

## **February 26, 2024 10:00 AM**

### Huntington Pointe Association Inc Board Meeting Minutes

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#### **Call to Order:**

The meeting was called to order at 10:00 AM by Susan Levine.

#### **Calling of the Roll:**

There were present the following Board Members

Berk, Norman	Levine, Susan
Donovan, Mark	Loeser, Susan
Dymbort, Sandra	Rivenson, Steve
Gonzalez, Serena (Absent)	Rudnick, Mary
Goodman, Wayne	Sandler, Phyllis (Absent)
Kafka, Shirley	Shapiro, Harvey

A quorum of the Board of Directors was established.

There were present the following from management:

Chery, Marvin – Community Association Manager

Mason Green - Administrative Assistant

#### **New Business:**

- Sue Loeser made a motion to accept the contract amendment 1 of the basic Zabik contract from Zabik and Associates to closeout the clubhouse renovation and oversee the maintenance building, indoor, and outdoor pool renovation at a rate of \$6500 per month. Seconded by Shirley Kafka. 10 yes. Motion approved.

Adjourned 11:55

**HPA BOD MEETING RE MAINTENANCE BUILDING BATHROOM  
MARCH 7, 2024**

The price for the Maintenance Building is noted as \$440,177 for DC Construction and \$207,350 for soft costs. The total for the Maintenance Building is \$677,527.

This sum includes a handwashing slop sink OUTSIDE attached to a spigot with the wastewater draining on the grass. (If the sink is included in the plans, then the Building Department gets concerned with all kinds of environmental issues.)

Last month a discussion centered around adding a bathroom to the Maintenance Building. Here is the current information for that addition.

**FOR PERMITTING**

The plans must be updated to the 2023 Florida Building Code (FBC) before they can be submitted to the building department. Note the existing plans were created under the 2020 FBC.

**Slattery** has submitted a cost of **\$9,450** to **update the plans to 2023 FBC and to include a bathroom in the plans**. Zabik has requested another quote just to update the plans to the 2023 FBC (without the bathroom). *(A few hours after the meeting we received the quote from Slattery. It will cost us \$6,250 to just have the plans updated to the 2023 FBC.)*

We are also adding **\$2,000** for the **permit for the added bathroom**.

**ADDITIONAL BATHROOM & SINK**

We have two budgetary cost options from DC Construction for installing the new restroom in the maintenance building.

- **Option #1** involves connecting the new sanitary line into the existing 6" sanitary line at the southwest corner of the building (**\$71,237**). The main cost is attributed to restoring the landscaping after installing the new sewer line.
- **Option #2** involves connecting the new sanitary line for the restroom into the existing 3" sanitary line **located inside the ballroom kitchen (\$50,742)**. A 5'x5' area on the **kitchen floor would have to be removed** to access the connection point (will not affect the island or cabinetry). The proposal includes retiling the disturbed area.

Therefore, the **total additional cost using option # 1 is \$82,687**. Under **option # 2, the total additional cost would be \$62,192**.

This added expense would have to be added to the cost of the Maintenance Building on the February 20<sup>th</sup> spreadsheet (attached) and the HPA BOD Meeting re \$4MM file (also attached).

*Sue Loeser*  
HPA Treasurer

## #1 - Zabik

On March 1 the SG, Larry and Paula Zabik, Tim Scarlett, Marvin Chery, and Andy Wyman met. Our discussion included two topics:

- An amendment to the ZA contract
- Closing out the clubhouse reno project

Paula, ZA CFO, told us that the minimum amount they charge is \$6,500/month. For that amount they will complete the closeout project. For that amount they will also serve as PM for the indoor and outdoor pool renovations and the construction of the Maintenance Building.

We paid ZA through October because we all felt the reno would be done by then. But it turns out that BC submitted invoices after that for work for which they had never been paid.

At the March 1 meeting AW told us that we need to have an owners' rep for the closeout of the clubhouse reno project. Since ZA has been approving all the paperwork for the reno payments they are the logical ones to continue in this role.

And since it will cost us the same whether or not we involve ZA in the Maintenance Building and the pools, we might as well throw that in too.

ZA worked for 3 months (Nov-Dec-Jan) with no pay and now they want to be paid as of Feb 1.

Included also is completion of a clubhouse closeout scope per the base contract including management and coordination of final contract negotiations, meeting management, budget monitoring, coordinating warranties, closeout with professionals and closeout with operations teams.

Closeout also includes validating invoices and punch list items. For example, the frames of the glass on the fireproof doors began as black frames. Those frames were painted white, but the white paint is already peeling. It may even be necessary to replace some doors.

