



**Ultimar Three Condominium Association Inc.  
1560 Gulf Blvd. Clearwater, Florida 33767**

## **ULTIMAR THREE Board Meeting Minutes**

**October 15, 2022**

### **1. CALL TO ORDER, PROOF OF NOTICE AND ROLL CALL**

The meeting was called to order at 9:00 am by Board President Rick Coté.

Mr. Reily stated that the meeting notice and agenda were posted and mailed on October 11, 2022 or 33 days prior to the meeting.

The following Board members were in attendance:

**Rick Coté, President**  
**Said Gabriel, Vice-president (via ZOOM)**  
**Sergei Shishkin, Secretary**  
**Larry Hallas, Treasurer**  
**Jim Panzarella, Director (via ZOOM)**

The quorum was confirmed by roll call.

### **2. APPROVAL OF MINUTES**

The minutes of the Board's special meeting of August 22, 2022 were presented and approved unanimously.

MEETING PROTOCOL: Mr. Coté proposed the following meeting protocol: Board members will present and discuss each agenda topic. If a motion is made and seconded, the Board members will discuss and vote on it. After formal conduct of the Board business, there will be an open session for all owners. Owners are requested to limit their comments to 3 minutes each and provide them only on agenda items. Due to no objections, this protocol was accepted.

### **3. MANAGER'S REPORT**

**Medical Information:** Before the manager's report, Mr. Panzarella informed that an AED (Defibrillator) was procured for the Association. It will be installed in the gym entrance. Mr. Panzarella volunteered to arrange training sessions for residents. He also reached out to the Fire Department and Red Cross to arrange CPR training sessions for residents. Meanwhile, Mr. Panzarella provided a link to a short information video:

<https://www.youtube.com/watch?v=PaxwHxEuiN8>

Mr. Reily presented the following manager's report as of October 15, 2022:

Along with routine facility operations, other items have been addressed or scheduled:

- A mandated state elevator system inspection has been conducted on our (4) elevators. All have been carefully checked and passed for safe operation. Elevator permits have been issued and posted as required. One issue in June was an adjusted door operator.
- Two fire system pull stations have been replaced.
- The annual fire extinguisher certification review was conducted, and extinguishers have been tagged.
- The original antique finish was removed from our north lobby elevator doors and a brighter coating (with a corrosion preventer) was applied to match the south tower.
- The original bathroom toilets located in the mail room have been replaced with new ADA compliant pressure assisted models.
- The clubroom kitchen water heater began leaking and was replaced.
- The north building driveway garage doors have been repainted.
- The south driveway ramp area wall stucco repair has been completed.
- An owner called in a nighttime water leak in the unit. It originated from an AC unit. Leak was fixed, the owner was provided with water mitigation assistance.
- Unit Sprinkler System Repairs: All owners with unit deficiencies were informed. A secondary, more detailed review of the sprinkler deficiencies of multiple units was done with owners who contacted the sprinkler company. An attempt is being made to coordinate repairs by floor. This will be an extremely difficult scheduling effort.
- The AC system exterior vent installation was paused to focus on critical glass tower and structural repair projects. The vent is a cosmetic feature and does not impact the AC system function; it has worked flawlessly throughout the summer. An architectural professional will be consulted before a final recommendation to the Board is made.
- An AED cabinet and sign were installed in preparation for activation.
- The second level stairwell exit door and frame have been replaced and inspected by our engineer.
- The garage level column that had water-related concrete deterioration is currently being repaired and is expected to be completed by month's end.
- Glass Towers: Protective Armor Guard spray wrap application has been completed.
- Deteriorated terrace drainage grates on unit 402 have been installed.
- Building Generator: Two generator companies located in Tampa and Sarasota conducted a visual review of our system. They felt that the generator was in good condition

and recommended a new radiator instead of a total replacement. Our generator batteries have also been replaced.

