

SHIPYARD CONDOMINIUM ASSOCIATION, INC.  
BOARD OF DIRECTORS MEETING  
305 Whitehead Street, Key West, FL 33040  
Via Zoom  
July 25, 2022

1. CALL TO ORDER

President Phil Babuder called the Board of Directors meeting to order at 4:00 p.m.

2. DETERMINATION OF QUORUM

President Phil Babuder, Secretary Jack Agnew, Treasurer Charles Morrow-Jones, and Director Craig Tellerd were present via Zoom. A quorum was achieved. Operations Director Sterling Christian and Community Association Manager Reneé Tompkins were present on behalf of Management.

3. PROOF OF NOTICE

Proof of meeting notice was provided by an affidavit signed by Community Association Manager Reneé Tompkins

4. MINUTES OF THE PREVIOUS MEETING

President Phil Babuder asked for a motion to approve the May 2, 2022, Board of Directors Meeting minutes. Secretary Jack Agnew moved to approve, and Director Craig Tellerd seconded. The motion was approved unanimously.

President Phil Babuder introduced Toni Spagnoli, the new Hotwire account manager for TAMPOA and Shipyard. Toni lives in Summerland and has an extensive background in telecommunications. She has managed hundreds of complex HOA projects and has worked for ATT and Comcast. Her role is to ensure that the community services are up to par and that the associations are happy with the service. She provided a 24/7 Customer Service all-US-based Line that owners should call for any help they need with billing, disconnection, connection, or troubleshooting. It is 800-355-5668. If their issues aren't taken care of, then they can contact Toni via her email: [toni.spagnoli@hotwirecommunication.com](mailto:toni.spagnoli@hotwirecommunication.com) She also noted that owners need to call that 800# to disconnect their service when they sell their unit, otherwise, they will still get billed. New owners also need to call that number to connect their service. The Board asked Community Association Manager Renee Tompkins to send out a blast email to Shipyard homeowners and property managers with the above information.

President Phil Babuder decided to switch the agenda order and to first discuss the first item under "New Business" — the appointment of the replacement of Vice President Andrea Ellis, who sold her unit and had to resign from the Board. Phil thanked the three volunteers who had sent in their resumes for consideration: Tracey Dubensky, Glenn Krauss, and Francine Lecompte-Gittins. Director Craig Tellerd nominated Glenn Krauss to fill the vacant Board seat until the next election at the 2023 annual meeting. Secretary Jack Agnew seconded the motion. The motion passed unanimously.

President Phil Babuder nominated Director Craig Tellerd to move into the Vice President position until the next election at the 2023 annual meeting. Secretary Jack Agnew seconded the motion. The motion passed unanimously.

## 5. REPORTS OF OFFICERS AND COMMITTEES

Vice President Craig Tellerd reported briefly on the smoking survey that was sent to owners. There were 142 responses for a 78% return rate with 69% indicating that they would like Shipyard to stay the way it is and remain an inclusive community for those who wish to smoke.

Treasurer Charles Morrow-Jones noted that if another survey is sent in the future, the questions should be broken down more specifically, e.g., including cigar smoking.

The Board of Directors confirmed that the pool resurfacing will be done by Raycee's Plastering and is on schedule for September 7 through September 14, weather permitting. The pool will be closed during that time.

The Board of Directors discussed the Hammerhead Termite Control tenting scheduled for July 10-13, 2023. The units being done are 620 Thomas #196, 197, 198, 199, 296, 297, 298 and 299, and Southard Street units # 106-1, 106-2, 106-3, 106-4, 106-5, 106-6, 106-7, 106-8, and 106-9. These two buildings will be done at the same time. The plan is to continue to tent just two buildings per year due to budget constraints and to schedule them a year out to give owners time to block out their units. An owner mentioned that she had foliage destruction during the previous tenting and asked if Hammerhead can go around the plants instead of just covering them.

President Phil Babuder turned over the discussion of the reserve study results to Treasurer Charles Morrow-Jones and Vice President Craig Tellerd. Charles noted that the purpose of the study was to make sure there is enough money in the reserves to cover items that are earmarked for reserve expenditures, i.e., roofing, painting, etc. Craig said that the reserve studies are done every few years (less than 10 years) and is very happy to see that, according to the reserve study, Shipyard does have enough money in reserves.

