

ENGLEWOOD ISLES UNITS 4, 5, & 6 PROPERTY OWNERS ASSOCIATION

Board of Directors Meeting Minutes – March 8, 2017

Approved April 12, 2017

The **March 8, 2017** meeting of the Englewood Isles Units 4-6 Board of Directors was called to order by President Bill Bickel at 6:00 PM at the Elsie Quirk Library. A quorum of Board members was present.

Board Officers Present: President Bill Bickel, Secretary Rob Holborn, and Treasurer Bill Callahan.

Board Members Present: Neil Aymond, Frank Collins, Jeanne Fullilove, George Gdowski, Meredith Herrington, Christiane Hostler, Paul Powers, Krisha Mota, Tom Sherrin.

Board Members Absent: Vice President Kim Fox, Stan Gdowski, Gary LaFlamme

Residents Attending: William Rowell, Sam Davis, Bob and Candy Westermeier, Ashley and Nick Dexter, Dick and Carol Gunthert, Ed and Michaelene Brame, Charles and Helen Kennard, Janice Radon, Judith Enderle, Jill Klann, Linda Powers, Susan Callahan, Don and Suzanne Bayley, Lenny Riccio.

Approval of the February 8, 2017 Board of Director's Meeting Minutes:

President asked for a motion to approve the minutes. After discussion and no changes required to the minutes, Board member Paul Powers made the motion to accept the minutes as presented, Board member Jeanne Fullilove seconded the motion. The motion carried by a unanimous vote of the board members present.

Report of Board Officers:

President's Report: President Bickel welcomed the residents to the meeting.

President Bickel discussed the newsletter sent out. The newsletter was one page with information on both sides of the paper so that it could be sent to the residents with the dues bill, saving postal costs. He further thanked Dick Gunthert for the suggestion to include a notice asking residents for their email address.

President Bickel introduced Don Bayley to the audience, stating that Don handles the web site and the data base used to collect email addresses. He thanked him for the work he does for the association.

President Bickel discussed the Sunshine Committee. He received an email from Laura Marcusa regarding a resident who is a shut-in and is on oxygen and he asked the Chair of the Sunshine Committee Krisha Mota to contact the resident. Ms. Mota has made

attempts to contact the resident without any success. She will contact the original caller and make another attempt at assisting the resident.

Treasurer's Report:

Bill Callahan presented a reconciled balance report for both accounts at Englewood Bank and trust (included in the appendix).

Checking account as of February 28, 2017, is \$29,596.78

Money Market Account as of February 15, 2017, is \$42,557.15

Total fund is both accounts is \$72,153.93

Treasurer Callahan explained why there is a difference between reports, and explained the reconciled balance and how it is directly tied to the bank statements. The checking account is reconciled at the end of the month, the money market account is reconciled on the 15th of the month. He also stated that the HOA paid the Parkway Association dues at around \$18,000.00, and that leaves the overall balance at around \$52,000.00.

Treasurer Callahan stated that the invoices for the extra \$25.00 dues increase have been sent out to all residents and lot owners. Therefore, the monies received will be reflected in the March treasurer's report.

There was no further discussion regarding the treasurer's report.

President Bickel wished to add further information regarding the Sunshine Committee. He stated he received a call from a woman on Eden Drive who is 87 years old and her husband is 93 years old. They told President Bickel that they cannot find service personnel to handle simple tasks such a changing a light bulb. He did know if we should create a help line and what would the liability be. The President believes the group should come up with a solution to assist these residents in need. Secretary Rob Holborn suggested that we seek out volunteers to assist residents in need. Rob further suggested placing an article in the newsletter so residents can contact the board when they need assistance.

Resident William Rowell suggested to the President that there is a handy-man in the neighborhood, Jimmy Martin, who has worked in the neighborhood and the area for several years. Secretary Rob Holborn offered to assist the President if he receives future calls. Treasurer Bill Callahan reminded the Board that there is a list of service personnel on the HOA web site, and that he had just asked Don Bayley to place an individual in the area who does service work. Rob Holborn offered his email address and cell phone number for the newsletter.