- An access card reader has been repaired at the garage area beach side door.
- AVP Risk Control Insurance Assessment was completed.
- Flood insurance has been renewed. Copies of the deck page are available on our website. [www.ultimar3.com](http://www.ultimar3.com)
- Walkway carpet cleaning is scheduled for November 1 through 4.
- Window cleaning is being scheduled.
- A 5" water supply cutoff valve will be replaced this month. The building's water supply will be temporarily shut down afterhours for this repair. Advanced notice will be given.
- A unit owner requested a site visit by the City of Clearwater Fire Department regarding our building sprinkler system. It passed inspection.
- Garage ventilation: An architectural professionals provided an onsite consultation regarding the garage area exhaust venting system. They recommended that:
  - A study be made for the enclosed parking garage on the ground floor of Ultimar Three. Additional ventilation should be considered so that a constant air flow is maintained. The carbon monoxide and nitrogen dioxide sensor systems can be used to control the fan speed.
  - Building codes require the fans to power down during a garage level fire alarm. The fire department would then need a fan reactivation pull lever to manually clear the smoke. The HOA maintains the fan system and our building maintains the fire system, so further discussions are needed.
- Storm Ian Response – A quick response was needed for securing the building and assisting over twenty unit owners who needed balcony furniture secured and their units locked down. A complete building shutdown was pending given the catastrophic magnitude of this storm. That would have included the elevators, generator service and power for water supply. The building would have been closed. At the last minute, the storm swung south and left our area with just high winds. Thus, the decision was made late into the night to secure only the elevators. Otis was subsequently brought in to make sure the elevators were functioning correctly.

#### **4. FINANCIALS 2022**

Mr. Hallas presented several tables illustrating financial results for January-September 2022 and advised that they will be uploaded to Ultimar Three website. In the first table of income and expenditures (next page), he noted that most over expenditures occurred in Property and Wind Insurance, Repairs and Maintenance, and Elevator Service (due to delayed payments for 2021) budget lines. Overall operational deficit was more than budgeted but still within prior years' accumulated surpluses. Our increased expenditures reflect the rising costs of maintaining our beach front upscale property.

	Through 3rd Qtr	Variance	Annual Budget
<b>Income</b>			
Total Income	763,472	1,739	1,030,332
<b>Expense</b>			
Insurance	176,342	4,568	244,656
Utilities	176,520	(2,664)	238,900
Payroll & Benefits	108,247	6	144,998
Contracted Services	62,887	10,626	69,898
Repair & Maintenance	32,547	(6,174)	53,538
Professional Services	16,698	3,012	22,927
Administration	3,318	1,568	3,650
Reserve Pool	215,411	(427)	288,070
Total Expense	791,969	10,514	1,066,637
Net Income	(28,497)	(8,775)	(36,305)

**YTD Variance >\$4,000 (0.5%)**

Property & Wind  
Repair & Maintenance  
Hurricane Expenses

**>80% Expenses:**

- Insurance Bldg/Us
- Keep the lights on
- Maintaining the Bldg

Our Deficit is in line  
with Previous Years.  
Owner's Equity can balance

Our end of September Balance Sheet shows a significant reduction of membership dues receivable compared to the beginning of the year. A majority of owners pay their dues on time.

## Ultimar III Balance Sheet (\$) as of 30 September 2022, unaudited

Other Assets		OPS	RESERVE
Owner Dues Outstanding	1,631		1,631
Prepaid Insurance - Property	37,515		37,515
Prepaid Insurance - General	27,581		27,581
Prepaid Insurance - Flood	19,249		19,249
Due to Reserve from Ops	0	58,609	58,609
<b>Total</b>	<b>85,975</b>	<b>58,609</b>	<b>144,584</b>
<b>TOTAL</b>	<b>269,634</b>	<b>1,591,033</b>	<b>1,860,667</b>
<b>LIABILITIES</b>			
TRUIST Credit Card	1,351		1,351
Due from Ops to Resv	58,609		58,609
Payroll Liabilities	39		39
Prepaid Owner Dues	17,565		17,565
<b>Total</b>	<b>77,563</b>		<b>77,563</b>

Owner Dues Outstanding  
>90% reduction  
Prepaid Owner Dues nominal

Our bank accounts are kept in insured certificates of deposit with a minimum held in operational accounts needed for current expenditures and Reserve projects. Operational cash had been moved to demand deposits outside of Truist to make sure our assets stayed under the FDIC-insured limit of \$250,000 as noted below.

