

**RIVER CLUB OF MARTIN COUNTY, INC.
11/14/2023 BOARD MEETING**

The meeting was called to order at 10 a.m. followed by the Pledge of Allegiance.

Calling of the Roll: Tony King, Vice President; Eric Vermilye, Director; Karen Vertesch, Secretary; Thomas Edwards, Treasurer/Officer; Chris Brennan, Director & Jon Korda, Communications Officer on Zoom.

Proof of Notice of Meeting: Karen Vertesch, Secretary stated the notice was posted on 11/11/2023 followed by an email distribution.

Reading/Disposal of the minutes of 9/27/2023: Eric Vermilye made a motion to approve the minutes as written; seconded by Karen Vertesch. All in favor; motion carried.

Committee Reports:

Landscape Committee: John Gill, Chairman, gave an overview of three companies that had been contacted for bids for 2024.

- 1) Brightview came in with three quotes of service: \$165,458.00; \$174,121.00 & \$175,600.00
- 2) Ilodieu Landscape quoted \$94,583.00 excluding Mangrove trimming.
- 3) 707 Landscaping quoted \$86,817.00 which was the lowest quote for service needed.

Spath Spray does the fertilization for \$13,350.00 which has not changed and added to each vendor for the final figure for 2024.

With the new contract, provision was made to divide the complex into four sections to trim the shrubs once a month for more consistency. The Palm trees will be trimmed once a year at 3 o'clock & 9 o'clock to alleviate a lot of the frond droppings.

Tony King thanked John and the committee for their work. Please fill out a work order for any maintenance needed to trim plants, bushes etc.

Treasurer's Report: Thomas Edwards, Treasurer, reported as of Oct. 31st Cash and Other Assets totaled \$1,286,000.00; Reserves at \$1,146,000.00 with a profit of \$29,600.00. At year end, \$20,000.00 in

interest will be earned. He invited prepayment of the common charge for the next two months to ensure sufficient Cash to cover Reserves at year end for compliance.

Tony King thanked Tom for all his detailed work.

Karen Vertesch made a motion to approve the Treasurer's Report as given; seconded by Eric Vermilye. All in favor; motion carried.

Officer Reports:

Eric Vermilye, Maintenance Director, reported on:

- 1) Bldgs. # 1 & 3 - FPL power lines were repaired and Bldg #14 had their water pressure restored.**
- 2) Sealcoating has been completed on the roadway and trip hazards renovated.**
- 3) A/C Units - There were 6 upstairs units that leaked into the downstairs units. Filters need to be changed and drain runs cleaned. Be aware of any noise or vibration from old air conditioners which probably need to be replaced.**
- 4) Bathroom Systems - A new handler was installed by the shop; and every unit owned needed repair of one type or another. To eliminate future problems, do not lower the A/C temperature below 72 degrees! Thermostats have been upgraded. Check with Mark, Beth Brown or Eric for setting and resetting them.**
- 5) Hot Water Heaters - Consider in your all over plan the age of the heater for replacement.**
- 6) Thanks to John Rosenblatt for securing the lock systems and keys for the doors. Five locks were repaired for less than was paid previously for 2 two.**
- 7) Pool Maintenance - The heaters were changed and are set at the manufacturer's specifications; locked at 86 degrees for less strain on the unit and more cost effective.**
- 8) Roofs - The Attorneys and Adjusters are so sure that we are going to win our case, they are willing to split the initial fee that was just going to the adjuster. A contract will follow to be reviewed and approved**
Several roof leaks have been caused by the pitch pans which were not replaced when the flat roofs were done. If you notice a leak by your A/C lines, put in a work order for repair which can be done immediately.

- 9) Warner Creek - A meeting has been scheduled with the contractor.
- 10) Concrete Spalling - Permits have been received to proceed with repair by next week for Bldg 14.
- 11) Door Painting - A vendor will be available to paint the new doors for \$60 cash next week. Once you have all the paperwork, get a wind mitigation report to establish compliance and turn in a copy to the Office for insurance purposes.
- 13) Reserve Study - This has been completed that will assist the Budget Committee and Board for future budgets. We are looking for volunteers with finance experience to assist the Budget Committee
- 14) Dumpsters - The green Garbage dumpsters were replaced at Bldgs. 10 & 13. If you notice your dumpster has holes or eroding, please put in work order.

#8-201 Don Ressa commented in regard to the A/C's that the Insulation was deteriorating in the attic due to moisture; and when the flat roofs were done, lock nuts or washers were not put on the bolts. This needs to be addressed.

Erick commented that when the pitch pans are being serviced, this will also be addressed. Also work orders are needed to track these issues.

Eric thanked Don for the information and commented this was the type of participation that was needed.