Committee Reports:

Welcoming Committee: Chair Christiane Hostler stated that the welcoming committee has been visiting new residents and they have appreciated the information the committee offered them. Committee member Frank Collins also stated that the residents appreciated the packet from the welcoming committee, and suggested that the residents contact the board if they have any questions regarding the covenants. Christiane Hostler stated that all the new residents she met were aware that the neighborhood was a deed restricted community.

Property Maintenance: Committee Chairperson Meredith Herrington passed out a spread sheet from the property maintenance committee. Meredith stated that four of the committee members drove around the neighborhood on Friday March 3rd. The committee has had several complaints regarding motor homes and boats. These homeowners have been contacted and are aware of the covenants that state the residents are only allowed 48 hours per month to park motorhomes and boats in the neighborhood. If guests are arriving with motorhomes the resident should contact a member of the board, so the board is aware of the situation. Meredith stated that per a Sarasota County ordinance the motorhome cannot be occupied while in the driveway. President Bickel added that the motor home cannot be plugged into an electrical source.

Christiane Hostler stated that she has attended the SR 776 planning meeting and received a pamphlet regarding Sarasota County regulations and ordinances that she will be passing out with the welcoming committee to assist the residents.

The Property maintenance committee has been able to remove several homes from the property maintenance list from January and February. However, several more have been added to the list. It is the hope of the committee that these properties will take care of their issues to avoid receiving a postcard or a letter from the HOA. The committee would like to do a bulletin regarding yards very soon as spring is almost upon us.

The Property maintenance committee did observe some great things happening, 301 Gladstone had two workers laying sod in the yard. Another home 144 Brandywine was in the middle of a major clean-up. Meredith stated that the owner, a young man, was in the yard with 8-10 other people with many bags of mulch. Hopefully the committee will be able to remove this property from the list. At 210 Brandywine, two men were power washing the roof, and the house. In addition, the shrubbery and vines had been pruned. She further stated there is a contract on the house and it is supposed to close by March 31st. The committee has requested that the yard be sodded, but that has not happened.

The committee sent five certified letters to residents the committee has been working with for some time. So far, the two previous properties mentioned are making progress and a third is working on the issues. Hopefully all will be complying shortly. The committee will request the board to send these properties to the fine committee if the work has not been completed.

Resident William Rowell posed a situation whereby a real estate agent contacted him about the Xeriscape of Florida friendly yards. He stated that the covenants require an operating sprinkler system. Therefore, he asked if this was still required. Board member Paul Powers stated that this was an issue that would have to be brought up in the covenants and bylaws review committee. Mr. Rowell asked that this be changed to reflect the xeriscape or Florida Friendly properties. He further stated that the Realtors have a difficult time when the covenant states you must have the system operational and the yard is Florida Friendly. Treasurer Bill Callahan stated that he felt that if the yard was Florida Friendly then that due to common sense the board would not be able to enforce that.

There was debate whether the Covenants can over-rule state law because the covenant is a contract with the home owner when they moved into the neighborhood. Secretary Rob Holborn stated that the covenants and bylaws review committee will approach this issue and present the current law when offering a change to board.

Secretary Rob Holborn quoted Florida Statute 373.185 (3b) *a deed restriction or covenant may not prohibit or be enforced so as to prohibit any property owner from implementing Florida-friendly landscaping on his or her land or create any requirement or limitation in conflict with any provision of part II of this chapter or a water shortage order, other order, consumptive use permit, or rule adopted or issued pursuant to part II of this chapter.*

Board member Paul Powers asked Meredith Harrington of the Property Maintenance committee if a log was kept with the violations, Mrs. Harrington stated that she keeps a log available to all board members and residents. Dr. Powers also asked who serves on the fine committee.

A comment from the audience stated that they felt the fine committee was a secret, however Dr. Powers stated that per Florida Statute 720 that was not permitted. President Bickel confirmed this stating he discussed this issue with the HOA attorney.

President Bickel offered the following names who make up the fine committee: Ellie Olesin, Audrey McLeod and Dick Boyer.