## Ultimar III Balance Sheet (\$) as of 30 September 2022, unaudited

	OPERATING	RESERVE	TOTAL	
<b><u>ASSETS</u></b>	-	-	-	
<b>Cash Assets</b>				
<b>Truist Operating</b>	<b>50,205</b>		183,659	<b>On Truist Books 224,867</b>
<b>Truist on Demand</b>	133,454			
<b>Truist Reserve</b>		<b>174,663</b>	1,532,424	
<b><u>Truist CD's</u></b>				
<b>4 Weeks 4 SEP</b>		501,500		
<b>13 Weeks 13 OCT</b>		250,000		
<b>26 Weeks 19 JAN</b>		250,000		
<b>52 Weeks 8 SEP</b>		100,000		
<b>TIAA Bank CD 13 DEC</b>		256,261		
<b>Total</b>	<b>183,659</b>	<b>1,532,424</b>	<b>1,716,083</b>	

Mr. Hallas stated that his priority will always be the safety and security of Association's funds. Also very important is preparing a fiscally responsible budget very important. He will continue to work with the Board on optimizing our CD investments and to make money available when needed for projects. His other priority would be earning interest on our cash assets since every 1% of interest on our funds can bring in \$10-12K of additional income per year.

### 5. BUDGET 2023

Mr. Hallas introduced several tables and explained that in the preparation of the 2023 budget he had considered several options. A major factor in that process was that a significant percentage of our budget is out of our control. It concerns insurance costs and inflationary growth of prices. Mr. Hallas advised that last month three Board members had meetings with three insurance brokers to listen to their assessment of the current insurance market. One of the brokers insures Ultimar Two while a second was our broker many years ago and we had an excellent relationship with them. We also brought in our current broker. All three of them were initially concerned about our roof. When they found that we had just replaced it with a new hi-tech polymer, all of them were relieved and noted that because of that, we would be considered an excellent insurance risk based on our relatively young building that is in excellent condition (confirmed by a subsequent visit from our broker's assessor) and that we have a new roof. Mr. Hallas commended our property manager for the timely implementation of the roof replacement project.

However, the brokers pointed out that the Florida market had lost many insurance companies that pulled out and only a couple would be willing to provide us a quote. In addition – due to our high appraisal – our broker will have to bundle our insurance with reinsurers that exposes us to the world-wide risk environment. They suggested that our total insurance package could easily top \$350K. We will not know the exact cost until late December when we will have to immediately pay the premium in order to maintain our coverage.

Description	NO CHANGE BUDGET	Insurance >40% now expected	DUES +14%
<b>INCOME</b>			
Total Income	1,070,975	1,070,975	1,220,613
<b>EXPENSES</b>			
<b>Insurance</b>			
Total	249,224	354,787	354,787
<b>Utilities</b>			
Total	236,235	248,047	248,047
<b>Payroll &amp; Benefits</b>			
Total	145,004	155,254	155,254
<b>Contracted Services</b>			
Total	68,347	72,275	72,275
<b>Repair &amp; Maintenance</b>			
Total	47,362	56,866	56,866
<b>Professional Services</b>			
Total	25,102	16,704	16,704
<b>Administration</b>			
Total	6,047	6,350	6,350
<b>Reserve Pool</b>			
Total	287,500	315,043	315,043
Total Expenses	1,064,821	1,225,325	1,216,932
<b>Net Surplus/(Loss)</b>	<b>6,154</b>	<b>(154,350)</b>	<b>(4,712)</b>



**Ultimar III 2023 Budget**  
(v.12 unaudited)

**Proposal:**  
**14% Dues Increase**  
**1 January 2023**

In the above table, Mr. Hallas made his recommendation that reflected a 40% increase in our insurance costs this year which was the consensus of the brokers. This would require a 14% increase in our dues in order to generate a balanced budget. If it is higher, our owner’s equity could cover the deficit.

In the ensuing discussion, Mr. Coté confirmed the need to address the rising costs of insurance in 2023 Budget. Mr. Shishkin commended Mr. Hallas for his thorough and thoughtful presentation, and enquired whether the Reserve Contribution amount was the one recommended in the latest Reserve Study. Mr. Coté confirmed that it was the amount agreed with the independent company that prepared the Reserve Study Report.

