

MAJESTIC BEACH RESORT COMMUNITY ASSOCIATION, INC.
MINUTES OF THE BOARD OF DIRECTORS MEETING
JUNE 15, 2007

Board Members Present

Jimmy Lewis, President
Roy Miller, Vice President
Debra Ciano, Secretary
Anne Magdic, Treasurer
Gary Baker, Director
Ed Hickey, Director
Greg Boyd, Director

Management Present

Andy Phillips, General Manager
Tom Sparks, VP of Association Operations
Mike Wray, Association Manager
Jack Vitello, Director of Safety & Security
Karen Hood, Accounting Manager
Patti Hitt, Accounting Supervisor
Danny Wilson, Maintenance Manager
Charlotte Hinderliter, Recorder

Owners Present

Ginger Silva; T1-1501, T2-909
Carol Hudson; T1-711, T2-2009
Brandon McInnis, T1-1602
Charles Pack; T1-608
Linda Miller; T1 1312, T1-1609
Ryan Hamm; T2-1805

1. ***Welcome/Call to Order/Roll Call – Determination of Quorum.*** Jimmy Lewis called the meeting to order at 2:00 pm. As all seven directors were present, there was a quorum.
2. ***Proof of Due Notice.*** Mike Wray verified that the notice of the meeting and agenda were posted as required by Chapter 718, F.S., and the condominium By-Laws.
3. ***Open Forum.***
 - a. Mr. Charles Pack, T1-608, asked about wireless internet service. Andy Phillips stated that the management company established the current contract as a service for the owners and guests. The Association is not a party to the contract. When the rate structure was developed, the monthly charge was set so that it would be comparable to cable internet.
 - b. Ms. Kelly Stepaniak, T1-713, asked via e-mail request if the annual meeting date could be changed from mid-December to September or October. After discussion Roy Miller made a motion to move the meeting from mid-December to the first Saturday in November. Debra Ciano made the second. The motion passed by a vote of six to one with Ed Hickey voting no. The 2007 annual meeting will be on November 3rd.
 - c. Debra Ciano asked about the practice of feeding large groups in the parking area underneath the Activities Building. Andy Phillips stated in order to book groups in the conference center that were large enough to occupy the on-site rental rooms, it was sometimes necessary to feed them outdoors. He went on to say that he did not endorse it and it would not happen often.

4. ***Reading and Disposing of Unapproved Minutes.*** Roy Miller made a motion to dispense with reading the minutes and accept them as written for the October 20, 2006, November 16, 2006, and December 16, 2006, board meetings. Second was by Gary Baker. The motion passed by unanimous vote.

5. ***Reports.***

a. ***President's Report.*** Jimmy Lewis mentioned that the association would be getting a \$112K windfall due to insurance premiums coming in lower than expected. Anne Magdic made a motion to rollover any surplus at the end of the year to reduce next year's assessments. Roy Miller seconded. The motion passed by unanimous vote.

b. ***Managers Report.*** Mike Wray briefly highlighted the items on the attached report and thanked Danny Wilson for getting all the garage lights operational (see attachment).

c. ***Finance Report:*** Karen Hood stated that the 2006 annual audit agreed with the association's books as of December 31, 2006. She said all three Majestic budget entities (community association, tower one, and tower two) are under budget and in great shape financially. There were 17 units with liens against them for non payment of assessments. Mike Wray pointed out that the 2006 financial audit report is available inside the private owner's area at www.mbrowners.com. Anne Magdic made a motion to rollover any excess funds at the end of the year into next year. Second was by Roy Miller. Motion was approved by a unanimous vote.

6. ***Appointment of Standing Budget Committees.*** Paragraph 33 of the By-Laws requires the president to appoint unit owners to standing budget committees for each tower. Jimmy Lewis appointed Anne Magdic, who is the association treasurer and a CPA, as chair of both committees. Linda Miller and Ryan Hamm were appointed to the tower one and two committees, respectively.