Treasurer Bill Callahan stated the reason the fine committee has not been known for the last seven years was because the board felt it was a need to know situation. In addition, no one ever asked the board, and since the fine committee meetings are open to the residents the committee members would be known. President Bickel had thought Florida statute 720 protected the fine committee allowing it to be secret but he stated that in fact Florida statute 720 does not allow this and that the meetings must be open to the residents. Mrs. Harrington stated that there is a 14-day notice given out prior to any fine committee meeting.

There were no other questions or comments from the board or the audience regarding the Property maintenance committee.

Parkway Association: Chairman Bill Callahan gave a report. Mr. Callahan announced that the annual meeting for the Parkway association will be Monday March 13th at 1:00 PM at the library. There will an election of Board Officers during this meeting. He further stated that the CAM working for the Parkway has resigned, and so has the President of the Parkway Dianne Corcoran. The check from our association in the amount of approximately \$18,000.00 has been sent to the parkway association for the annual dues. He stated that the Parkway looks good, and that there is one issue regarding lighting that is still open. The Parkway's Attorney contacted FPL and Sarasota County again regarding the issue of the Parkway having to pay all utility bills, and other residents not in the other neighborhoods do not. The goal is to ask the County to create a street lighting district here so all the neighborhoods would contribute to the cost of the lighting. He did not know whether this will occur, and that it has been difficult to set up a meeting with all the representatives.

Resident William Rowell asked about the alleged \$7,000.00 assessment if the Parkway was to cancel the lighting contract. He further stated that he did not see this written in the contract with the Parkway. Bill Callahan confirmed this assessment after discussing the situation with the Parkway attorney, as it is to cover the costs of removing the lights from the poles. The poles would remain as they are part of the power distribution lines. He stated that the Attorney's will deal with this situation.

Bill Callahan also stated that the resident directories are in and will give these to the Chair of the Communications committee Kim Fox for distribution.

Board member Meredith Harrington commented that she saw a similar style lighting on Jacaranda near Center Rd that have LED lighting instead of the current high pressure sodium lighting on the parkway. She requested this change to the parkway lights. Bill Callahan stated that a committee created by the Parkway board is considering the possibility of changing the lights to LED.

Secretary Rob Holborn stated that this may be difficult to accomplish. His experience with adding street lighting to a neighborhood or changing the position or type of lighting is very costly, and would not normally be paid for by the County or FPL. In addition, he brought up a comment regarding the County neighborhood grants. Secretary Holborn explained that this is a \$10,000.00 matching grant that can be used for a variety of projects within the neighborhood including the Parkway entrance signs. He further stated he reviewed the requirements and timeline for the next grant, and the next available workshops would be in November of this year, with approval not available until late 2018.

Architectural: Chairman George Gdowski stated there was no new information regarding the proposed house on Stonestrow Circle. There is no other information to report.

Sunshine Committee: Chair Krisha Mota announced that there was one request but she was not able to contact the resident. She left a note offering to assist her. The request came from another neighbor. Ms. Mota will follow up with the original caller, and has offered her service to the neighborhood.

Covenants and Bylaws Review: Chair Rob Holborn stated there was a meeting yesterday at his home and thanked the members in attendance for their participation. The committee has just started reviewing the covenants, and has been researching various legislation that might impact our covenants.

Rob Holborn explained that while HOA's are governed under Florida Statute 720, this statute will also refer to other statutes. Thus, the committee must research all statutes listed in 720. In addition, there are other Florida laws for example chapters 617, and 163. He further referred to an earlier discussion regarding mandatory sprinkler systems and Florida-Friendly landscaping, and he explained Florida Statute 720.3075 (4 a,b): in which the governing documents of a homeowner's association may not prohibit or be enforced as to prohibit any property owner from implementing Florida-Friendly landscaping. The original law is title 28 chapter 373 (3b) and is the wording found in Florida Statute 720.

Florida statute 720 does allow HOA's to have more stringent or alternate rules in many areas, however there are areas usually involving conservation where Florida law prevents an HOA's governing documents from over ruling the law.