**6. SURVEY RESULTS**

Mr. Coté announced that 68 unit owners responded to our survey questionnaire on options to deal with Glass Towers issue and the installation of security cameras in our common areas. The results were as follows:

- Replace Glass Towers with new materials with a Special Assessment (assuming the cost of \$200,000 or about 2.5 months dues) - **39 NO; 22 YES; 33 Undesirable.**

- Replace Glass Towers with same glass block with a Special Assessment (assuming the cost of \$650,000 or about 7.5 months dues) - **50 NO; 1 YES; 44 Undesirable.**
- Disassemble and eliminate the Glass Towers with NO Special Assessment. (Covered with \$250,000 Reserve Study Fund) **48 YES; 9 NO; 43 Desirable.**
- Install a new camera recording security system in U3 Common Areas. **37 YES; 29 NO;**
- Fund security system with a Special Assessment. **36 NO; 24 YES**

He suggested to discuss the Glass Tower results after the Glass Tower presentation and to consider the security system installation. It was so agreed.

Mr. Coté informed that there was an ADT (a security company) review of our property and they were in the process of completing an estimate for a) the installation of the recording cameras (video, not vocal) in the common areas (levels 1, 2 and 3) which would cover the hallways and every external doorway (the cameras would be viewable online by a limited number of individuals, and would record and store all motion activity for the last 30 days); and b) the installation of a new door entry system to complement the existing system. This door entry system will be state of the art with pod, code, and remote device access.

Many of the survey comments focused on HOA enhancing their security features and enhancing Ultimar Three existing door entry system. Having recording cameras would impact personal privacy in common areas, however it also provides documentation in case of any security incidents.

The installation would have to be considered operational expenditures, not the Reserve Fund project as it is installation of a new equipment. The procurement of camera could be funded from our prior years' surplus funds (owner's equity in our balance sheet, which is approximately \$180,000).

Mr. Coté recommended to include the following in our November Proxy mailing as an item for owners' vote which could be segmented into 3 components:

- Install a new camera recording security system throughout our common areas (Levels 1,2 and 3) and install a new state of the art door entry system, both to be funded from prior years' operating surplus.
- Only install a new state of the art door entry system to complement our existing door entry system to be funded from the Capital Reserve Funds or prior years' operating surpluses as needed.
- Do not install a camera recording security system nor upgrade our door entry system.

During the ensuing discussion, Mr. Panzarella enquired about the possible costs of these security systems. Mr. Coté responded that the costs had not yet been determined, the major part being not the price of the cameras but their installation wiring. He also mentioned that the proposed measures would not mean a real time security enhancement and that the owners should exercise common sense in taking steps to secure their condos.

## 7. GLASS TOWER UPDATE

Mr. Gabriel made the following presentation:

As approved by the Board at its last meeting, we have completed the Armor Guard protective spraying of the Glass Towers to protect from falling glass shards. We requested proposals from contractors/manufacturers (list of suppliers was provided by Mr. Copley), to demolish or replace the glass towers with the following material: polycarbonate panels, fiberglass panels, or glass blocks. Two manufacturers declined to send proposals because their product could not meet State of Florida requirement. Contractors visited the site to review site conditions. We requested the contractors to ensure that their product must meet all the State requirement including hurricanes. One contractor sent a sample of the FG panel. Contractors submitted brochures and samples of materials. The following is a summary of the proposals received:

PI – PolycarbConate	\$531,185.00 Paint Steel Support \$85,000 Price is for two towers
Majors – Fiber Glass	\$532,357.00 Paint Steel Supports \$85,000 Price is for two towers
Kalwall – Fiber Glass	\$375,500.00 \$39,300.00 added cost for scaffolding Price is for two towers
Duo-Guard	Not yet received
Structural Preservation Systems, LLC	\$210,000 +/- Budgetary Estimate of Demolition of South Tower only

After the discussions of the different options, the Construction Committee could not reach a decision.

