

BEACH WALKER VILLAS ASSOCIATION, INC.

BOARD OF DIRECTORS MEETING

OCTOBER 10, 2008

A Board of Directors Meeting of the Beach Walker Villas Association, Inc. was held this day in the Amelia Room, Property Owners' Clubhouse, Amelia Island Plantation, Amelia Island, Florida.

BOARD MEMBERS PRESENT

Taylor Merrill, President

Bradford (Brad) Burnette, Vice President

Wayne Middleton, Secretary/Treasurer

James (Jim) Thompson, Director

David Montgomery, Director

OWNERS PRESENT

Carol Thompson

Joann Speas

Beverly Montgomery

AMELIA ISLAND MANAGEMENT (AIM)

Jeff Chapman, Senior Community Association Manager Jason Hambrecht of

Tim Scholl, Community Association Manager Construction Solutions, Inc. (CSI)

Shirlene Reeves, Senior Villa Accountant

Joan Sheets, Administrative Assistant

GUEST PRESENT

Jason Hambrict of Construction Solutions, Inc. (CSI)

CALL TO ORDER

Notice of the meeting was emailed to the Board on October 5, 2008 and posted on property, which is in accordance with the Documents of the Association. There were five Board members present, which represented a quorum. President Taylor Merrill called the meeting to order at 9:01 a.m.

APPROVAL OF MINUTES

Brad Burnette moved to approve the May 2, 2008 Board of Directors Meeting Minutes, as written. Jim Thompson seconded and the motion carried unanimously.

Brad Burnette moved to approve the August 29, 2008 Board of Directors Meeting Minutes, as written. David Montgomery seconded and the motion carried unanimously.

FINANCIAL REPORT

Current Financials/Variances

Shirlene Reeves reported, as of September 30, 2008, the Association is doing really well and highlighted the following:

- September - approximately \$15,000 under budget
- YTD - approximately \$109,000 under budget
- One owner one month in arrears
- One owner three months in arrears – 90 day letter sent
- No units sold

Jim Thompson asked if more explanation of variances could be provided. Shirlene Reeves explained that if an item is 10% over budget, it is listed on the YTD Variance Report.

Cash Investments

President Merrill stated the Board passed a motion at the previous Board Meeting to move funds from a single bank account to various accounts so as not to exceed the FDIC insurance limits. The funds were transferred to Synovus Financial. Wayne Middleton suggested, for clarity, to list all CDs as Synovus on the Balance Sheet.

Budget Approval

President Merrill inquired about the three high variances. Shirlene Reeves stated the building maintenance variance was due to replacing rotten wood, expansion joints, exhaust fans, and EIFS repairs. There was discussion on whether to raise the budget for building maintenance and lower the Board Fund, but no decision was made. The landscape supplies included cleanup following Tropical Storm Fay (T.S. Fay).

Considering the dead bay trees which will need to be removed, Jim Thompson suggested raising the budget amount for landscape supplies. The major cost would not be the removal, but whatever is chosen to fill the void where the trees are removed. Since there is no irrigation in this area, it would be best to plant natural foliage. It was also suggested to put in ground cover and let the remaining healthy trees spread out. After discussion, it was the consensus of the Board to keep the landscape supplies budget at \$22,000, remove the dead bay trees, and then obtain a proposal from a landscape designer. Tim Scholl was directed to have the dead bay trees removed, and commence with tree trimming and vine removal.

Wayne Middleton stated CSI was over budget for 2008. Jason Hambrecht said he is normally contacted by Tim Scholl, except sometimes a contractor encounters an issue and calls him. Mr. Hambrecht reported the expenses were high due to the following:

- Installed control joints in two walls because of leaks (required a lift)
- Damage from T.S. Fay
- Repair of rusted rebar in concrete found during window installation

Jim Thompson inquired as to why the cost of electricity was up by approximately 50%. Shirlene Reeves stated the projected expense for 2008 is approximately \$21,000 due to rate increases.

Wayne Middleton stated the \$2,400 budget line item for telephone can be removed because it is no longer necessary.

President Merrill asked about pest control cost going down. Tim Scholl reported the contract was renegotiated with a different company, Arrow Exterminators, with very reasonable rates for regular services. Jeff Chapman reported United Pest Control indicated a desire to raise their rates to \$7 per unit per month. Arrow Exterminators quoted \$1.625 per unit for trimester and on demand services. Termite inspection was discussed. The Board agreed to move the \$2,400 from telephone to termite inspection and requested Tim Scholl obtain a quote.

The 2009 Special Projects were discussed and the following will be implemented in 2009:

- Walkway to beach – projected for January
- Paving – Tim Scholl to obtain quotes
- Signage – awaiting specifications from Architectural Review Board
- Sprinkler pipe replacement – Tim Scholl to contact Fire Inspector to determine alternatives within fire code specs

The total cost of the projects is approximately \$165,000.

Jim Thompson moved to approve the 2009 Proposed Budget for distribution, as amended. Brad Burnette seconded and the motion carried unanimously.

AMELIA ISLAND MANAGEMENT REPORT

General Report

Pool maintenance was discussed regarding treatment for algae present in the pool. President Merrill reported he received a report from Tom Northey of Swimtech, Inc. indicating there is no health danger, but it can

be unsightly. Also, due to pending legislation, the pool grates may have to be replaced with dome grates. The pool will have to be drained to complete the treatment and replace the grates. Both will be done at the same time, possibly in December 2008.

Tim Scholl reported the deck expansion between the two gazebos will cost approximately \$8,000 to \$10,000, but he will obtain a firm price.

CSI Protocol

Jason Hambrecht reported leaks are due mainly to old windows and doors, and recaulking may not resolve the issue. Discussion followed regarding ways to resolve these issues. Suggestions included:

- Determine units with old windows and doors and send letters regarding the urgency of replacement to these owners because of damage to other units and common elements.
- Send Jason Hambrecht's report, with photos of damage to these owners.
- Provide owner guidance and product/installation specifications.
- Locate a contractor who will give a rate based on multiple units.
- Inform owners if they are installing new windows and doors, they must follow the established protocol.
- Gather all pertinent information and take it to Attorney Jeffrey Tomassetti for recommendations.

President Merrill directed Tim Scholl to write a letter to owners with old windows and doors for Board review and approval. The letter will be mailed prior to the Annual Membership Meeting on December 6, 2008.

The Board directed Jason Hambrecht to do an annual building inspection for 2008 prior to the Annual Meeting. Jeff Chapman reported Florida Statutes now mandate a building inspection every five years.

Landscape Plan for Bay Trees

This issue was covered under Budget Approval.

Fire Sprinkler Quotes

No firm quotes have been received.

Pool Maintenance

This issue was covered under the AIM General Report.

OLD BUSINESS

Entry Sign

This issue was covered under Budget Approval.

NEW BUSINESS

President Merrill reported he received a request from an owner to replace their front door. The Board agreed a flat door (rather than grooved) would be acceptable. Tim Scholl stated the membership should be reminded it is their responsibility to keep replacements consistent.

President Merrill reminded the Board to submit to the AIM offices, in writing, their intention to serve on the Board in 2009.

The President's Meeting will be held on October 16, 2008 at 9:00 a.m. in the Egret Room at Racquet Park. Wayne Middleton will attend on behalf of Beach Walker Villas.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:50 a.m.

Respectively submitted,

Taylor Merrill /js

Taylor Merrill, President

TM/js