

Sands Ocean Club Homeowners' Association  
Minutes of the Meeting of the Board of Directors  
Tuesday, March 23, 2010

The meeting was called to order at 1:00 p.m. Those in attendance were:

Howard Anderson, President	Mureline Marsden, Vice President/Treasurer
Bruce Schmickley, Secretary	Ann McAlister, Director
Lee Good, Jr., Director	Lee Rawcliffe, Property Manager
Paul Lohman, RAM	Michelle Pereira, Timeshare Director
Bob Whitmore, Shield	Helen Sergott, Homeowner
Walter Marsden, Homeowner	

The agenda was amended to have Mr. Bob Whitmore of Shield to speak first. Mr. Whitmore stated Mr. Anderson had asked him to bid on repairing the concrete spalls over the pool, lazy river and restaurant areas. Last fall they took the spalls off the 7-10 stacks which is over the pool and restaurant so it would last through the winter. In addition, Mr. Anderson asked him to look at the handrails on the balconies and give a quote on repairing the railings as well. Mr. Whitmore said the rails were in good shape security wise, but there were three layers of paint chipping off which made them look raggedy. Mr. Whitmore stated they used the railing on 614 as a test and removed the old paint and repainted the rail. Mr. Whitmore said Shield could perform this work for \$62 per linear foot. Mr. Rawcliffe stated another option would be to replace the railings. He said he had a quote from Cristo to replace the existing handrails with round rails made of architect grade aluminum for \$62 per linear foot. Mr. Rawcliffe suggested the project could be funded by modifying the bank loan with Crescent. Mr. Rawcliffe stated the balcony rail replacement would have to be done in conjunction with Shield. Mr. Rawcliffe asked Mr. Whitmore what the cure time was on sealing the balconies. Mr. Whitmore replied 28 days. Mr. Lohman stated the current loan with Crescent matures on April 5, 2012. Mr. Rawcliffe stated this would probably be a three year project, and during that time they HOA would continue to decrease the principal owed on the master note for the plaza and the elevator note would end. Mr. Anderson stated he would like to put the numbers together to get started on repairs to 10-4 stacks. Mr. Whitmore said the cost to seal the balconies would be \$500-\$600 per balcony for surcrete, or \$700 per balcony for quartzite. Mr. Rawcliffe stated the quartzite was far more attractive than the surcrete. Mr. Lohman asked if work could begin on the north side first so the project could get started. Mr. Whitmore stated on the 20-26 stacks everything's done except the balconies and railings. Mr. Rawcliffe said he did not know what the fabrication time on the railings would be but he would find out right away.

The floor was then given to Mr. Rawcliffe for the property manager's report. Mr. Rawcliffe stated new building code made it necessary to put doors at each of the stairway openings in the main parking deck. He said the building inspectors deemed the parking deck safe, but he did have an engineering representative come out to inspect the parking deck as well. The rep made some recommendations for the long term welfare of the garage. One problem is a partial failure of one deck panel. There is a ledge that sticks out from the street side half wall which beams rest on. The concern is some beams rest only by a couple of inches. Inserting steel clips in these areas was the solution that was made in the past. The HOA has 3 or 4 in stock, and Mr. Steve Powell is in the process of determining how many clips are

needed now. Mr. Rawcliffe stated they would be installed in house and the total cost would be around \$15,000. Mr. Rawcliffe stated they could also penetrate that wall and fasten it to the beam and put a cable in that ties the two together. He said Mr. Powell was looking into that as well. Mr. Rawcliffe stated it would be around \$70,000 to do the whole garage. He said where the plates come together, four soon to be five have corroded. To fix this, 2 inches of concrete topping would need to be removed and a stainless steel plate would have to be put in and bolted through. He said he did not know what the cost of this repair would be. He said he would be surprised if it was more than \$50,000. Mr. Schmickley asked how long before the stairs were completed. Mr. Rawcliffe replied two weeks. Mrs. Marsden made a motion to pursue the numbers and timeline so the board can approve repairs in person or in a teleconference. Mr. Schmickley seconded the motion, and it was approved unanimously. Mr. Lohman mentioned some metal flashing was supposed to put on the roof of the parking deck stairwell and elevator well. Mr. Rawcliffe said he would speak to Lionel about it. Mr. Lohman stated Lionel was supposed to repair the roof on the south tower and in the corner of the horse shoe. Mr. Lohman said scald valves have been installed on the 2<sup>nd</sup> through 7<sup>th</sup> floors. Mr. Rawcliffe stated the south tower doors were drilled the wrong way and had to be sent back. Replacement will begin when the door come in. Mr. Rawcliffe said Mr. Tony Dreslin could get new door lock escutcheons direct from China. Mr. Lohman said some deck work around the pool needs to be done. He said the railing has been painted. Mrs. Marsden commented that it looked great. Mr. Lohman stated some wood decking is going to be replaced. He said Mr. Barkstrom is working with the county on pot holes at the entrance. He said the county plans on putting down a new surface next year. He said the soda vending is changing from Coke to a private vendor but was unsure of the effective date. Mr. Rawcliffe concluded his property manager's report.

