

Minutes of Master Management Board Meeting

President Donna Capobianco called the meeting to order at 9:30 a.m. on Thursday June 13, 2013.

In attendance were: Donna Capobianco, Dan Glickman, Gene Goldman, Danielle LoBono, and Bill Morse, Via Telephone: Pierre Laliberté, Charles Lusthaus, Fred Rosenzweig, and Ira Somerset.

Open Mic:

Judy Schneider: Spoke to the Board and suggested having open mic at the end of the meeting(s) which would allow CVE residents the opportunity to respond to the meetings and ask further questions. She urges the Board to consult with a telecommunications lawyer in order to negotiate a long term contract in order to acquire the best deal for residents. She suggested Joe Rubino, may have a referral for a telecommunications lawyer. In addition, Judy requests the Board review security issues, such as vulnerable areas between the fences where people can walk from behind a fence and walk through and the ability to easily gain access to CVE property by showing the security guards a library card. She would like the Board to look at CVE security needs and consider a card swipe system to increase security. Donna asked Judy to identify which building she resides and Judy stated she resides in Durham T.

Minutes:

Gene Goldman moved and it was seconded by Bill Morse to make corrections to the May 16 MM Board meeting minutes regarding the LeClub Activity Center policy the Board approved at the last meeting. The corrections will be made to the official document in the file and does not change any of the content just the order it was presented.

Bill Morse advised an email was sent to him regarding a confusing statement about the real estate taxes for the Golf Course. The article states “because we are a nonprofit corporation, purchase goes through MM will have to pay back a prorated share of taxes in the amount of \$25,000 to Fairway Investors.” Bill stated this is incorrect and misleading, when in actuality MM will collect from Fairway Investors at the closing, it’s prorated share of the

taxes for their ownership period in 2013. Kelly Serkin will make the changes to the official document in the file. The motion carried by unanimous verbal assent.

Gene Goldman moved and it was seconded by Dan Glickman to waive and accept the reading of the May 22 MM Executive Session meeting minutes. The motion was carried by unanimous verbal assent.

Gene Goldman moved and it was seconded by Danielle Lobono to waive and accept the reading of the June 11 Executive Session meeting minutes. The motion was carried by unanimous verbal assent.

Treasurer's Report – Bill Morse

The CVE Master Management Financial Report was distributed via email and a hardcopy given to all Board members and discussed in detail by Bill Morse. For May, the Revenue was \$980,305; Total Expenses were \$932,291; Expenses are under Revenue; YTD Total Revenue was \$4,899,656; YTD Expenses was \$4,674,587; Revenue exceeded expenses by \$225,068; Cash on hand is \$2,037,975; Money in CD's is \$1,598,036; Total Cash is \$3,000,028; Net Assessments Receivable is \$861,338; Total Assets are \$4,942,608; Total Liabilities are \$3,668,873 and Total Equity is \$1,273,734. Bill provided a synopsis of the following: Two hundred and seventy-six apartment units at least 1-year delinquent represent \$94,000; seventy apartment units at least 2-years delinquent represent \$158,284; forty-eight apartment units at least 3-years delinquent represent \$178,676; fifty apartment units at least 4-years delinquent represent \$247,963; fifty-two apartment units at least 5-years delinquent represent \$312,260; ten apartment units at least 6-years delinquent represent \$70,610; totaling \$1,000,061 in delinquency. Bill stated in 2009 \$200,000 was written off as a bad debt and only \$800,061 is reflected in the balance sheet.

President's Report – Donna Capobianco

Golf Course - Wells Fargo has verbally agreed to grant the loan for the Golf Course depending the final results of the environmental study. Phase I environmental study is complete and Phase II environmental study is coming to its completion. MM will receive a report and the bank will make the determination for the next phase according to the results of the study. Gene Goldman requested some insight on how long MM/CVE would be paying the back the loan? Donna

replied that the loan is finite, it should be no more than a 9 year mortgage, and it is a commercial loan which are no longer than 9-10 years. MM is looking not to exceed 8-9 years, dependent on how MM structures the loan according to the options Wells Fargo provides. It is no more than \$10 per unit, per month for the life of the loan, which includes the principle and interest. MM attorneys are drafting a purchase and sale agreement in preparation of the golf course **if** the testing goes well. Donna informed the Board the restaurant property on the golf course has a stipulation in their lease which indicates the restaurant “moves” with whoever owns the golf course. Fairway Investors is the current lease holder of the property currently owned by CVRF Deerfield Corporation. Recreation has expressed interest in acquiring this property and making significant investments and wishes to have the facility running prior to season. Gene Goldman suggested having a meeting with Recreation and MM Board members to make a rational determination. Donna clarified that the property includes the entire building which contains the restaurant, offices, rest rooms, etc.

