



**Ultimar Three Condominium Association, Inc.
Meeting Minutes of the Board of Directors Meeting
February 14, 2024**

Call to Order/Roll Call

- Gus Fleites called the Board Meeting to order at 5:01pm in the Ultimar Three Club Room and via Zoom online.
- Directors Gus Fleites, Cleo Cabuz, Tom Fiedler, Ken Jones, and Craig Smith were present in person. Also present in person were the association's Secretary, Jacky Schryver, and manager, Kristin Crockett.

Proof of Notice of Meeting

- Proof of Notice was confirmed by Ms. Crockett, posted more than 48 hours in advance.

Approval of Minutes

- Meeting minutes from the Budget Meeting held on December 16, 2023 were moved for approval by Ken Jones. The motion was seconded by Mr. Fiedler. The motion passed 5-0.
- Meeting minutes from the Organizational Meeting held on December 16, 2023 were moved for approval by Mr. Fiedler. The motion was seconded by Mr. Jones. The motion passed 5-0.
- Meeting minutes were moved for approval for the Board meeting held on November 11, 2023 with edits suggested by Mr. Fleites and Mrs. Crockett from the original draft shared in November. The motion passed 5-0.
- Meeting minutes were moved for approval for the Board meeting held on October 22, 2023 by Mr. Fiedler. The motion was seconded by Mr. Jones. The motion passed 5-0.

Report of Officers

- **President** – Mr. Fleites commented that we are meeting for his second removal as president of the association in less than a year. He expressed his concerns for delays in the progress for glass block tower project and stated that the Board and committee members do not understand the work in front of them on the glass block tower project.
- **Treasurer** – Mr. Jones reported that 2023 ended approximately \$16,000 unfavorable to budget, largely due to increased repairs and deferred maintenance. On December 16, 2023 the membership approved a cash advance from the reserve fund to cover approximately \$650,000 in insurance premiums. The amount borrowed is being repaid to the reserve fund throughout 2024. At December 31, 2023, total cash was approximately \$1.9 million. The 2023 audit is almost complete, with the expectation of a clean audit opinion, with no audit adjustments required. The final report is expected before month-end. A memorandum was shared with the Board regarding an outstanding audit item. The auditor has concluded that the March 2023 Special Assessment was invalid. He asked for the Board to acknowledge the same. Mr. Jones made a motion to acknowledge that there was no valid special assessment. Ms. Cabuz seconded the motion. The

motion passed 5-0. Ms. Cabuz made a motion to maintain the component summary format on the financial statements, as it has been presented for many years. Mr. Jones seconded the motion. The motion passed 4-1, with Mr. Fleites voting against the measure. Mr. Fleites made a motion to make a footnote on the financial statements regarding the bids obtained so far for the glass block tower replacement. There was no second to the motion.

Manager's Report

- Ms. Crockett mentioned that the monthly manager's report for January was emailed to owners. She reported that the fire sprinkler system work has been completed and she is currently working on the following: obtaining proposals for replacement of the fire pump controller and fire pump transfer switch, replacement of the generator, elevator modernization consultants, repair of the steam generator in the ladies' steam room, ball valve replacement for the 01-unit stack, dryer vent motor replacement, and dryer vent cleaning. She announced that Davit Kercova joined the maintenance team at the end of December. He was tasked with performing the fire watch during the fire sprinkler repairs, has embarked on painting projects, and has made a variety of building repairs.

Committee Report

Building Structures and Systems

- Ms. Cabuz provided a summary of activities to date for the glass block tower project. She communicated that additional proposals are pending from Caladesi Construction and Dixie Construction. Concerns were expressed by owners for the timetable of the project and the liability that delays create. The Board agreed to hold a Board meeting on March 2, 2024 and the committee intends to have a recommendation for the glass block towers by that time.

Election of Officers

- Mr. Smith provided a statement regarding reasons for the removal of Mr. Fleites from the position of president of the Board of Directors. Mr. Jones made the motion to replace Mr. Fleites in the role of president with Mr. Smith. Mr. Fiedler seconded the motion. The motion passed 4-0, with Mr. Fleites abstaining. Ms. Cabuz made the motion for Mr. Fiedler to become the association's Vice President. Mr. Jones seconded the motion. The motion passed 4-0, with Mr. Fleites abstaining.