Tony King, Vice President, reported on:

Warner Creek - There was a misunderstanding regarding the outcome of the bank restoration. All of the material will be restored that has eroded away, but no backfill could go out into the creek, per the Permit. Part of the resolution process is meeting with another contractor today.

Concrete Restoration - When the 2nd story enclosures on the Phase II Units were constructed, they drilled into the rebar. Now everytime it rains, it settles, rusts & cracks the rebar. This will be addressed in the budget by adding \$50,000 for next year which may not be enough. Chris Brennan has agreed to take this on to identify and prioritize all the opportunities for repair, one building at a time. There may be marks on the building for repair as an ongoing process.

New Business:

Lawn Contract Approval: Eric Vermilye complimented and thanked John Gill and the Committee for their work and efforts in lowering our budget costs compared to other communities.

Eric Vermilye made a motion to approve 707 Landscaping Contract for 2024; seconded by Karen Vertesch. All in favor, motion carried.

Budget Discussion: Tony King stated by Statute 718 three board members can not meet to have a discussion. There is nothing that will be voted on today, but only a discussion to listen to without audience participation. If you have any questions, please make a note of them and bring them after the meeting.

- 1) **Professional Assistance:** Chris Brennan, Director, remarked the daily workload has become a further burden on the Board Members.
 - The Community is over 40 years old and a lot of work to overcome deferred maintenance
 - The ever increasing influence of the insurance industry at our expense.
 - The initiative to bring the buildings into voluntary hurricane compliance to mitigate some of the financial impact .
 - The financial impact on the HOA fees driven by increases in almost everything due to inflation and supply chain issues.

Having a professional licensed CAM with duties as described in the document would go a long way to maintain better control and consistency over projects & programs, not only on a day to day basis but year to year as Board Members come & go. As for funding, we have identified some cost savings and the CAM will support others that we are paying for.

Tony also responded that this should not be a job; the Board should be discussing policy. The job belongs to the manager that has the resources and experience to deal and monitor the contractors. We have a lot of good people with integrity and knowledge from a leadership standpoint, but they don't want a job. The average amount a CAM makes is between \$55,000.00 and \$60,000.00 full time which includes bookkeeping, managing contractors, administrative work with Sales and Leasing, but nothing has been budgeted for a CAM at this time. From an operational standpoint, we

would need to look at another \$40,000.00 at least on a part time basis and \$70,000.00 for full time.

Legal/ Attorneys - This budget item will also be increased for continued verification of contracts, etc.

Reserve Study - All condos in the area do reserve studies to assist with their budget; the cost was \$6,500.00. We are looking for someone with a financial background and knowledge on how it will help with our expenses.

Recycle Bins - It costs River Club \$7,800 a year for the recycling pickup. Martin County now does the recycling; therefore, we will not need the recycle bins. The recycled items can go directly into the green garbage dumpster and add back the \$7,800 to the budget.

Dock Association - The Association is asking for \$11,000.00 from the \$8,600.00 currently paid by River Club which is a 28% increase for 2024 which is up for discussion.

Roof Shingles - There are 3 buildings that had early failures and a 4th building that will not pass insurance inspection next year. Those buildings are not currently funded to be completed next year. Any difference collected and what is spent will be an assessment, approximately \$900.

Pavement - The sealcoating that was just completed will help from having the pavement remilled at a sooner date, since the cost has now doubled.

Reserve Study: It can be done two ways, one is by line item and the other is pooled. If pooled, for the next 30 years \$300,000.00 must be maintained if there is a big hit for replacement of roofs; etc. Actually the month to month is less expensive. Tony King recommended continuing our present line item procedure.

Shoreline - Tony King reiterated there is only \$28,000.00 left in the reserve since monies were spent on research on Bldg. 1 issues. Instead of \$65,000.00 for the project, it is now \$280,000.00 which will be a full blown assessment. Restoration would not start until January or later.

Chris Brennan also commented to look into future issues; ie recharging stations, electrical systems, infrastructure, etc.

Budget Meeting - Eric Vermilye commented that Jon Korda has scheduled a Zoom Budget Committee meeting next week for questions, comments or ideas that would be helpful. Please contact Jon and get Involved.

Jon Korda confirmed the 707 Landscape bid would be plugged into the budget and also clarified the recycling bins removal for additional savings. Loads will be monitored to see if additional pickups are needed when the recycled items and garbage are combined.

The Zoom Meeting on Monday November 20th will be at 10 a.m. Please contact Jon in order to join the meeting. There will be a process to finalize and submit the budget to the Board for approval. He suggested that someone go over the reserve study which would affect the 2025 budget.

Tony King thanked Jon for his work on the website.

Eric Vermilye made a motion to adjourn; seconded by Karen Vertesch. All in favor, motion carried.

The meeting adjourned at 12:25 p.m.

Respectfully submitted.,

Karen Vertesch, Secretary