Mr. Gabriel suggested the following next steps:

- Due to the magnitude of this project, Karins Engineering be assigned to perform a technical evaluation and selection of a qualified contractor/manufacturer. Karins Engineering was already recommended by the Construction Committee as an engineering company of record that has the proper qualifications and certified professionals necessary to identify the state requirements and to complete the task.
- We will prepare a scope of work for Karins Engineering and ask them to recommend the best option.

- The Construction Committee will consider the selected option and make a recommendation to the Board which will make the ultimate decision concerning the project.

Mr. Gabriel made a motion to engage Karins Engineering for technical evaluation and making a recommendation regarding material and contractor/manufacturer for the Glass Tower project.

Mr. Shishkin enquired about the reasons why the Construction Committee could not reach a decision on material and contractor at its meeting. Mr. Gabriel explained that some Committee members objected to not being provided with cost estimates of the received proposals and blocked the decision. The reason for withholding cost estimates of the proposals was that the Committee had a task to provide the most viable technical options disregarding their costs.

Mr. Coté commented that the Armor Guard protective spraying of the glass towers had been successfully completed to ensure protection from falling glass shards. This will provide safety while we finalize replacement or elimination of the glass towers. There are three bids from contractors for glass towers' replacement. They provide an alternative polycarbonate or fiberglass sheet option vs. the current glass block. We need to have a next steps action plan approved by owners. We must have the Glass Towers issue rectified by Fall of 2023 otherwise it would have a substantial negative impact on our Building structural engineering assessment which had to be completed before the end of 2023. We should start the process by requesting HOA approval for the glass towers options. Mr. Coté suggested to formally request an approval from the HOA to eliminate the glass towers subject to obtaining the proper Local and State Regulatory approvals. If the HOA denies this request, it should be requested to provide their rationale in writing and then formally asked for their approval to replace the glass towers with the new materials, again subject to Local and State Regulatory approvals. At this time, we should also consider the options of funding the project.

Mr. Coté made a motion to send an urgent request for approval to HOA of different options to implement the Glass Towers project.

Both Mr. Gabriel's and Mr. Coté's motions were seconded and approved unanimously.

## **8. RENOVATION UPDATE**

Mr. Hallas reported that last month the Board had sent out an update on our plans for renovation as called for in the Reserve Study. The project is divided into 3 phases. Phase 1 would focus on painting common areas and the gym. Phases 2 and 3 would be updating our décor. If the owners are comfortable with the current color palate, then the Board can simply schedule the project after painting bids are received. If the owners want to change our colors in the common areas, then we will need to have an Association vote.

In order to get an outside professional opinion, three different designer companies had been invited to provide us their opinion on a fee-only basis. The question put to them: are the current colors the basis for a more modern look or should we consider a new color scheme? Two companies

accepted the invitation. Both felt we needed to change the palate. It needed to be lighter with ceilings of a white matte finish. One designer chose white in tan tones. The other designer preferred white in gray tones. Our suggestion was that the paint should not be a custom formulation but 'off the shelf' type that could be easily shown to owners and used in our bidding process.

Mr. Hallas demonstrated several slides showing the designers' examples. He stated that owners first needed to decide if they want to change our current paint scheme. If they do, then we have two excellent possibilities for that change to a lighter and more modern look. By designers' accounts, it will provide a perfect template for our future plans to upgrade our décor. Mr. Hallas recommended to include this for a vote in the November election proxy. The owners will be requested to vote to either a) approve painting the common areas (levels 1, 2 and 3) in a new lighter and fresher color palate or b) repaint the common areas in the current dark color palate. As we have two designers providing new color palate selections, if the vote is to approve repainting with the lighter color palate is approved, we will have the unit owners select between the two options via a survey.

Mr. Coté advised that multiple vendors had been contacted regarding the gym remodeling. The recommended changes would include:

- replacing the existing rug with rolled 3/8th inch commercial grade rubber mats 4' by 50';
- sanding and refinishing the existing wood floor;
- refurbishing the existing ceiling;
- installation of new LED lighting;
- repainting the non-mirrored walls to owners' choice of other common areas' colors.

These innovations will be submitted for a vote in the November election proxy.

## **9. RESERVE STUDY 2023**

Mr. Coté informed that an updated Reserve Study for 2023 from the professional reserve study firm of Dreux Isaac and Associates had been received and will be posted on the Ultimar Three website.

