

CELEBRATION CAPE HOMEOWNERS ASSOCIATION, INC.

**BOARD OF DIRECTORS MEETING**

*A Corporation Not-for-Profit*

Friday, December 29, 2017 at 3:00 pm

Held at: Celebration Cape Pavilion (203 Destiny Circle, Cape Coral, FL 33990)

**1. CERTIFY A QUORUM AND CALL TO ORDER:**

Jim Arnold, Board President, called the meeting to order at 3:00pm. A Board quorum was established with Jim Arnold, Susan Dyszel, Linda Foreman and Peg Holecek present (Kevin Sutton was excused). (Tropical Isles Management did not have a presence at this meeting.)

**2. PROOF OF NOTICE OF MEETING:**

Notice in accordance with Section 8.3 and Section 8.5 of the Association's By-laws of a Special Board of Directors meeting was posted at the Pavilion signboard in accordance with Florida Statutes, Chapter 720 and the Association By-Laws, and emailed to all Homeowners.

**3. PRIOR MINUTES:**

Minutes for the meetings listed below were reviewed by all members of the Board and approved as presented:

July 30, 2017 – Board of Directors Meeting

November 2, 2017 – Board of Directors / Budget Meeting

Approved meeting minutes are posted online at [www.celebrationcape.org](http://www.celebrationcape.org) for Members' reference.

**4. NEW BUSINESS:**

**ARCHITECTURAL REVIEW COMMITTEE** *(Report presented by Bob Holecek):*

At this time, three Architectural Requests for Modification are pending:

- #163 (Ellis) Installation of a pool, paver deck and screened enclosure
- #172 (Foreman) Landscaping
- #211 (Schielzo) Installation of a pool, paver deck and screened enclosure

Association Members are strongly reminded that an Architectural Modification Request **must** be submitted when changes to the exterior of a home or landscaping on a lot are proposed. This includes: painting, installation of shutters, curbing, landscaping, etc. The request must be approved **before** any work takes place or contracts with third-party vendors are executed. Association Members are advised that per our CC&Rs, remedies for violation can include written notices of non-compliance, as well as assessment of fines.

The Committee currently has a vacancy and invite members of the community to fill this volunteer role.

## FINANCE/BUDGET

### Transfer of Current Members' Equity to Reserve Fund

The 11/30/17 financial statement for the HOA shows that we have \$19,860.62 in retained earnings from previous years. In the past, this account line was named Member's Equity and reflected the accumulated difference between HOA income and operating expenses. This amount has varied of the past few years as follows: 2014 - negative \$11,712; 2015 – negative \$5,818; 2016 – positive \$19,860. In 2017, the HOA established and began funding the reserve account. Since we now have the reserve, we can move the retained earnings from past years into the reserve.

The HOA is now on firm financial footings. It should be noted that while this action would transfer money from one account line to another, the HOA has the same amount.

The Budget Committee will reevaluate the level of funding needed for the Reserve as part of the 2019 budget process.

The question was asked that if funds are moved to the reserve, can it be moved back to the operating budgets. The answer is “no”, the accounting does not work that way.

***A motion was made by Susan Dyszel, Treasurer, to transfer the amount of \$19,860.62 from Retained Earnings to the General Reserve Account for deferred maintenance purposes. The motion was seconded by Peg and approved by all four Board members present. Motion passed.***

### Creation of “Deferred Maintenance / Emergency Recovery” category in Reserve Fund

***A motion was made by Susan Dyszel, Treasurer, to add a listed category of “Deferred Maintenance / Emergency Recovery” to the asset list of the Reserve account.***

The intent of this motion is to provide guidance to the community—and future Boards—that funds in the pooled reserve can be used to cover expenses incurred in the event of hurricane, tornado or other extreme weather. These expenses would be beyond those already identified and funded in the budget. An example of such a cost would be the insurance deductible that would need to be paid in the event of a storm-related claim.