## 6. UNFINISHED BUSINESS

Vice President Craig Tellerd reported on the proposal to get discounted group rates for installing impact windows and doors. Craig said that Shipyard could get a 20-25% discount on personal hurricane insurance for individual owners, as well as providing a discount to the association as a whole if all units have impact windows and doors. Another advantage to owners is how quiet their homes would be from outside noise, peace of mind when a storm is imminent and there are no shutters to worry about putting up or finding someone to even do it, as well as the added resale value to the home. Craig suggested sending out a survey to the owners to find out who already has impact windows and doors. He has met with two companies to get an approximation of the individual cost to install them. President Phil Babuder did a quick analysis and thought that \$9,000+ was possible for a standard Shipyard installation. Some units have custom windows, etc., which would increase the cost. Another option discussed could be to legally require all owners to install impact windows and doors because of the potential savings. Additionally, if all units are done at the same time, the association could get a discount from the installer. Unfortunately, insurance has increased approximately to \$788,000 which is \$233,000

mor than budgeted. So, it is important to address this issue, and this could be one option to help lower insurance costs.

Vice President Craig Tellerd noted that in response to the survey that was sent to owners asking if they wanted the Board to represent Shipyard in the discussions for the transient license renewal coming up in December of 2025 that over 90% responded in the affirmative. Funds have been set aside in the budget for any expenses involved. Craig has met with City council member Sam Kaufmann to discuss the renewal situation. Sam told him that it is an uphill battle to get the renewal as there is no right in the original contract with Shipyard to have it renewed. Craig discussed some ideas with Sam to hopefully make it a win-win for the City. Another curveball that may impact the renewal is that the City is working on a new rental ordinance that would further limit the rentals to only six-month or longer. Craig asked Sam and other realtors for recommendations for an attorney who works well with the City to be the legal representative for Shipyard. Several people mentioned Attorney Wayne Smith, who represented Coral Hammock HOA in its lawsuit with the County regarding transient rentals and has extensive experience in dealing with the City. Craig set up a meeting with him to discuss the possibility of representing Shipyard. Wayne told him that despite an uphill battle in winning the renewal, he said he would like to help and submitted his retainer agreement letter for the Board to review. Craig asked for a motion to retain Attorney Wayne Smith as the liaison for Shipyard's negotiation with the City. Secretary Jack Agnew made the motion. Director Glenn Krauss seconded. The motion passed unanimously.

Owner Opie Rollison, who has knowledge and experience with the original transient rental agreement offered his assistance to Wayne Smith and the Board.

President Phil Babuder asked Management to update the website with new Board member Glenn Krauss and update Craig Tellerd's position.

President Phil Babuder next introduced Phil Wilson, Laurie McChesney, and Jose Wenzel from Preferred Properties who are taking over the reins of the Community Association Company as owner and Operations Director Sterling Christian begins his transition from active participation to consultant and eventual retirement. They are looking forward to working with everyone. Vice President Craig Tellerd noted that as of September 1 Sterling has been managing TAMPOA for 25 years and that his knowledge and breadth of experience is invaluable and happy to know he will be staying on for a while longer before retiring.

## 7. NEW BUSINESS

President Phil Babuder began the discussion regarding voting to amend the 2022 budget to account for the significant increases in insurance costs. The packet containing the letter of explanation and the amended budget was mailed via US Mail and also emailed to the Shipyard owners two weeks ago. The amended budget would raise the monthly assessments to \$1030 and will be in place through the rest of the year in order to recoup the additional \$233,000 that was added to the insurance cost. Operations Director noted that this insurance increase was much higher than budgeted and that Shipyard also needs to set aside monies for next year. Citizens Insurance has a 10-year history of a 13% increase yearly on average; however, this year it was 50%, which was significantly higher than budgeted and the shortfall has to replenished. After

some further discussion, President Phil Babuder asked for a motion to amend the 2022 budget. Treasurer Charles Morrow-Jones made the motion. Secretary Jack Agnew seconded. The motion passed unanimously.

The Board of Directors discussed whether to continue sharing the Security expenses with TAMPOA. Currently, Shipyard reimburses TAMPOA \$150,000 a year for their share of Security (2 people per shift, at 3 shifts of 8 hours each which totals 6 people on the payroll). The discussion revolved around the possibility of reducing costs by figuring out what Security actually provides and if Shipyard needs them 24/7. Currently, they provide parking passes and ride around on bikes patrolling both TAMPOA and Shipyard, but in reality, they don't have any real security authority in controlling any issues beyond that. For example, if there is a fight or excessive noise that can't be dealt with, they call the police, the same thing that anyone can do. But police can't come into the property for a fender bender so that could be handled onsite by a CAC manager. Some other options were mentioned such as having security cameras in the parking lot and pool and maybe using another security company such as ex-police chief Donny Lee's company. At the moment TAMPOA is not immediately restructuring Security, so it was decided to keep in line with TAMPOA's schedule and keep everything as it is until the end of the year but to continue to discuss it and have some decision in place in the next few months in order to give TAMPOA enough lead time in case Shipyard decides to go another route independent of TAMPOA.