Transportation: The Transportation RFP was sent out to seven bidders, including the current transportation provider. Bids are due June 24, 2013 and the contract will be awarded July 1, 2013.

Irrigation Agreement: Recreation has agreed to fold into the irrigation project. All fourteen pool properties will be on one irrigation system with the exception of the Main Clubhouse which will be run on a separate system. Walter Magenheim advised the Board that the agreement is a Change Order for TCI and agreement between MM and CVRF Deerfield and Holdrod as their management company to pay in advance per pool and CVRF will pay maintenance fee after MM has a separate long term maintenance agreement on a per zone basis. Once the proper language is formulated it will be present to the Board for further review. MM attorney advised it is not in the best interest of MM and Recreation, a change order does not affect loan or impacts MM.

Swale Status: City of Deerfield Beach Commissioners voted 3-2 to honor their agreement to maintain the Swale area outside CVE East Gate. Donna suggests that MM provide the City of Deerfield Beach with suggestions on how to improve the Swale area that is financially beneficial to CVE and the city.

Formal Apology: On behalf of the Board, Donna formally apologies to CVE residents that received letter(s) which advised recipients to cease communication criticism of the MM Corporation and its officers.

Website: Kelly Serkin and Ira Somerset's were recognized for their efforts for updating all the minutes on the CVE website. Also recognized and commended for their efforts are newly employed Administrator Assistant Debbie and Contract Operations Manager, Walter Magenheim.

Investigating: Donna expressed to the Board her desire to investigate the use of visual conferencing in an effort to be cognizant and communicate better to Board members who attend meetings telephonically. Donna is looking at the possibility of implementing visual conferencing plan for next year's budget if it is feasible.

Policy Issues

Car Washing: The use of potable water to wash cars is strictly prohibited. MM does not advocate the use of potable water for **anything** except the limited use of watering plants. Car wash services that provide their own water supply are permitted. Anyone washing their car and using potable water hoses are to inform MM or security.

Pet Policy: In response to the Pet Policy at the last Board meeting, Donna stated that no pets are allowed on MM property with the exception of qualified service animals with proper documentation filed with MM. Donna posed the question to the Board as to how will MM monitor and follow through with the policy rules. It was suggested to have security stop individuals and direct them to MM offices and complete proper documentation and if they do not documentation a fine can be assessed. Danielle asked if security has those forms and whether or not the Board wants to install this into the Pet Policy? Gene requested clarification on what property does the policy govern? Donna replied that the Pet Policy only applies to MM property and pets on the Associations property is under the jurisdiction of the Association. MM attorney have advised that it is not necessary that MM allow for service animals on MM property because

the rules only apply to where the person lives and does not necessarily apply to the use of any other facility. Donna stated the motion will be raised in the next month's meeting.

Executive Director – Sergio Purriños

Irrigation Monitoring Proposal: Sergio updated the Board on the Central Control System and advised the Board the project is progressing as planned. The 5th Amendment to the initial contract focused on data collection and the monitoring component of the system. Sergio requests the Board's permission to allow Maseun Consulting LLC and Seacrest Services to give a brief presentation regarding their abilities to monitor the irrigation system. Todd Mohler of Maseun Consulting LLC designed the irrigation system for CVE community which is currently being constructed. Todd advised the Board that his company provides a scientific approach to monitoring; electronic monitoring of the system 365 days a year, this includes daily massaging, manipulation and refinement of the irrigation schedules; Maseun provides monthly SFWM submittals of flow data collection and period submittals not included are available for additional fees. Maseun will provide a 30 day sever clause and does provide training for onsite staff to use the control system. Dan Glickman asked where is the data resident and does MM own the information. Todd replied the MM owns the data and can provide the data in a usable format. Richie Macintosh of Seacrest Services, while they are not familiar with the Baseline 6000 control system, their company is willing obtain training in how to operate the system. Seacrest manually monitors the system on site. **Danielle LoBono moved and Bill Morse seconded to table the irrigation proposal discussion until the next Board Meeting. Donna Capobianco called for the vote for all those against tabling the motion. The motion carried by a majority verbal assent. Fred Rosenzweig moved to engage the Maseun Consulting LLC proposal going forward for a 12 month contract; TCI will be responsible for maintaining the system and Seacrest would maintain and repair the system as necessary. Dan Glickman seconded.** After discussion, the Board voted and the **Motion carried unanimously by a Roll Call Vote.** Donna Capobianco confirmed that Maseun Consulting LLC will provide a 30 day out clause regardless of circumstances.