Although the clubhouse is now open and operational there are still items that need tweaking, correcting, and adjusting. We need someone knowledgeable in construction to oversee all this work.

On the advice of counsel, we propose to re-engage ZA to oversee the final closeout for the clubhouse and to oversee the two clubhouse pools and the construction of the Maintenance Building.

## #2 - Loan

The second part of today's meeting is to discuss the line of credit and the actual loan.

We all remember that we borrowed a second \$2 MM just before the \$13 MM line of credit ended. That money was to have been put into a separate bank account (@ 3.7% interest) which we could only access by supplying invoices for items previously approved by the bank.

It did not happen that way. The money was put into our South State account. This means:

- We must pay 3.7% on the entire line of credit that we requested.
- We must begin to pay back the principal, based on the entire line of credit we requested.
- We still must submit invoices of prior approved items to draw from the principal.

The first payment requested from the bank was enormous. Bonnie reviewed the paperwork and just knew there was something wrong. Eventually we learned that we were being charged for a principal of the entire line of credit amount (\$13 MM) and the bank was looking for a payment that reflected the entire amount.

We used the following line of credit:

- Per the end of January, we have drawn \$3,701,084.48 of the principal from the bank.
- Then we asked for \$2 MM more, and finally a second \$2 MM more.
- Our total liability at South Street bank is \$7,701,084.48, not \$13 MM.

The clubhouse assessment will cover the \$3,701,084.48 and the applicable interest for that amount.

However, we never planned to just pay the bank for the \$4 MM we borrowed. The plan was that every expense coming from the \$4 MM would be discussed at a board meeting. We would only spend the money on a project if the board could determine how we were going to cover that expense.

While we were waiting for the bank to figure out where the error was, Bonnie, Marvin, Susan Levine, and I had a meeting on February 20<sup>th</sup> to discuss some alternatives so that we could perhaps immediately return some of the borrowed money to South Street bank.

We knew that there was a surplus of money that was not from spent from our 2022 and 2023 budgets. We also knew that we had money in the Community Contribution fund, and we knew we had money in the pooled reserves (AKA Capital Improvements).

To be fair there are other projects that have been (or will be) paid for by surplus money:

- Computer equipment
- Extra cameras
- Zoom equipment
- Electrical switch replacement
- Brilliant panel electrical
- Bocce court replacement and additional court

We looked at every project we planned to be paid for by the \$4 MM loan. We were able to divert some of those projects to other payment methods.

For example, three projects (\$96,477) we could immediately pay for with surplus money.

- 50% indoor pool
- 50% main (outdoor) pool
- Outdoor dining landscaping and pavers

## #2 - Loan

Two additional landscaping projects (\$32,345) could also be paid for by surplus money.

- Palms in front of the clubhouse (already paid for)
- Landscape surrounding the pool

Once the clubhouse pools have been completed and we have paid the vendor for the entire project, the pool expenses will be re-classed to be a Reserve expense (\$136,730)

- Full indoor pool renovation
- Full outdoor pool renovation
- Pool LED lights

The entire roof project can come from Reserve money.

That leaves these remaining projects (\$2,505,718) to come from the bank loan

- Maintenance building \$ 680,000 (DC Con \$470,177 + soft costs \$207,350)\*\*
- Closeout expenses \$1,000,000
- Contingencies \$ 75,718
- Overages \$ 700,000
- Miscellaneous projects \$ 50,000

\*\*The Maintenance Building expense does NOT include a bathroom. Please see the separate attached file that discusses the options for a Maintenance Building bathroom.

We still do not know how much the closeout expenses will cost and we do not know the exact amount of the overages.

Our income from the clubhouse renovation assessment will cover a loan of \$2 MM. At the end of January our accounts are as follows:

- Roof Reserves \$ 177,775
- Capital Improvements \$2,050,630
- Reserve Interest \$ 66,545
- Community Contributions \$ 366,242

I have said the assessments we are collecting will cover \$2 MM of our loan. Note that Reserve Interest and Community Contributions on 31 January 2024 add up to \$432,787 so if we need an extra half million dollars, we have those two sources.

The remaining two questions are

1. Should we return some of the loan money, and if yes, how much should we return? It has been suggested that we return \$2 MM because we can only afford to pay the bank back \$2MM.
2. What about the tennis courts which we promised we would do something with this summer and the satellite pools? At the very least we must renovate the west pool as it is the worst of the three satellite pools.

*Sue Loeser*  
HPA Treasurer