The committee will take some time to sort through the laws and will meet with the HOA's attorney prior to presenting the information to the Board and the residents. He further discussed that the covenants and bylaws will be broken down into legal issues, wording issues, and typographical errors (explained numbering of bylaws is incorrect).

President Bickel stated he talked to the HOA attorney and he stated it is a lengthy process and costly. The attorney stated he only wanted to talk to the president when he has a list of legal issues to discuss. The attorney stated the entire package to review and re-write the covenants/bylaws would cost \$5,000.00. Another option would be meeting with the attorney at \$285.00 an hour to complete the process.

Treasurer Bill Callahan stated that all changes would be brought to the Board and if approved then the changes would be sent to the attorney.

Dr. Paul Powers stated that any expenditure of \$5,000.00 should be bid out and that there are plenty of HOA attorneys available.

Treasurer Bill Callahan stated that Lobek and Hansen have worked on the covenants before and unless there is a reasonable savings the Board should use the attorney who is familiar with our covenants.

South County HOA Alliance: Chair Rob Holborn stated that his first meeting is tomorrow at 10:00 AM and that he and President Bickel plan on attending.

Old Business:

Insurance Review: President Bickel began the discussion of increasing the insurance coverage for the HOA and the Board. After discussing insurance with attorney Kevin Wells, it was determined that the major risk to the association is a failure to govern this includes selective enforcement. He asked the Board to increase the liability amount of the insurance. He stated that the cost is approximately \$1,200.00 annually for an umbrella policy.

After discussion President Bickel made a **motion to increase the liability limits of the HOA insurance to 3 million dollars** at the advice of Attorney Kevin Wells. Board member Christiane Hostler offered a second to the motion.

Results of Board Vote:

For: Bill Bickel, Rob Holborn, Neil Aymond, Frank Collins, Jeanne Fullilove, George Gdowski, Meredith Herrington, Christiane Hostler, Krisha Mota.

Against: Tom Sherrin, Bill Callahan

Abstain: Paul Powers

The motion passed 9 to 2

New Business: Board member Paul Powers requested to read the following information into the record/minutes regarding the current election process (the following is quoted from Paul Powers per the Board's recording):

Paul Powers speaking to the Board and audience:

1. I found no sign in sheet for homeowners so I was unable to know if correct # of ballots distributed
2. No proxy ballots to review so any review count could or would be off anyway.
3. There was an individual person on the ballot that was not eligible to serve as a board member.

Paul Powers speaking to the Board and audience (continued):

4. Ballot had no clear direction as to how many new board members could be elected.
5. The Candidates were not even on the ballot leading to confusion from conflicting and vague instructions as to its meaning and purpose.
6. The Board or some unofficial committee of the Board is now trying to limit the terms of Board members elected for 3 year terms to 1 or 2 - year terms (Clear violation of By-law 7.5. "Directors shall be elected for a 3 - year term.")
7. There is a By-law 7.6 for filling vacancies between annual meetings but just because the previous Board (many of whom are still members) did not do their jobs and act to fill vacancies between the annual meetings has no effect on the election of the 5 new members to the board.
8. And lastly: The election of officers after the annual meeting was itself an illegal meeting as it was in violation of By-law 4.4.11 Meetings Open: Meetings of the Board of Director's shall be open to all members except for a meeting of the Board with its attorney with respect to proposed or pending litigation where the contents of the discussion would be otherwise governed by attorney-client privilege. At this meeting 2 members were not allowed to speak, 1 was silenced and asked to leave- so currently we have no legal officers, only acting officers.

I've been advised by Florida Attorney General Pam Bondi's office how to address these irregularities and it's involved, time consuming and could be costly and embarrassing.

In the interest of amity and to move the Board forward rather than go the tiresome and public legal route I have a suggestion to clean up after this irregular and unprofessional election and get everybody off the hook and I make it in the form of a motion:

"That the Board seat the 5 duly elected directors in question (Neil Aymond, Rob Holborn, Christiane Hostler, Tom Sherrin and Paul Powers) for their full 3 year terms.

