

Unofficial Minutes of the Surf Club III Board and Surf Club II & III Pool and Spa Board October 14, 2016 Informational Meeting

Notes taken by Walt Hooker SC III-822 [*comments in italicized brackets*]

Meeting opened at 9:00am by Bill Strawn

SCIII Board: Bill Strawn, Darlene Beaudoin (phone), John Davis, Dick Kirkley, Lynn Nellenbach (phone), and David Zlokas.

SCII & III P &S: Dot Barber, Jan Carr, and Dennis Williamson.

Others: Sharon Castellano, CAM and Andy Norman, Norman Insurance Advisors.

Not present: The adjuster.

Approximately 35 owners in attendance with an unknown number of board members and owners listening via the conference call.

Bill Strawn made opening comments and thanked Sharon, Miguel, and the entire staff for working long hours and over the weekend to get Surf Club III and the pool cleaned up. He also thanked the board members and owners that were helpful in doing whatever they could to assist in the process. Can't do anything yet about the flooded meters. Number one priority is the lift station.

Lift station: The generator is on site and waiting on the electrician. It should be working by the end of the day if the pump and everything else is okay. It's been miraculous in getting a pump truck with all the other damage in the area and we're getting the lift station pumped twice a day.

Elevators: It will be a while before they are operational. Waiting on electricity and then an Otis inspection to be everything is safe to use. No estimate of when they will be ready for use.

Pool: It is tied into SCIII electrical system and is waiting for a full assessment and electricity. The pool is filled with salt water and mud and will need to be cleaned out. The building is okay but the equipment inside and outside the building is not. No estimate of when it will be ready for use.

SCIII Electricity: Most condo units are powered. The building infrastructure [*garage lights, parking lights, hall & stair lights, trash room lights, internet, lift station, elevators, pool, water pump, and other items*] are waiting for replacement switches to replace those damaged by the water in the SCIII parking garage. ETA is 24-72 hours (Bill said the estimate is on him) for the parts and unknown for FPL to shut off street power to the building so the switches can be replaced. No estimate of when the power will be restored or how long it will take. Please wait for official power notification from Sharon. It is best if you have another place to stay, please stay there and wait for power to be fully restored.

Transformers: Have been taken care of. Electrical problems at this point are internal to SCIII.

Andy Norman, Normal Insurance Advisors: Both associations [*SCIII and Pool & Spa*] have flood insurance. All available options were purchased for full coverage; however, not everything can be covered because coverage is not available. 95% of damage is due to flooding. No property damage – 2% deductible. Pool is not covered. Equipment in the building is covered; anything outside the building is not covered. \$1,250 deductible. Waiting for the adjuster.

SCIII: Personal property is not covered under the SCIII policy. Lockers are covered; locker contents are not covered. Check with your insurance company to see if locker contents are covered under any of your policies. If you turn the building upside down, anything that falls to the 'ceiling' is contents. If it doesn't fall because it's attached to the building, it's not personal property and is part of the building and is coverage. One roof top A/C unit was blown off its mounting and destroyed. A couple of chase hood covers were blown off and replaced. Recommended to have your A/C contractor check your unit and replace brackets with new ones that are heavy duty and salt resistant using appropriate fasteners. Brackets rust over time and if they can't be replaced and the unit still works, you should have the unit strapped down. External water damage should be covered by unit owner flood (naturally occurring water rising) or wind driven rain (hurricane) coverage. Personal property would be covered by your insurance. Building property is covered by the building's insurance coverage. The SCIII Board can decide whether to pay your deductible for your claim if it was caused by an external source. Refer to Florida Statute 718 for more information about what is owner and association responsibility.

[http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0700-0799/0718/0718.html and refer to section 718.111 (11) Insurance]

Flood Coverage: Garage cleanup and elevator pit water removal are covered under our insurance policy. Mold inspection and remediation is also covered. ServPro is one of several

qualified restoration companies. Flood deductible is \$5,000 for SCIII building, 3% for contents, and \$1,250 for P&S. Building includes anything that is attached. Contents are loosely defined.

Elevators: After power is restored, Otis will do an operational check to see what's damaged. Pit contents will possibly be replaced. Pumping pits and lift station should be covered under our policy as water removal.

Reserves: No problem foreseen. Lots of specific accounts with money. Lynn Nellebach [treasurer] said there is approximately \$250,000 in capital contribution and deferred maintenance which are unspecified reserves. We have over \$1,000,000 in specified reserves. We are very conservative and well-reserved. P&S has reserves as well and excess operating funds that can be tapped.

Pool & Spa: There is no time frame for when it will be back in operation. Separate electric service is being investigated. The pool has mud at the bottom and it will be remediated when power comes back on.

State of Emergency: It can only be declared by civil authority. It doesn't affect insurance coverage.

Overtime: Employee OT may be covered. Everything that is done in restoration will be sent to the insurance coverage. Some items may not be covered while others will.

Documentation: Keep all bills and take lots of photos. You won't run out of film on your cell phone.

Beach: Beach sand and rock redistribution cannot be redistributed. It will stay as it is in its current state because the change was the result of a natural event. If the County wants to clean up the beach, they can but it's not a condo responsibility.

Walkovers: MSOA responsibility even though ours is it front of our building. *[All four were damaged.]*

Flooded cars: It is the owners' responsibility to file a claim and have them removed. In our case, an adjuster may not come out since the water level was high enough (up to the dash) for them to be declared as a total loss. Claims are filed through owner's insurance company in accordance with your policy declarations. The garage is "open" to remove personal property. If you can, wait until power is restored and the lights are on to go in.

Loaner cars: It will depend on the contract to determine who is responsible for the liability.

Sharon: She has been very busy coordinating remediation efforts and not able to send out minutes of this meeting. She has sent updates out when she had internet access. Don't call her with a question unless it's urgent. She's been operating exclusively on her phone for a week. Additional doggie bags are not considered an emergency. She is very busy coordinating and managing our restoration process.

Lift station: Until the generator is connected or power is fully restored, it is scheduled to be pumped twice a day to prevent overflow. Please be conservative in your water usage.

Flooded equipment: As repairs are done, what can be relocated higher up in the equipment rooms will be done. Some remediation is low cost and can be done while other efforts are higher cost. Fixing it now may lower losses at a future event and may be approved by the insurance company.

Focus is on getting everything back up and running as quickly as possible.

Long term is to create a disaster preparedness group to prioritize what's possible to change and the cost to do it.

Sharon and the staff were thanked for their efforts during this event.

We dodged a bullet and not the only people in town with a problem. We asked FPL and power contractors to not turn on the power until it was time was right.

Thank you: Sharon thanked the owners of Pool & Spa and SCIII for their support, patience, kindness, and food. She was so proud of all the owners that no one screamed or yelling at her. She also said Andy's office called her three days before the hurricane hit to tell her what to do after the event. She wanted to send email updates but both the office and her home were without power.

The meeting was adjourned at 10:00am.

[Thank you to Sharon for loaning me her recorder so I could verify and correct my meeting notes.]