***After discussion, the Board tabled the motion and asked the Treasurer to consult with our accounting firm to ensure that we have the proper language to cover the intended purpose.***

### Insurance Coverage for 2018

The insurance proposal from Gulfshore Insurance, Inc. included the option of electing Cyber Liability coverage. Such insurance which would cover the HOA in the event that HOA-Member Personal Identification Data was hacked from any HOA-related computer system where this information resides.

***A motion was made to obtain Cyber insurance for the HOA.***

The Board has been informed by our management and accounting firms that they have cyber security and liability insurance coverage in place. Most other area HOAs do not carry this insurance and it is not generally recommended.

***After discussion, Peg motioned to table this topic until it is time to renew insurance coverage for 2019. Jim seconded the motion. All agreed that this coverage is not required at this time. Motion to table passed.***

Celebration Cape Community Association, Inc. authorized Gulfshore Insurance, Inc. to bind insurance coverages as described, elected and/or rejected in the proposal dated December 2017.

## GOVERNING DOCUMENTS REVIEW

*(Report presented by Peg Holecek):*

This Committee was co-chaired by Peg Holecek and Kevin Sutton. The Committee members also included Doris Alwine and Don Montgomery, who met to conduct a page-by-page review of the CC&Rs and the Bylaws for Celebration Cape.

After careful review and consideration and in adherence to the provisions stated in our governing documents and FL statutes, the Committee submitted to the Board a synopsis of the issues discussed and proposed language changes.

Some of the topics addressed include:

- Elimination of all references to Class B Membership and Developer/Builder
- Golf Carts
- Parking Restrictions
- Mailboxes
- Dog Breeds, Reptiles
- Architectural Review Board guidelines
- Signage
- Flags

It should also be noted that any document published as “Rules and Regulations” is not enforceable, since it was never properly ratified at a duly convened Board meeting. Only the CC&Rs and Bylaws are enforceable at this time.

As a reminder, ARTICLE XVI, Section 6, of our CC&Rs, clearly states the Remedies for Violation of any covenant, restriction, rule or regulation.

The Committee approached the Board to consider:

- Reviewing the proposed changes and make recommendations as directed
- Spending the money for attorney review to ensure that the documents are legally sound
- Ensure that all documents (current and future) are in agreement as to substance and language

A suggestion was made to properly draft and approve a concise “Rules and Regulations” document that would address most of the issues presented.

It was also noted that any amendments to CC&Rs has to be submitted for legal review approval. Depending on the complexity of changes, this process can take 6-12 months.

***After discussion by the Board, Jim motioned to table any action on this matter for the time being. He suggests that we leverage the expertise of our management company to determine if a general template for HOA CC&Rs can be obtained and used as a starting point, and to seek legal advice as to how to proceed. Peg seconded the motion. All voted in favor. Motion to table passed.***

## GROUNDS COMMITTEE

*(Report submitted by Dick Dyszel):*

The last grounds committee meeting was on October 21, 2017. There was a lot of discussion on the ideas of just maintaining the community as is or making improvements, but no consensus was reached.

The Committee did look at mulch replacement, since it is a line item in the budget. We had two bids, one from PCL and another from M&T Landscaping. After much discussion that included the possibility of volunteer labor, the Committee was instructed to get new bids to reflect more rock vs. wood mulch. I am presenting that one new bid from M&T as well as their original bids from PCL and M&T for Board consideration...without recommendation.

### Updates:

- PCL Landscaping has a new name...Everyday Landscaping. Other than a new name and some expanded staff, nothing has changed.
- The entire community was pressure washed and everyone seems to be happy with the results.
- All the lamp posts are now up and functioning, although there are a number of bulbs throughout the community that need replacing.
- The light in the entryway strip has been rewired and is working.
- All perimeter irrigation box covers have been replaced and secured. However, someone has been removing some of the bolts.
- In October, the lawns were treated for fungus, insects, and weeds. The bushes have also been treated for insects.
- The community bushes have been trimmed.
- A glitch in irrigation timer #3 has been identified and repaired. Watering should be back on schedule.
- Mitchell & Stark has been contacted about getting the already-approved storm drain cleaning underway. They have strongly suggested we wait at least another month. It is imperative that this gets done before the rainy season...hopefully in January.