AND

the ballot question regarding possible dues increase will be printed in plain English on the ballot for the next annual meeting." Therefore, residents have another change to decide on the dues increase.

Dr. Powers asked for a second on the motion, Neil Aymond seconded the motion.

President Bickel asked that in the future Paul Powers notify him in advance to place the topic on the agenda. Paul Powers stated he was bringing this up under old business.

Discussion on Dr. Powers motion:

Resident Jill Klann asked why her name and Neil Aymond's name had an apostrophe next to their names? Ms. Klann felt that the ballot was rigged to specifically identify her and Neil. There was no response from the board on her question.

Further discussion occurred regarding the sign – in sheets that was not audible on the recording. There was concern over the missing sign – in sheets. However, President Bickel stated there was no concern over this issue.

President Bickel stated that regarding the vote for the dues increase, he discussed this issue with the HOA attorney. The attorney felt this the vote at the annual meeting was academic because the Board approved the annual budget in December 2016, and that the \$25.00 dues increase was included in that budget. Therefore, anything that took place at the annual meeting regarding the dues increase had no legal basis.

Resident Linda Powers asked why was the vote held regarding the dues increase if it was invalid? Treasurer Bill Callahan stated that the vote at the annual meeting was a confirmation of the budget.

Resident Linda Powers also stated that the proxy ballot stated that proxy should not be brought to the annual meeting, and when she arrived she saw several residents with the proxy ballot. The second issue she brought to the board's attention was that she was of the understanding that at the annual meeting there was to be a vote on discussing a possible dues increase opposed to voting on a dues increase.

President Bickel responded by stating her statement was not unreasonable but he reiterated that the HOA attorney stated that when the budget with the \$25.00 dues increase was passed in December by the Board that the issue was over. Linda Powers asked why was there a vote?

Board member Paul Powers read a letter from then Board President William Rowell stating that the dues increase would be decided by the residents.

Treasurer Bill Callahan explained that if the vote for the dues increase failed then the Board would go back and change the budget to reflect the lack of a dues increase.

Resident William Rowell (former Board President) stated that at the meeting a motion was made to vote for or against the dues increase and that the vote approved the increase.

Board member Paul Powers suggested that the dues increase and the candidates for the board should have been placed on the proxy ballot. President Bickel stated that in retrospect this should have happened.

Board member Paul Powers asked that the discussion focus on the 3 year terms for the newly elected board members.

Resident Dick Gunthert brought up the question as to whether the bylaws allow for a staggering of the Board member(s) terms. Paul Powers and Rob Holborn stated that there was no provision in the current bylaws. Rob Holborn further stated that Florida Statute 720 does allow for that provision to be written in the bylaws however, that it is not in our bylaws.

Mr. Gunthert then offered to provide Rob Holborn and the Board with an election process that is far more detailed that is used with the Englewood Isles Marina Association. He further stated that this process is unchallengeable and has language to enact staggered terms. He continued to give a brief explanation of the process and stated that this would solve the problems seen with the last election. The process included self-nominations only, no nominations from the floor, ballots are mailed in and are secret, and that this process has not been successfully/legally challenged.

Secretary Rob Holborn stated that it is clear in the bylaws that the tenure of elected board members is three years. Mr. Holborn read the bylaws to the audience:

7.4 Tenure – Directors shall be elected for a three (3) year term.

7.6 Vacancies – Except as to vacancies provided by the removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors and shall be for the unexpired portion of the term.

Mr. Holborn also quoted Florida statute 720.306 (9a): *Elections of directors must be conducted in accordance with the procedures set forth in the governing documents of the association.*

Rob Holborn further stated that one Board member would be up for re-election in 2018, four in 2019, and 10 in 2020. In addition, with the number of Board members who have resigned in the past the issue of staggered terms is not a problem now. Mr. Holborn stated that he supported Mr. Gunthert's suggestions regarding the election process, and that Board members who decide to leave before the end of their term must notify the Board so that this information may be passed on to the residents prior to elections. Paul Powers stated that the Board had a discussion on error and omission insurance and that Pam Bondi's office did send him information that if a Board member voted to break a statute or a regulation the errors and omission insurance will not cover them for that behavior.