7. ***Electrical Power Amendment to Alltel Antenna Booster Contract.*** The Association has a lease agreement with Alltel for a booster antenna room located on top of the parking garage. Alltel pays the association \$24K per year for the use of this space. During installation Gulf Power was unable to provide a separate power connection for Alltel, so electrical power lines had to be run over to the garage from the Activities Building main electrical room. Alltel is proposing an amendment to pay an additional \$500.00 per month to cover their electricity. If they use less than \$500.00, they do not receive a credit. If they consume more, they pay the excess. The building is sub-metered so that consumption can be monitored. Roy Miller made a motion to approve the amendment. Second was by Greg Boyd. It passed by unanimous vote.

8. ***Insurance Appraisal and Renewal Update.*** Both condominium towers were appraised in late April 2007. Because the insurance policies were due to expire in mid-May 2007, the renewal paperwork had already been submitted prior to receiving the appraisal report. The association's insurance agent briefed Jimmy Lewis that the premiums would be reduced by \$112K, if the board agreed to amend the policies to use the new appraised building values. Roy Miller made a motion to use those values and Ed Hickey seconded. The motion passed by unanimous consent.

9. ***Owners' Lounge Policy.*** An owner allowed his guests to soil and damage the lounge during a Super Bowl party. Although he paid to have the lounge cleaned and repaired, it took over three weeks of phone calls and persuasion to finally get the lounge back into a usable condition. Roy Miller made a motion that the damage deposit for the owner's lounge be raised from \$250.00 to \$1,000.00. Administrative, maintenance, and management time should also be included in the price of restoring the lounge. Additionally, the lounge must be cleaned immediately after use. Debra Ciano made the second. The motion passed by unanimous vote.

10. ***Bay Tax Foundation (BTF).*** BTF is a local tax watch group headed by former Panama City Beach Mayor Lee Sullivan. BTF sent a letter to all the condominiums in the county asking for a \$20.00 per door membership contribution to join the foundation. Greg Boyd made a motion to contribute \$5.00 per door and ask Mr. Sullivan to address the owners at the annual meeting and give a progress report. Gary Baker made the second. The motion passed by a vote of six to one with Ed Hickey voting no.

11. ***Breezeway Floor Cleaning Machine.*** The two Advance brand floor scrubbers the association currently owns are out of warranty and require constant repair. The maintenance staff needs to get one new machine and recommended buying a Tennant brand. The question to the board was whether to lease it or buy it outright. The lease is strictly for financing, there is no service or maintenance included. Anne Magdic made a motion to purchase the machine rather than lease and Roy Miller made the second. It passed by unanimous vote.

12. ***Painting and Tiling Elevator Lobbies in Tower One.***

a. Jimmy Lewis pointed out that tower one is over two years old and, even though tower two is only a year old, all the doors on both buildings need to be painted. Anne Magdic made a motion to authorize management to get bids to have all the doors painted starting after Labor Day and finished by November 1st. The price cannot exceed \$30K and the president and vice president must approve the contract. Roy Miller made the second. The motion passed by unanimous vote.

b. Jimmy stated that the tower one breezeway walls also need to be painted. Anne Magdic made a motion for management to solicit bids to have the front walls painted between September and October. The cost should not exceed \$50K and the president and vice president must approve the contract.

c. Gary Baker made a motion to tile the tower one east elevator walls (like the tower one third floor lobby) and Roy Miller made the second. The motion passed by unanimous vote.

13. ***Review of the General Rules and Regulations.*** The last formal review of the rules and regulations was in November 2005.

a. Ms. Kelly Stepaniak, T1-713, asked the board via e-mail to reconsider the rule prohibiting coolers on the pool deck. Roy Miller made a motion to revise the rule to allow personal coolers small enough to fit under a pool chair, provided they are kept underneath the chair. Debra Ciano made the second. The motion passed by unanimous vote.

b. Roy Miller made a motion to revise the rule prohibiting RVs, trailers, campers, jet skis, boats, etc., from being in the parking garage. These vehicles will be permitted provided they are properly licensed, detached from the tow vehicle, and fit entirely in one space. They cannot be kept in the garage for more than seven days in a 30 day period. Anne Magdic made the second. The motion passed by unanimous vote.

c. Jimmy Lewis passed the chair to vice president Roy Miller and then Jimmy made a motion to allow private parking signs in the garage for privately owned parking spaces, at the owner's expense. Second was by Anne Magdic. Approval was unanimous.

d. Jimmy Lewis made a motion designating a standard size no smoking sign that can be installed on the unit door at the owner's expense. Greg Boyd made the second. The motion passed by unanimous vote.


