONDOMINIUM ASSOCIATION, INC.

PROXY

The undersigned hereby appoints _____ (or if left blank, the Secretary of the Association) as Proxy, with full power of substitution, to attend the Annual meeting of the Association to be held **January 27, 2023 by an open conference call VIA ZOOM.**

The proxy holder named above has the authority to vote and act for me to the same extent that I would if personally present, with power of substitution, except that my proxy holder's authority is limited as indicated below:

LIMITED POWERS. I specifically authorize and instruct my proxy holder to cast my vote in reference to the following matter as indicated below:

1. To save approximately \$4,000 in annual accounting fees, waive the requirement for Audited financial statements for 2023 as required by Chapter 718.111(13) of the Florida Statutes and provide in lieu thereof a Reviewed financial statement, in accordance with Chapter 718.111(13) of the Florida Statutes and 61B-22.006 of the Florida Administrative Code.

- Cast my **vote to approve** this one-time change of reducing the audit requirement to a review of the financial records.
- Cast my **vote against** reducing the audit requirement to a review of the financial records.

2. Approve of rolling over any excess member revenues to the following calendar year. The Board of Directors supports the rollover in that the budget is put together based on the rollover being approved as has been done in the past.

- Cast my **vote to approve** of rolling over any excess member revenues to the following year.
- Cast my **vote against** rolling over any excess member revenues to the following year.

3. Approve of allowing the use of reserve funds in case of a disaster.

- Cast my **vote to approve** of allowing the use of reserve funds in case of a disaster.
- Cast my **vote against** allowing the use of reserve funds in case of a disaster.

4. Proposed amendments to Article III, Sections A, B, C, D, E, F, and J of the By-Laws to clarify that the Association will be governed by a Board of Administration of five (5) persons and to implement two (2) year staggered terms, and to delete outdated Developer language. See the attached full amendment language.

- Cast my **vote to approve** to clarify that the Association will be governed by a Board of Administration of five (5) persons and to implement two (2) year staggered terms, and to delete outdated Developer language.
- Cast my **vote against** clarifying that the Association will be governed by a Board of Administration of five (5) persons and to implement two (2) year staggered terms, and to delete outdated Developer language.

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

Please remember to date and sign the proxy form; otherwise the proxy form will be invalid.

Proxies may be mailed, faxed, emailed or hand delivered to the Administrative office prior to the Annual Meeting.

Dated this ____ day of _____, 20__.

If the unit/home/lot is owned by more than one person, all owners must sign unless one of the owners has been appointed to act individually by way of a voting certificate.

Signature of Owners _____ Print Names _____
Unit #/Lot#/Home Address _____

SUBSTITUTION OF PROXY

The undersigned, appointed as proxy above, designates _____ to substitute for me in voting the proxy set forth above.

_____ Date: _____

In no event shall this proxy be valid for any period that exceeds the requirements of the governing documents of the Association or applicable state or local laws governing community associations. This proxy is revocable by the unit owner.