Business

Unfinished: In response to the Boards request for a breakdown of the usage of the different rooms and the income as it compares to the income of LeClub Activity Center, as it pertains to the carpet replacement. Sergio informed the Board the bid cost for carpet replacement is \$14,996. Gene Goldman asked Bill Morse if MM has the funds available to replace the carpet in these facilities. Bill Morse informed the Board of his concerns that MM spent whatever revenue MM takes in from these facilities over the past 5 years. Donna Capobianco noted that January through May reporting of 2013 have a total including LeClub of \$20,000 for half the year. Dan Glickman states he is not in favor of this expenditure, and does not believe the carpet needs to be repaired at this time. **Donna Capobianco moved to proceed with the recommendation with for the change in the flooring with Floranado Flooring. The motion was not seconded. The motion failed.**

Gene Goldman questioned whether or not the carpet poses a danger to its occupants. Donna Capobianco reiterates that if the carpet tiles and any flooring pose any safety issue, Sergio Purriños has the authority to resolve any safety issue. Gene Goldman requests that Sergio Purriños provide a safety report for the Board to review. Dan Glickman states the consensus of the Board, please address as necessary anything regarding safety and fix it.

Harwood D Road Resurfacing: Sergio spoke to the Board about road improvements to Harwood D parking area and a priority list of CVE repairs used for budgetary purposes outline the list of expenses. In response to the road resurfacing Donna stated the Board is looking for two main pieces of information; is there absolute proof that if the Board approves the road resurfacing it would absolutely solve the problem of the water that is standing and the ability of the water to go down the drain? Donna read the following letter: *The proposal for the asphalt overlay of the parking area for Harwood D provided appears to be a reasonable scope of work for the cost of service. We show the project engineer confirm for verification that the bird bath puddles are filled and the new paved area is graded to the general existing slope, so water is properly directed away from the parking area by means of the asphalt overlay application for the area as outlined in the proposal prepared by Five Star Sealing and Paving. Please note this does not constitute a designer or engineering evaluation of the drainage system but rather a general observation.* Dan Glickman asks Mr. Baachelli to change the letter where it states

“parking area” to “parking street” as it is reflected in the Exhibit illustration, it is noted that between the parking spaces on the left and right the area is referred to as the parking street. Ray Depolo of Five Star Sealing confirmed and will make changes to the letter which will reflect “parking street”, which relates to MM concerning area. Donna Capobianco questioned, Is the job being done to correct the elevated area around the storm drain? Donna requests the change of *parking area to parking street; and to change in the letter that states that the work being done will indeed remove the elevated problem for this particular storm drain marked Exhibit D, located right in front of Harwood D.* Donna states MM has job based on its budget structure that sets priorities to determine which problems take precedent and be addressed accordingly. MM does not address issues of any streets and roads based on a buildings request. It works based on priority and budgeting, etc. and not based on wants. **Dan Glickman moved and Fred Rosenzweig seconded to approve the MM portion of the Harwood D road resurfacing as long as the letter clearly reflects what needs to be done to the parking street relative to the problem that exists.** After further discussion. The Board requests a written guarantee for a period of 1-year from Five Star Sealing to correct all drainage problems and will eliminate all ponding. Roll Call Vote: Dan, Fred, Pierre, Charles, Ira, Danielle, Bill-no, Gene-no, Donna – no. Motion passed.

Tim Trainer, President of Harwood D expresses his appreciation to the Board for passing the motion. Donna Capobianco states for the record that *“this is a onetime only situation. Our Board’s responsibility, for as long as we are in authority, must be based on priority for the whole Village. This will be a workshop item and the Board will address it and work on what the priorities are for the Village concerning roadwork and will not address on an ad hock basis, but what the priorities are”.*

Announcements:

The next meeting is scheduled for July 11, 2013

Motion to adjourn was made at 12:31 p.m.

Respectfully submitted,

Danielle LoBono
Secretary