14. **Spring Break Discussion.** Jimmy Lewis made a motion to increase security from now through the end of July 2007 by doubling the number of security guards from two to four and adding an off duty uniformed police officer or sheriff's deputy from 8 pm to 4 am. These same levels of security would be in effect during Spring Break next year from 1 March to 10 April 2008. Gary Baker seconded the motion. The motion passed by unanimous vote.

Roy Miller passed the chair back to Jimmy Lewis.

15. **Any Other Association Business.** Jimmy Lewis asked if there was any more association business to discuss and there was not.

16. **Adjournment.** With no further business to discuss Roy Miller made a motion to adjourn and Gary Baker made the second. The motion passed by unanimous vote. The meeting ended at 4:25 pm.

Approved this 27th day of SEPTEMBER, 2007, by a unanimous vote of the Board of Directors of the Majestic Beach Resort Community Association, Inc.



Jimmy Lewis, President



Debra Ciano, Secretary

Attachments:

1. Owner Sign-in Sheet
2. Manager's Report

Majestic Board of Directors Meeting
June 15, 2007

SIGN-IN SHEET

	<u>NAME</u>	<u>TOWER #</u>	<u>UNIT #</u>
1.	Ginger SILVA	1 E2	1501/909
2.	Roy Miller	1	2302
3.			
4.	Carol Hudson	1 E2	711-2009
5.	BRANDON MCINNIS	1	1602
6.	Anne Macoix	1	2212
7.	Charly H. Pal	1	608
8.	Linda Miller	1	1312, 1609
9.	Ryan Hamm	2	1805
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Manager's Report
Board of Directors Meeting
June 15, 2007

- Change in Security Company (4/16/2007): Bluewater Security notified all of its clients in early April that it was going out of business on April 15, 2007. Jack Vitello, Director of Security, negotiated with NW Security to take over on April 16. Most of the security officers, including the site supervisor, stayed on with the new company, so the transition was seamless.

- Tower Two compactors installed on 5/18/2007: T-2 trash rooms were wired for compactors last year and the lease was included in this year's budget. It took several months to get the compactors delivered and installed, but we made it just in time for the Memorial Day weekend.

- Parking garage lights: Earlier in the year about one third of the garage lights were out due to a faulty capacitor inside the light fixture. Danny Wilson, the maintenance manager, worked with the capacitor manufacturer to have 300 new capacitors sent to us for free. He then worked with the electrical subcontractor to have a new capacitor installed in every single fixture, even the ones that were still burning. Thanks to his efforts, all of the garage lights have been modified and are working correctly now. This was all done under warranty at no cost to the Association.

- KONE engineers modified the tower one elevator circuitry which has eliminated the problem with elevators shutting down due to small incoming power fluctuations. KONE also recently finished installing shims behind their electrical chases inside the tower two hoist ways in an effort to eliminate condensation problems affecting an electronic component inside the chase.

- T1 Indoor Pool Dehumidifier: We have had intermittent problems with the tower one indoor pool dehumidifier since that building opened. It took several attempts, but Mills Heat and Air finally found a leak which they repaired and then installed a new compressor under warranty.

- When occupancy was low after Spring Break, the maintenance staff was able to repaint the entire tower one lobby, from one end to the other. They also re-stained the wood decks and walkovers behind the towers.

- Maintenance poured a concrete walkway and put gravel inside the tower one emergency generator enclosure. This area is also where the tower one main pool equipment room is located. By putting in a proper sidewalk and covering up the loose sand, it is now much safer to transport full chlorine barrels and pool chemicals. It has also stopped sand from blowing into the air conditioner units located inside the enclosure.

- The parking garage entrance gate arm, control box, and keypad were hit by a car and badly damaged on March 31st. We received a \$6,072.32 bid from the gate manufacturer to completely replace all of the gate equipment. The driver of the vehicle notified his car insurance company and the Association was paid the full amount of the bid. Maintenance was able to repair/salvage everything except the keypad and remounted all the equipment in mid-May for just over \$100.00 in parts and labor. The damaged keypad has not yet been replaced, which is a good thing, as someone has since knocked over the "goose neck" arm that holds keypad.