With the cancelling of the renovation project by the owners in June 2022 and in consultation with Dreux Isaac, the following major changes had been made from the 2022 Reserve Study:

- The unspent renovation project costs of \$370k from 2022 were replaced with spending of \$100k in 2023 for common area plastering and painting, electrical updates as needed and some accessories. Additional common area renovation costs of \$80 k have been moved to 2031.
- The Glass Towers' project was moved from 2025 to 2023 with increased funding of \$250k instead of \$125k.
- The \$40k gym area renovation was moved from 2024 to 2023 (new floors, updated electrical, and plastering and painting).

- A generator radiator replacement was added for 2023.

Mr. Coté also advised that Dreux Isaac increased virtually every amount of spending by approximately 11% to reflect current market material and labor costs.

Mr. Panzarella asked how the cost of Glass Towers' project would be financed if it exceeded \$250k. Mr. Coté responded that a special assessment would be needed to cover the deficit.

Mr. Gabriel inquired about the cost of the generator's radiator replacement. Mr. Coté responded that the estimated cost was \$18k.

## **10. DECLARATION SECTIONS 9.1 & 17.4 INTERPRETATION**

Mr. Coté reminded that an issue had been raised concerning the recent Ultimar Three General Information Guide. Specifically, a claim by some residents that replacement of an air conditioning unit with the same tonnage and similar size is not allowed unless approved by the Ultimar Three Board and then the HOA Architectural Committee. The Ultimar Three Board does not have to approve replacement items. This is supported by a position paper the Board had previously prepared interpreting our Declaration's sections 9.1 and 17.4. This position paper has been agreed to by the Association lawyer. We will incorporate it in our rules and regulations and will post it on our website. The HOA Architectural Committee has authorization over the exterior parts of the Ultimar Buildings and the HOA can enact their regulations as they deem appropriate. The Architectural Committee should have standards established so owners know what is and isn't acceptable. The HOA have just established specs regarding front door replacements but have not developed specifications for balcony tile replacement or external air conditioning systems. Since the HOA has issued standards for replacing unit owners front doors, the Ultimar Three Board should give blanket approval for owners who want front door replacements within these standards.

Mr. Coté made a motion to grant owners a blanket approval for front door replacement in their condos provided the HOA standards are complied with. The motion was seconded and approved unanimously.

## **11. DELINEATION REPORT**

Mr. Coté reminded that at previous Board meetings, one of agreed priorities was to issue a delineation report outlining the responsibilities of the Ultimar Three Building vs the Ultimar HOA common areas. We issued the following communication to all Ultimars One and Two and HOA Boards on June 20, 2022:

"At our April 2021 information sharing session we all agreed the need for a delineation agreement to define areas of responsibility and ensure we did not have gaps or duplication of insurance coverage. With the new Building Safety Legislation for Condominium Associations regulations passed in May, it is even more critical that agreement of responsibility between the buildings and HOA be finalized.

At U3 we have had an outline of responsibilities for some time, but never formally agreed. Attached is U3's recommended delineation report along with some pictorial descriptions. In this proposal we have focused on the big picture (we own the building footprint and HOA owns the items outside the building footprint) and getting into detail in a limited manner more to exemplify responsibilities within the bigger picture.

We thought sharing our proposal may be of benefit if you haven't already drafted your delineation perspective.

We are available to discuss and share our perspective, individually or as a group."

This communication was accompanied with a detailed Delineation Ultimar Three Perspective with three level plans.

A copy of this delineation proposal will be posted on the Ultimar Three website.

## **12. ANNUAL MEETING ITEMS FOR VOTE**

Mr. Coté suggested the following items for voting at the December 17 owners' meeting:

1. Election of 2 Board seats - Hallas and Shishkin seats.
2. Approval of funding 2022 operating expenses exceeding revenue from prior years' reserves rather than a special assessment.
3. Approval of gym renovation.
4. Approval of common area painting (new colors). If not approved, the repainting will use existing colors.
5. Approval of Glass Towers action plan, depending on survey results: replace with new material or disassemble (with cost and special assessment amount).
6. Approval to borrow from Reserve funds to pay insurance premium, with repayment over the 2023 calendar year instead of paying in installments at a 7% interest rate.
7. Approval to carry forward prior years' operating surpluses.
8. Security camera installation approval, along with funding.

