

SHIPYARD CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
305 Whitehead Street, Key West, FL 33040
Via Zoom
May 2, 2022

1. CALL TO ORDER

President Phil Babuder called the Board of Directors meeting to order at 10:00 a.m.

2. DETERMINATION OF QUORUM

President Phil Babuder, Vice President Andrea Ellis, 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 January 28, 2022, Organizational Board of Directors Meeting minutes. Craig Tellerd moved to approve, and Andrea Ellis seconded. The motion was approved unanimously.

5. REPORTS OF OFFICERS AND COMMITTEES

Vice President Andrea Ellis, liaison for the Pool Committee, reported that the Committee had requested quotes for replacing the pool deck, which would include grinding down the surface, sealing it, and adding either Granite Grip or Shark Grip to prevent slipping. VIP Concrete's quote was \$25,000 with no guarantee; Raycee's Plastering gave a quote of \$12,000 with a 5-year guarantee. Since the quotes are so disparate, the Committee is going to meet with the vendors to see what they include, and what kind of grip they use, as the grips are very different in price. A question was asked that because of the enormous difference in the quotes if the Committee would get a 3rd quote more comparable to whichever quote they are leaning toward. Operations Director Sterling Christian stated that he has used Raycee's at other associations, and that they do good work and guarantee their work. They are also a local company, and there are not too many providers in the area that can do the work. By doing the resurfacing and adding the grip, the Committee can remove the blue matting, which was originally put it to prevent slipping. Additionally, it gets dirty from the chicken and iguana droppings which is very difficult to clean thoroughly because of the patterned surface. Treasurer Charles Morrow-Jones asked Sterling if the expenditure for the pool resurfacing would be taken from the reserves, and Sterling confirmed that it would. President Phil Babuder noted that the Board is very careful with expenditures and will make sure that they spend the money prudently.

Vice President Andrea Ellis next discussed the Shipyard complaints and parking issues. From January to the present Security received the following complaints:

1. There was glass at the pool. Security spoke with them, and the issue was resolved.
2. Kids were jumping in the pool during Spring Break. Security spoke to the parents, and the issue was resolved.
3. Someone complained that Iguana Control had not shown up for two weeks.
4. There was a complaint about human waste in the pool. Aqua Clean came out promptly, and the pool was shut down and shocked.

The parking issues were as follows:

1. There were 40 parking violations issued.
2. There were 12 tow notices issued, but no vehicles towed.

The iguana issue was discussed. The Iguana Control Company who used to come out on a regular basis lost their technician and have had a difficult time replacing him. And unfortunately, there are no other iguana removal companies available locally or even in the keys.

Steve Pascavitch, Chair of the Landscape Committee, discussed some alternative options for iguana control, including putting metal flashing around the trees and deer fencing. Another owner has a list of plants that are poisonous to iguanas only and offered to send that list to the Board as another option to consider.

Vice President Andrea Ellis discussed the pool chairs and acknowledged that they do need to be replaced eventually. Maintenance is doing a good job cleaning them as best they can with Simple Green and power washing, but they are soiled from sunscreen, and it's difficult to remove the stains. But they will wait to see what the other associations do when they replace their pool chairs before making any decisions about replacing the Shipyard pool chairs.

Secretary Jack Agnew, Landscape Committee liaison, noted that every year the Committee gives out awards to the owners who go above and beyond in maintaining their front yards. This year 30 awards were given out.

Director Craig Tellerd reported that the year-to-date financials are right on budget, and reserves are in good shape. Operations Director Sterling Christian confirmed that the reserve study was scheduled for mid-June, and that Shipyard is ahead of budget. Cash is in excess of \$2 million between reserves and operating. There are couple of CDs that are maturing this month that will need to be replaced. Currently the rate is 1.75%, but most likely the replacement CD will more likely be at 1%.

6. UNFINISHED BUSINESS

President Phil Babuder reported on Hotwire and said that about 99% of Shipyard is wired. TAMPOA still isn't finished so the Hotwire personnel are still on site. Target date for activation is May 1, which is when the six month free service begins. Shipyard will be receiving a check from Hotwire for the reimbursement of the TV service. It is estimated to be \$103/month x 183 (SY units) x 3.5 months (average amount of time owners were still having to pay for Comcast), and each owner will then get a credit for that amount on their account. Phil mentioned that the pool internet went out, and that Comcast was coming out next day to fix it. Hotwire is taking care of the individual units first and then will add the service to the pool and guard house.

Director Craig Tellerd discussed the transient rental issue and said he has a meeting with a City Commissioner tomorrow to gauge the feeling of the City as to the transient licenses. As it is still a few years into the future, the City Commission is not in a hurry to deal with it, and Craig feels that because it is a hot button subject, similar to the cruise ship issue, Shipyard should take it slowly and not rock the boat, so to speak.