Old Business

- **Management Contract Decision** – A contract has been in place for association management with Beach to Bay Property Management since October 23, 2023. Mr. Fleites commented that the Board had promised to determine what management model would best support the interests of the association before seeking permanent management. Mr. Smith mentioned that Mr. Fleites had reached out to Board members to address this task. Upon the request of Mr. Jones, a neighboring association shared their cost and service analysis of several property management companies. Mr. Smith commented on his experience hiring property managers when he held the role of president at Crescent Beach Club and shared a summary of reasons why remaining with Beach to Bay Property Management is the right choice. Mr. Jones made the motion to ratify the management contract. Mr. Fiedler seconded the motion. The motion passed 4-0, with Mr. Fleites abstaining.

New Business

- **Appointment of Building Structures and Systems Committee Member** – Mr. Smith commented that due to the resignation of Mr. Copley from the committee, he was asked by the former president if he would be willing to serve and Mr. Smith indicated that he would. Mr. Fiedler made a motion for Mr. Smith to join the committee. Mr. Jones seconded the motion. The motion passed 4-1, with Mr. Fleites voting against the measure. It was further clarified during discussion that the correct name for the committee is the Building Structures and Systems Committee and that the name Construction Committee should not be the name used.
- **Management Spending Limit Decision** – Mr. Fiedler made a motion for management to have a \$5,000 spending limit with communication of spending to a Board member. Mr. Jones seconded the motion. The motion passed 5-0.
- **Balcony Tile Decision – Kaleido 12 x 24 Bianco 4475-S** – Ms. Crockett shared the tile presented by the owners of unit 902 for use on the balcony. Mr. Jones made a motion to approve the tile. Mr. Fiedler seconded the motion. The motion passed 5-0.
- **Meeting Cancellation** – Mr. Jones made a motion to cancel the Board meeting noticed for February 15, 2024. Mr. Fiedler seconded the motion. The motion passed 4-0, with Mr. Fleites abstaining.

Comments of Owner

- Mr. Smith commented that Rollshield dropped material from a Bosun chair attached at the roof while working at unit PH3 and narrowly missed those on the balcony on his unit, 205. Access to the roof for this repair was not authorized by management. The Rollshield employees informed management that the owner unlocked the door with a key in his possession and instructed them to tell anyone who asked that the door was already open. Ms. Crockett will rekey the roof locks.
- Mr. Ewald expressed thanks for the work by the Board of Directors over the past several months and asked whether the owners in the other two buildings will have input on changes to the glass block towers. Mr. Schryver stated that approval of a material change would be required from the HOA Board of Directors.
- Ms. Alexeeva asked why new glass is being considered for the glass block towers, given the troubles of the past with that material. Ms. Cabuz and Mr. Fleites commented on the potential reasons for the glass block failures due to rust, temperature variations, possible foreign debris, and lack of maintenance. Ms. Alexeeva also inquired about the difference in price for materials being considered. Board members expressed that the pricing would be shared once it is available from all the contractors.

Adjournment

- The meeting was adjourned at 8:09pm.

Jacky Schryver, Secretary

Date

DATE: February 14, 2024
FROM: Ken Jones, Director & Treasurer
TO: Ultimar Three Board of Directors
SUBJECT: Invalid \$200,000 Special Assessment

Our Ultimar Three auditor, Frank Weiss & Co., CPA's, is in the process of wrapping up the 2023 audit. A question has arisen which he believes should be addressed by a Board action.

At the March 16, 2023 meeting of the Membership, a purported form of proxy requested approval of a \$200,000 Special Assessment for repair of the glass block towers. According to minutes of that meeting the Assessment was approved.

However, Special Assessments may only be levied by the Board of Directors (Section 13.2 of our Declaration of Condominium).

There is no evidence that the previous Board ever voted to levy this purported Assessment. No effort has been made to collect such funds. No Assessment receivable is on the Association's books.

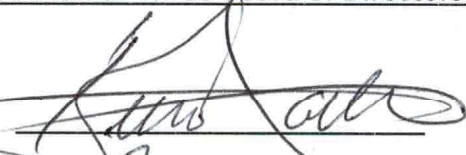
In order to bring closure to this issue, the auditor has requested that this Board formally acknowledge that the Special Assessment was invalid.

To that end I ask for a motion to formally adopt this position, with signatures by the Directors. After approval of this motion, please sign this Memorandum below.

Thank you for your attention to this matter.

Approval by the Ultimar Three Board of Directors:

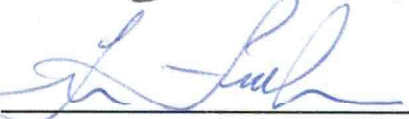
Ken Jones



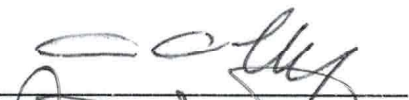
Craig Smith



Tom Fiedler



Cleo Cabuz



Gus Fleites