With no objections these items were approved for voting at the December 17 owners' meeting.

## **13. OWNER'S FORMAL LETTER RESPONSE**

Mr. Coté informed that the Board had received a formal letter from Mr. Fleites

challenging the Associations' ability to have only two Board seats up for election in December 2022. Subsequently, Mr. Fleites filed a legal complaint with the Division of Florida Condominiums, Timeshares and Mobile Homes - Department of Business and Professional Regulation. Mr. Solazzo has also filed a legal claim regarding this same topic.

These owners claimed to have three Board seats up for election in December 2022 even though we had three Board seats elected in December 2021. Our formal reply to Mr. Fleites formal letter and to the claim of Mr. Solazzo will be posted on the Ultimar Three website.

The Board's position is that 75%, a majority of owners, participated in the December 2021 Board elections and voted for three Board members for 2-year terms starting December 2021 and expiring in 2023. Thus, there are only two Board seats up for election in December 2022.

Notably, these two owners are claiming that one of prior years' Board seats should only be for one year term, yet they never raised this issue during the election, at the time of voting, after the votes were tallied, or after the results were announced. Eight months after the election they are attempting to question its results. The Board has no authority to change the results of the 2021 election. These requests can be granted only when (and if) a Florida judge formally requires us to cancel the 2021 election results and to provide a new outcome.

#### **14. OPEN BOARD MEMBER DISCUSSION**

All discussions were conducted under each agenda item.

#### **15. OPEN SESSION WITH OWNERS**

Mr. Fleites complained that the discussion by owners was not conducted for each agenda item, especially on 2023 budget.

Mr. Coté reminded that this was the Board meeting and to open the floor for owners' discussion for each agenda item would seriously disrupt the proceedings. Budgetary issues will be discussed at the owners' meeting in December.

Mr. Fleites also noted a high cost of Glass Towers project that can take a third of the Reserve Fund and mentioned a disconnect in the way the questions in the questionnaire were formulated. He stated that the Association's by-laws clearly stipulate that on even years three Board seats would be available for election.

Mr. Karaali expressed his concerns about engagement of Karins Engineering, the costs of that engagement and the apparent friction in the Construction Committee. He also questioned the Board's position on electing two members in the coming elections.

In his response, Mr. Gabriel informed that engaging Karins Engineering was suggested by one of the Committee members and assured of the transparency in the Construction Committee's discussions. He also stressed that the final decisions would be made by the Board.

Mr. Copley noted that Karins Engineering did not make any recommendations and multiple bids were needed to achieve the best terms. He also mentioned that the coming board election might become controversial.

Mr. Solazzo expressed his opinion that the results of the last Board election should be reconsidered and that three Board seats should be available for election this year in accordance with the Association's By-laws.

Mr. Coté reiterated the Board's position that it cannot change the voting results.

Mr. Song suggested that one of the current Board members should resign to make three seats available for this year's election.

Mr. Foulds complained that the discussions by owners did not follow the Board's consideration of each agenda item and that the renovation projects were not properly organized.

Mr. Schryver noted that external remodeling standards are an HOA prerogative. The Glass Towers problem was evident for years, but no remedial action had been taken. He also stated that the HOA Board and its Architectural Committee were always prompt in their decisions on buildings requests. He expressed his concern about the progress of work on a column in the garage area mentioned in the Karins Engineers' report. Mr. Schryver noted that the cost of security cameras seemed excessive. He also called on the Board to tighten controls of rental procedures.

Ms. Hakim requested the Board to seek more permanent solutions to various issues occurring in building's maintenance and repairs.

Mr. Coté explained the procedures to include and finance projects in the Reserve Study. He also thanked the owners for their comments and suggestions that would be taken into consideration in the Board's work as appropriate.

## **16. ADJOURNMENT**

Mr. Coté reminded the participants that the next Board and owners' meetings will be held on December 17.

The meeting was adjourned at 11:48 am.  
The minutes were prepared by Sergei Shishkin