Secretary Rob Holborn asked to have the motion restated for the record.

Motion on the floor:

“That the Board seat the 5 duly elected directors in question according to our bylaws for their full three year term the Board members are Neil Aymond, Rob Holborn, Christiane Hostler, Tom Sherrin and Paul Powers.

Results of Board Vote:

For: Rob Holborn, Neil Aymond, Frank Collins, Jeanne Fullilove, Krisha Mota, Paul Powers, Tom Sherrin

Against: Bill Bickel, Bill Callahan, George Gdowski, Meredith Herrington, Christiane Hostler

Abstain: None

The motion passed 7 to 5

Open Discussion:

Resident Suzanne Bayley stated that Paul Powers did have a good point regarding the election process and that it did need to be cleaned up. She also suggested that maybe no board member be in charge of the nominating committee.

Resident Dick Gunthert offered to assist the Board he further suggested that the board does not need a nominating committee using the self-nomination process this way you get out of the process of people or Board members playing favorites. The process sends all residents a letter stating that if you would like to be considered for the board you must nominate yourself by a certain deadline. This is a much fairer process and a much cleaner process. He also asked Rob Holborn when considering bylaw changes to enact a process of staggering the terms.

Resident William Rowell stated that in December it was difficult to know who was remaining on the board as members did not commit.

New Business:

President Bickel began discussion of forming a Community Association Management (CAM) committee, and that he had sent out talking points regarding the hiring of a CAM. He is suggesting that a committee research the use of a CAM and present the information to the Board and to the residents. He believed last year's process was messy and emotional and that the facts did not get out so that the Board members could make a valid decision on the issue. He stated he has had questions from residents regarding the use of a CAM.

President Bickel asked the Board to allow him to create a CAM committee and to allow that CAM committee to present the facts to the Board and the residents. Board member Neil Aymond asked the President was it the intention of this committee to put this out to a vote of the general membership. President Bickel stated yes, he believed that this was an important enough decision that the residents should vote on this. Mr. Aymond stated that in the past the Board would vote on whether to hire a CAM. President Bickel stated that he does not think the Board should make this decision or vote on this, Mr. Aymond agreed.

Motion on the floor:

President Bickel made the following motion: The Board will allow the President to form a CAM committee and to allow that CAM committee to present the facts to the Board and the residents.

The motion was seconded by Paul Powers.

The motion passed by a unanimous vote of all Board members present.

Resident Dick Gunthert notified the residents that the Sheriff's department had sent Deputies to run speed checks on the Parkway and on Gladstone Blvd, He asked the residents to thank the Sheriff and the Deputies in the neighborhood for their support and help with the speeding problem. He also recommended the Board send a letter thanking the Sheriff. President Bickel stated he would send a letter to the Sheriff.

Resident Carol Gunthert asked if the Board could ask the County to place a few extra speed limits signs or could the Board purchase the signs?

Board member Tom Sherrin stated that the County would not do this and that the Board was not allowed to purchase the signs. The fact that the HOA does not own the streets as in other communities creates this problem.

Treasurer Bill Callahan stated that a vote by the residents to pay for speed bumps failed miserably in the past because it required 60% of the residents to approve and basically only the residents on Gladstone supported the idea. He believed there is a zero chance of controlling speeders on Gladstone without law enforcement involvement.

A motion was made to adjourn by President Bickel, seconded by Paul Powers. The motion carried by a unanimous vote of all board members present.

Meeting was Adjourned at 7:29 PM.

Minutes submitted by Rob Holborn, Secretary

Attachment: Treasurer's report

Treasurers Report

February 28, 2017

Total reconciled balances for both accounts at Englewood Bank & Trust:

Checking Account as of 2-28-2017	\$29,596.78
Money Market Account as of 2-15-2017	<u>\$42,557.15</u>
TOTAL	\$72,153.93

Bill Callahan

3-8-2017