As of November 21, 2017, the repairs and painting of the wall was finished. There were two inspections involving Dick Dyszel, Kevin Sutton, Jim Arnold and Susan Dyszel prior to the final authorization of payment. In general, everyone is happy with the work done by Gulf Wind Builders. For added security, the lock on the back gate has been replaced. Linda Foreman, Jim Arnold and Dick Dyszel have keys.

To comply with state and local "No Trespassing" ordinances, we need to order and install 15 new signs on the exterior of the wall and back gate. Based on initial inquiries, this should cost in the area of \$350. After contacting three sign companies in Cape Coral, the best price for the required 18 X 24 non-reflective aluminum signs came from H-Def Printing at \$21.42 each plus tax or \$321.30 plus tax.

It should be noted that we have at least 8 areas, mostly along the south and west walls with significant erosion under the wall panels. Some of these have been repaired before, but others are new. Some of these were probably the result of this year's flood and lake overflow and at least two can be directly attributed to pool water overflow. One of these is over 6 feet long.

The Board needs to consider who is responsible for repairing these breaches and authorize that repair.

Since the Board mentioned sodding the playground area, Dick Dyszel contacted PCL (Everyday), M&T Landscaping and Fort Myers Sod. Two bids from PCL and M&T are presented to the Board for consideration without recommendation.

If the Board approves a sod proposal it is urgent that running an electric line and water line to the pavilion be seriously considered before the sod is installed.

Dick Dyszel has contacted two electrical contractors in an attempt to get a bid, but neither has responded. Ken Wellborn has offered to provide the necessary conduit at no cost. After pricing wire, fixtures and various other components, it's possible to do this project in house, using volunteers for less than \$1500.

This would include 2 (20 amp) circuits, with two outlets on each one, four LED lighting fixtures and a spigot for landscaping water at the pavilion for ease in pressure washing. Volunteers would dig the trench to code (18 inches deep), lay the conduit (with wire in place) and water pipe, connect the water and hang the lights. We would hire a licensed electrical contractor to do the actual hook up.

As an experiment in trying to keep the duck poop out of the pavilion, Dick Dyszel will be installing some animal netting around the lower portions on two sides. We'll see how this works.

Dick Dyszel would personally would like to thank the residents who have taken it upon themselves to keep the area around the gazebo trimmed and cleaned. *(End of submitted report)*

Q: Where would mulch be installed?

A: Wood mulch would be spread along the outer edges of the entryway, under the Mexican petunia and Cocoplum hedges, around the gazebo and planting beds (all within the gate structure). Rock mulch would be installed in the planting beds at the front of the park area, and also finished up under the shrubs around the Pavilion structure.

Q: Is it worth the cost to mulch under the Mexican petunia hedges at the curve of the entryway?

A: Yes, as wood mulch serves two functions: to inhibit the growth of weeds, and to maintain a neat, manicured appearance with neighboring plantings.

#### Paver Path at Gazebo

We need to set a date and gather volunteers to move 12x12 pavers from the Foreman house (#172) and create a pathway at the gazebo.

#### Mulch and Plants at Entryway and Pavilion

***Peg motioned to accept the bid from M&T Landscaping (for \$1931) to install wood mulch at the entryway, and to install new plants, wood mulch and stone mulch at the Pavilion. Linda seconded the motion. All Board voted in favor. Motion passed.*** As a matter of accounting, Peg is confirming that this expenditure will come out of the 2017 budget. We will direct our management company to instruct the accounting firm to ensure this is carried out accordingly.

The Board further directs Tropical Isles to instruct PCL/Everyday to include specific services on their monthly invoices. This will provide the Association with information to ensure that contracted services are rendered properly.