The landscaping on Southard Street was discussed. Landscape Committee Chair Steve Pascavitch reported on Phase I of the project. Last year Mama's Garden had submitted a design with a budget of \$19,000. Steve spoke to Mike and Joanne at Mama's in March to discuss revamping the design and just doing half the project this year and the other half next year. They told him that Shipyard has to give them a figure before they will give him a start time for the project. A concern was raised that the budget would probably be higher now a year later. Operations Director Sterling Christian noted that the project can't be done from the reserves, but that Shipyard has additional operating income since landscaping expenditures are well below budget. There is also a specific line item for plantings of \$9,000 and other line items that haven't been touched yet. So, there is approximately \$15,000 not yet spent in the budget. Sterling said that potentially the project could be done half this year and half next. Treasurer Charles Morrow-Jones asked Steve to find out from Mama's how successful the plantings will be in light of the fact that the irrigation system is 20 years old so a temporary irrigation system would need to be installed. Karen Weinstock, member of the Landscape Committee, said that Shipyard has been waiting a long time to do this project, and the longer we wait, the more the prices are going to go up. Director Craig Tellerd moved to allocate \$12,000 with a two year commitment to proceed with the complete project and see what Mama's is willing to do for that amount, including keeping the plants alive. Secretary Jack Agnew seconded. Treasurer Charles Morrow-Jones voted nay. The motion passed. Steve Pascavitch will contact Mama's with this figure and see what they say.

The next item discussed was installing impact doors and windows, which would save on hurricane insurance for individual owners, as well as providing a discount to the association as a whole. Another advantage to the 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, as well as the added value to the home. Director Craig Tellerd said that he has reached out to couple of companies about buying and installing impact door and windows, and feedback has been good, but they are so busy now they can't come to walk the property. He wants to also proffer the idea that if we list them as preferred vendors if they would give a discount to owners.

Termite tenting was discussed. Two buildings will be tented this year, and two next year, both in July. President Phil Babuder thanked Renee for getting a discount from Hammerhead because of all the work we provide them.

7. NEW BUSINESS

The Board of Directors discussed the Committee appointments process, including any limits on members or term of service. Operations Director Sterling Christian stated the Board makes the appointments. Alan Teitelbaum, Chair of the Finance Committee, mentioned that Dan Johnson has expressed interest in being on the Finance Committee. Director Craig Tellerd moved to appoint Dan Johnson to the Finance Committee. Vice President Andrea Ellis seconded. Before

the motion would be passed, Treasurer Charles Morrow-Jones asked for a discussion. He noted the fact that one member of the Finance Committee doesn't own in Shipyard and if that should be a rule. President Phil Babuder asked Sterling for his input, and Sterling stated that since the Board makes the appointments, they can adjust them at any time. Alan Teitelbaum stated that the member was Al Metty, who is also on the TAMPOA Board, and that his input and perspective have been very valuable to the Committee. He would like Al Metty to remain on the Committee and suggested making him a non-voting, advisory only member. Craig amended his motion to nominate Dan Johnson to the Finance Committee and to ask Al Metty to switch to a non-voting, advisory only role. Secretary Jack Agnew seconded. The motion passed.

The Board of Directors discussed sending a smoking survey to owners that would ask just one question:

"Are you in favor of banning smoking of all kinds (e.g.: cigarettes, cigars, pipes, vaping) on the entire outside grounds of the Shipyard community, including but not limited to all Shipyard front porches, balconies, backyard decks/patios, sidewalks, parking lots, and grounds?"

Operations Director Sterling Christian was asked how it has worked in other associations. He noted that it is a touchy subject, especially in Key West, but that other associations have implemented variations of a smoking ban, and that it is moving more in that direction due to the growing concern about the effects of smoking. An owner asked how the ban would be enforced, especially with renters, and it was noted that Security would need to be called. Director Craig Tellerd mentioned that in his old Foundry units, owners put signs in the unit stating the no-smoking rules, and for the most part, people complied. President Phil Babuder moved to send the survey to Shipyard owners. Vice President Andrea Ellis seconded. The motion passed.

Operations Director Sterling Christian reminded the Board that they still needed to discuss the term limits for Committees, but the Board decided that it is a moot point at this time. They want people to join committees and not put any limits on their time.

The Board of Directors discussed TAMPOA's request for a new management company. TAMPOA has their own association and had notified Sterling Christian that they were going out to bid at around the same time that Sterling announced he was retiring and turning over the Community Association Company (CAC) to Phil Wilson and Laurie McChesney from Preferred Properties. Shipyard has not made a decision yet and is not proactively joining TAMPOA's search for a new management company and is taking a wait and see approach to see what TAMPOA does. But Shipyard will continue to work with TAMPOA for a seamless transition when the time comes. Director Craig Tellerd mentioned that the advantage of staying with CAC is that Sterling would stay on as a consultant and his management skills and knowledge of the association are an invaluable asset.

8. ASSOCIATION MEMBER INPUT

There was a discussion about the on-going bicycle situation, and the number of bikes that appear to be abandoned. Operations Director Sterling Christian shared the PowerPoint demonstration prepared by President Phil Babuder with pictures from Security Manager Rijkaard Multy, which shows a number of unsightly tarps covering bikes, some derelict, in the bike racks. Community Association Manager Renee Tompkins gave an update on the bike removal process and noted

that eleven bikes have already been put into storage awaiting information on who owns them. The Board suggested getting volunteers to form a Bike Committee to do the inspections and help with removal of derelict/abandoned bikes. With a bike sticker number, they can call the office to find out the owner who can then be contacted. Renee also mentioned that Porter Court had replaced their bike racks and that their old ones could be repurposed and repaired and used to replace some of the old worn out bike racks in Shipyard.

9. ADJOURNMENT

Director Craig Tellerd made a motion to adjourn the meeting. Vice President Andrea Ellis seconded. The motion was approved unanimously. The meeting was adjourned at 11:51 a.m.

Respectfully submitted,

Reneé Tompkins
Community Association Manager