The floor was then given to Mr. Bruce Schmickley to present the minutes from the last board meeting. Mr. Good made a motion to accept the minutes as presented, Ms. McAlister seconded and the motion was passed unanimously.

The floor was then given to Mr. Paul Lohman to present the financial report. Mr. Anderson asked Mr. Lohman if there was anything the HOA could do to speed up the process on the 3 units in foreclosure. Mr. Lohman said other HOAs have foreclosed on units, but the HOA is subject to the mortgage. The HOA went in to see if they could rent the unit, but it was trashed and would take \$6,000-\$7,000 to get it up to rental standards. Mr. Lohman stated the HOA could get an attorney to initiate our own foreclosure action. Mr. Lohman went over the HOA financials, and moved on to the Timeshare financials. Mr. Rawcliffe mentioned the Wyndham representatives are now in place. Mr. Lohman concluded the financial report. Ms. McAlister made a motion to accept the financials as presented, Mr. Schmickley seconded, and the motion passed unanimously.

The floor was then given to Mrs. Michelle Pereira for the Timeshare report. Mrs. Marsden congratulated Mrs. Pereira on passing her real estate classes. Mrs. Pereira said she changed out the range hoods in the 7 and 10 units with microwaves. Mr. Good said it looked good, and Mrs. Marsden remarked they looked beautiful. Mrs. Pereira said lights were installed in all the two bedrooms as well as studios and 7-units kitchens. She said all two bedroom units now had flat screen TVs in the living rooms. She said guests had given a lot of positive feedback on the recent upgrades. She stated the

Wyndham rep, Caryn, was considering doing a morning meeting for timeshare owners on Wednesdays. Mrs. Pereira concluded her report.

The floor was then opened for old and new business from directors.

Ms. McAlister stated the HOA still owes Timeshare \$30,000. She suggested not paying off the loan until we see how the HOA stands on the new projects. Mr. Anderson stated the HOA would most likely be borrowing some from Timeshare. Mr. Anderson asked Mr. Lohman what he thought of property insurance renewals. Mr. Lohman stated he did not know. Mr. Anderson recommended starting to increase the dues next year to put insurance costs back into dues instead of special assessing.

Ms. McAlister mentioned the north entrance by Ship's Locker tile had been replaced under the awning. The stairs at the kitchen to Window's have been painted but the back of the stairs had not been painted. Mr. Rawcliffe replied they are not painted because it doesn't last.

Mr. Schmickley stated the stairways had been painted and they looked nice. He mentioned a trailer parked in the main parking deck that had not been moved for a while. Mr. Rawcliffe said he would put a sign on it instructing the owner to move it or it would be towed. Mr. Schmickley said air was coming in around the sliding glass door in his unit causing the curtain to move. Mr. Anderson said they should look at each door individually. Mr. Rawcliffe stated the felt strip at the bottom would alleviate the issue.

Mr. Good stated in the west parking deck eleven spaces were being used for storage. Mr. Rawcliffe said he would get that quickly reduced.

The floor was then opened for remarks from guests. Mrs. Sergott stated the laundry machines did not always work and the laundry rooms were very cold because of air coming through the windows. She said the breakers trip while the laundry is going and she has had to wring the laundry by hand. Mr. Anderson stated an outside vendor owns and maintains the machines. Mr. Rawcliffe said he had an alternate vendor. Mr. Anderson said to make the change as the two additional laundry rooms are added. Mrs. Marsden asked when the board could expect this work to be done. Mr. Lohman said he would get with Mr. Barkstrom on it.

There being no other business to discuss, the meeting was adjourned at 5:00 p.m.