Vice President Craig Tellerd made a motion to renew the \$150,000 Line of Credit with First Horizon for another two years. Director Glenn Krauss seconded. The motion passed unanimously.

#### 8. ASSOCIATION MEMBER INPUT

Owners John and Ana-Maria Tudela brought up issues with parking and Security personnel, who don't seem to be trained very well. They have personally had issues with people parking in their spot and with no parking passes in their car. They asked if Security could be better at checking for passes in cars. It was noted that Castle Management, who is taking over the management of TAMPOA on September 1, will be training Security more thoroughly and hopefully that will fix the issues. In the meantime, CAC was asked to please talk to Security Manager Rijkaard Multy about having his guards do a better job at checking passes. John mentioned that he feels \$150,000 is way too expensive for what Security provides. He does like the idea of having cameras which can be accessed anytime to look up any incidents that may occur.

Steve Pascavitch, chair of the Landscaping Committee, gave a brief report about the landscaping on Southard Street. He said he has spoken with Mama's a few times, and they have told him that the big issue is water. Danny Franco says it needs a water meter installed, and he is working on it. Once the water is up and running, Mama's can get a contract to him. He also mentioned that the Landscape Committee can help owners with small garden units to freshen them up for not much cost.

Alan Teitelbaum, chair of the Finance Committee, noted for informational purposes for other owners that in his own Shipyard unit, he has both impact windows and doors and shutters, as well as the certifications for those and the roof, and that cut the cost of his personal insurance. In

reference to using Attorney Wayne Smith as the liaison for the transient license negotiations with the City, there is a line item in the budget for attorney fees and hopes that the Board can keep the expense within that budget amount. He encouraged Opie Rollison to join the Finance Committee, as his knowledge and input would be greatly appreciated. Alan next discussed the reserve study that was recently completed. He feels that the recommendation proffered by the study is not completely realistic; if Shipyard would have adhered to the recommendation they would have gone into the negative in a few years. Also, there are items that were not on it, such as termite expenditures. Historically in a 7-10 year time span, a Board typically spends more than it plans to, and reserve expenditures show up on a separate spreadsheet. Alan discussed the study with Operations Director Sterling Christian and hopes to come up with a more realistic blend of what Shipyard needs. Regarding the increase of the dues to \$1030 for the rest of the year, his calculations show that the increase will bring in almost \$142,000 and that the Hotwire reimbursement should hopefully cover the rest of the shortfall. For next year's budget, it's important to be aware of what is going on with insurance in Florida and that some companies might lose their accreditation and be gone from the marketplace.

A question was asked if there is another pool available for use during the pool resurfacing project. Operations Director Sterling Christian said that no, there isn't. The Southard Court is too small and not able to accommodate Shipyard users. Additionally, he noted that having a pool is an amenity that sometimes needs to have maintenance and be unavailable temporarily. He compared it to a private homeowner unable to use their pool and expecting to use the neighbor's pool.

A question was asked regarding the training of Security. Operations Director Sterling Christian explained that they are licensed by the state of Florida and have to undergo that training prior to taking the test. Also, they are given the Security Manual issued by TAMPOA and finally the Security Manager gives them training. Opie Rollison also mentioned it's important to consider what getting rid of Security could mean in relation to the possible strain on the City's resources if the Police Department has too many police calls from the community.

An owner asked about the quote mentioned earlier for the impact windows and doors. President Phil Babuder said that \$9,000 was just a ballpark and to contact either Monroe Glass or All Keys Glass. Vice President Craig Tellerd mentioned that All Keys is very good and seems less expensive; he has used them to install impact doors and windows at his properties. Secretary Jack Agnew asked for more information about the certification to get for the discount that Craig mentioned earlier. Craig said he would send him the contact information for the engineering company that does the reports, which cost a few hundred dollars.

An owner asked Steve Pascavitch to please get in touch with him regarding his front garden area which needs some work. Chickens creating a mess with the mulch was discussed. Unfortunately, there isn't much that can be done. Chickens are protected in Key West and replacing the mulch with river rock is very expensive.

## 9. ADJOURNMENT

Vice President Craig Tellerd made a motion to adjourn the meeting. Secretary Jack Agnew seconded. The motion was approved unanimously. The meeting was adjourned at 6:04 p.m.

Respectfully submitted,

Reneé Tompkins  
Community Association Manager