

1. Certifying Quorum - Call to order, roll call with presentation of proxies:
Present: Boggs (1), Heller (2), Mandel (3), Steinke (6), Hodges (8), Greismaier, (10), Schaff (13), Pratt (14), Howe (17), Schwartz (23), K. Joba (25), Schaff (27), Schreiber (31), G. Joba (32), Foster (33), Kozich (37).

Proxies: Forrester (7) to Kirk Boggs; Smith (9) to Karen Tyson; Martin (11) to Peter Avram, Wittekind (12) to Tyson; Davison (16) to Boggs; Mirchell (21) to Boggs; Neu (22) to Tyson; Reeh (34) to Jeff Heller; Finkelstein (35) to Boggs; Cofer (36) to Barrie Foster.

2. Proof of Notice of Meeting presented postal receipt.
3. Reading and disposal of unapproved minutes from November 14, 2015, Motion to waive reading and approve minutes by _____ second _____ Approved.
4. Reports of Officers:

A. President: Dr. Pratt welcomed the new owners of unit #25 Kilian, Kathrin & Markus Joba with Kilian's presence acknowledged. Welcome to Ralph and Lori Delserone new owners of #4 who were not present. And noted that US Bank Trust is the current owner of #15 which had been in a foreclosure status for the past three years. The Association was only able to collect 1% of original mortgage, \$6530 as per Florida Statute.

B. Treasurer: Micki presented the operating budget explaining that there were no big changes from 2016. With the settlement of #15, the budget will be divided by 31 units not 30 as was done previously, providing a nominal savings to each pedowner, approximately \$138 per quarter. The current balance in the operating account as of November 9th is \$130,405 which funds will be sufficient to finish the year with a bit of a surplus at the end of the year that will carry over to 2017. In the reserve account the opening balance for 2016 was \$65,982 plus assessments of \$143,274 and special assessments of \$186,000 minus the concrete work of \$93,796 and midrise roof work of \$147,838 leaving a balance in reserves of \$153,622. The storm water fund will no longer come out of Association's budget but you will find it on your own tax bill now. Propane usage is way down as the water is heated by electric heat pumps with the gas back up. Everything else is minor cost of living increases. Expect the insurance to go up a bit.

No significant change. Micki was asked to include previous year's budget when presenting the proposed budget for future meetings. Dave Steinke moved to accept the 2017 operating budget as presented, seconded by Jeff Heller. Approved.

Dr. Pratt took a moment to thank all the Board members for their service and the long board meeting on Friday in preparation for today's owners meeting. (9:15 to 4pm). Part of the time was spent with Kevin Phillips, vice president from R L James Inc, who has been performing the concrete work at KCP since 2004.

5. Unfinished Business - review of projects

A) Asphalt work with Slazar has been completed leaving an unpaid balance as the job was determined to be unsatisfactory. Mr. Schwartz brought up the problem with flooding of the drain in front to the midrise building. Karen was advised to call a pump company to investigate, which may need to be cleared of debris. Kirk explained that the Association was presented with two options: to mill/remove the existing asphalt and go down to base and lay new asphalt. This number was considerably more than the asphalt that was put down, the one inch overlay. The recommendations that were received after investigating was that the overlay approach was appropriate at this time and could provide a proper product that KCP would be happy with for a number of years. The fact is there are areas we are not happy with. We went after Slazar to come make it right, but they have stopped responding and there is a small outstanding balance on their accounts. KCP is not paying it and they have stopped asking for it. It's not the perfect job we hoped for. There are some sloping issues but because we did not go down to base ground this is what we have.

B) Pipe hangers in midrise garage have now been installed with the rusty hangers removed. The new stainless pipe hangers will be painted.

C) Seawall - chain has replaced the fraying rope.

D) Midrise garage was acid washed and sealed, a much cleaner appearance. Jimmy will be pressure washing it regularly.

E) Midrise roof has been replaced, partially covered under remaining 3 years of warranty. After discussions with the roofing company the decision was made to apply a different membrane which gave a 20-year warranty. Walkways were added for AC techs to use and not cause any damage to the roof. New policy will have anyone going on roof to log in with office or maintenance.

6. New Business:

A) Concrete maintenance and engineering report: Association has employed an independent engineer for the past couple of years. They come onsite to view work, make sure it is being done properly. KCP had requested a reserve study from the engineer to provide a report stating what needs to be done now, and what needs to be done in the near future. Such as immediate, for safety issues, structural issues, or within the next year or two-three years, three to five years, etc. Dr. Pratt and Micki were able to walk and view the property with Kevin from R L James and Buck from K2M Engineering. Will be asking the engineer to do every year. Not all units were looked at specifically as no evidence was found to warrant. If the owner does see something of concern to please contact the office. R L James presented a proposal based on the engineering report. The Board went through this at some length. Midrise BBQ area beam is a structural issue to be addressed. Main safety issues in midrise is the garage ceiling, many over head spalls.; chunks of concrete ready to fall. Difference of opinion between engineer and R L James of how much work in garage ceiling needs be addressed. Other future areas include cracks in the exterior walls and overhead ceiling work in some units. Board has learned a lesson from #31, over head ceiling repairs. Best to address spalling when an owner plans renovations. #25 and #37 plan renovations summer 2017 at which time any spalling issues will be addressed; such as #36 ceilings. The Board has modified the RLJ proposal work better with the budget going forward. The other issue is the corner units have an

access door to the decks. The pool corner is not an issue but the ocean side corner, more vulnerable. Wooden doors are not the proper doors, allowing water to intrude and caused spalling in these interior units by these doors. The engineer recommended replacing these doors and fixing the spalling floors and ceilings. The Association plans to replace this door as an Association expense. Doors and some windows were replaced by owners at the time of major concrete restoration, as a group purchase, but paid for individually. As is now part of Florida Statute, the exterior doors would be an Association expense. Basically, drywall out is an Association expense and paint in is owner expense with exceptions based on cause of damage. The Board is trying to be fair and consistent in regard to these matters. With the modifications, the board has made to RLJ proposal, the funds needed for 2017 concrete work would amount to \$337,547 with contingency funds added in. The Board feels it necessary to have a special assessment of \$5000 per unit in the spring of 2017 to adequately fund this project and not deplete the reserves. A special assessment will be properly called for to approve this motion. Payments of \$2500 in April and July suggested.

B) Vote on statutory reserves - Dave Steinke makes the motion to accept the reserve budget as presented, seconded by Helen, approved.

The tape recorder stopped and notes are sketchy.

C) Midrise storage unit - the 21 owners of the midrise will be surveyed to see how they want this storage room to be used. Do they want it for recreational equipment (fishing, kayaking, biking) or 21 equal spaces? As it is now, it is not functional. There are many items not even labeled with name and unit number. Please take the time now or on your next visit to review your items in the storage room, properly label with name and unit number so by June, the storage room can be cleaned out of any old owners items still in storage. The Board will review the surveys and organize the storage room based on the majority's request.

D) Future considerations: rebuilding of the fishing pier with a wood composite; 2015 proposal of \$28,690. In the meantime, Jimmy will continue to tack down boards.

Pool furniture - replacing slings as needed for now.

Motion to adjourn

Next meeting November 11, 2017.

Respectfully submitted.
Karen Tyson