#### "No Trespassing" Signage

***Jim motioned to approve an expenditure of up to \$350 for the purchase and installation of the "No Trespassing" signs, in order to comply with state and local ordinances. Linda seconded the motion. All voted in favor. Motion passed.***

#### Sod at Pavilion

***Peg made a motion to consider restoring just the sod at the site of the former playset at the Pavilion area, and to accept the \$894 bid by Everyday Landscaping. This expenditure would come out of the 2018 budget. Linda seconded the motion. All voted in favor. Motion passed.***

#### Utilities at Pavilion

Jim stated that he would be in favor of considering the installation of basic reclaimed water plumbing and electrical lines at the Pavilion. Peg voiced concern over increased utility costs, and stated she sees no immediate need for this enhancement at this time. Linda expressed concern over volunteers doing this work, especially since it would require meet code standards.

Dick pointed out that while the electrical and plumbing hook-up could be seen as an enhancement, it is being proposed as a way to make it easier to clean and maintain the area, and to enable the community to use the Pavilion area for meetings and social events, which happen at least 6-8 times a year.

Peg suggested that this proposal be presented to the Membership for a vote, highlighting the enhancement, maintenance and meeting/social event impacts of the project.

***Susan motioned to proceed with allocating \$1500 for a volunteer effort to install the utilities as proposed. No one seconded the motion. Motion failed.***

***Susan motioned to confirm an existing bid for \$3000 for a contractor to install the utilities per the proposal. Voting was 2-Yes 2-No. Motion failed.***

***Peg motioned to put this issue to a Membership vote. Jim seconded; all voted in favor. Motion passed.***

#### Erosion Under the Perimeter Wall

Peg asked for further details and discussion about the erosion noted under multiple areas of the wall.

It's been noted that most of the erosion is due to excessive pool overflow discharges and incorrect water drainage. The problem is most evident along the south wall, where the contours of the topography have been disrupted or modified, either with landscaping changes or the installation of pools. Grading was not properly restored to ensure proper water flow to storm drains and swales.

In some areas, the soil has eroded, with no evidence of Homeowner involvement.

Neighbors to the south of our development have registered formal complaints with the City of Cape Coral and Tropical Isles, stating that we are responsible for their yards flooding during the rainy season.

It was urged that we come up with a solution to temporarily fill the large gaps under the wall as soon as possible (before rainy season begins).

One option to addressing this issue is to run new storm water and sewer lines along in the inside of the wall. This would involve an engineering company and would most likely be a very expensive undertaking.

Another option would be to have a survey taken to identify the specific issue areas, and address those as needed. Jack O'Neil reached out to the original surveyor of this development (Stouten Cramer Inc.). They estimated that the cost of shooting the grades along the entire inside of the wall would be less than \$1000.

***Peg made a motion to contract with Stouten Cramer for no more than \$1000 to conduct such a survey. Susan seconded the motion; all voted in favor. Motion passed.***

Jack will follow up with the contractor to set up the work order. An announcement will be made to Community once the date of the survey is scheduled. The Board will await the results of the survey before any next steps are considered.

Wall Paint

Upon completion of the wall restoration project, the community was left with extra paint. Dick Dyszel has 2 gallons of gold and 4 gallons of white paint available. Please contact Dick if you would like to use any of this paint for touchups on the wall behind your home.

**5. OTHER BUSINESS:**

Board Business

Jim Arnold's and Linda Foreman's two-year terms expire effective March 15, 2018. Tropical Isles has been notified of this status. The Board encourages anyone with an interest in serving their Community as a Board Director to send notice to our management company, expressing their desire to be a candidate for the March 2018 election.

**6. NEXT MEETING(S):**

The next Board of Directors Meeting and Membership Meeting is scheduled for Thursday, March 15, 2018 at 6:30pm (location to be determined).

(The Board reserves the right to convene Special Board Meetings, as may be needed, to address Association matters.)

**7. ADJOURNMENT:**

There being no further business, Jim motioned to adjourn the meeting; Susan seconded the motion. All voted in favor and the meeting was adjourned at 5:00pm.

Respectfully submitted,

Linda Foreman  
Secretary, Board of Directors  
Celebration Cape Association

***(The preceding minutes were approved by the Board of Directors on Thursday, March 15, 2018)***