

DRAFT

**BOARD OF DIRECTORS MEETING
PINE RUN CONDOMINIUM ASSOCIATION, INC.
Thursday January 22, 2015
8:30 AM Pine Run Club House
AGENDA**

- I. Call the Meeting to Order.**
- II. Determination of Quorum.**
- III. Proof of Notice of Meeting.**
- IV. Resignations and Appointments.**
- V. Approval of Minutes of December 16 , 2014**
- VI. BOARD REPORTS**
- VII. OLD BUSINESS**
 - a) Unit 113 motor scooters**
 - b) Rules and Regulations final**
 - c) Lock of Exercise Room**
- VIII. NEW BUSINESS**
 - a) Modification Request Unit 302**
 - b) Laundry Rooms contract**
 - c) Landscape Contract**
 - d) Update Information Meeting procedures**
- IX. PUBLIC COMMENT**
- X. ADJOURNMENT**

**MINUTES OF THE MEETING
BOARD OF DIRECTORS
PINE RUN ASSOCIATION, INC.
THURSDAY, JANUARY 22, 2015
8:30 A. M.**

Present: Pat Foley, President, Keenie Bugenhagen, Vice President, Owen Hodge, Treasurer, Peter Campanelli, Secretary, Tom Foley, Kip Kellogg and Kathleen Koski, Directors, Jim Kraut for Management and owners in the audience.

The meeting was called to order by the President, Pat Foley, at 8:32 A.M. in the Clubhouse, a quorum being present. Proof of Notice of Meeting was given with Notice and Agenda mailed at least 48 hours in advance. All motions at this meeting were unanimously passed with all Directors present voting in favor of the motion, unless otherwise noted.

Resignations and Appointments: None.

Reading/Approval of Minutes of the Board of Directors Meeting of November 20, and December 16, 2014: MOTION was made by Peter Campanelli and seconded by Owen Hodge to approve the minutes of November 20 and December 16, 2014, as presented.

MOTION PASSED.

BOARD REPORTS

Maintenance: Tom Foley read his report, which is attached and made a part of these original minutes.

Secretary: Peter Campanelli distributed two newspaper articles to the Board, which are attached and made a part of these original minutes and reported that he will recap the 2014 sales and rentals at the 2015 annual meeting.

Vice President: Keenie Bugenhagen: Deferred.

Directors: Kate Koski: No report.

Directors: Kip Kellogg: Mr. Kellogg presented a long term plan for the fitness room and fitness room equipment, which is attached and made a part of these original minutes. He will work with maintenance to determine what should be discarded and what can be repaired and will work with Tom Foley on a punch lock for fitness room access.

President: Pat Foley reported that 1). Special thanks should be given to Judy Campanelli for her typing of the Rules and regulations. 2). She has requested a copy of the laundry equipment contract and stated that the company will send it in hard copy as soon as possible. 3). Thanks should go to the maintenance team for their hard work in finding and repairing the underground leak.

UNFINISHED BUSINESS:

- a. Grandelli(Unit # 113) Motor Scooters: The Board reviewed the letter submitted by the owners.

MOTION was made by Tom Foley and seconded by Keenie Bugenhagen to approve the request from the owners of Unit # 113 to store their motor scooters in their carport or Association kayak areas.

MOTION FAILED.

MOTION was made by Owen Hodge and seconded by Peter Campanelli to create a committee, which will include representatives from each Section, to create a plan for additional storage of owner's personal items, and present that to the Board as soon as possible. Owen Hodge will Chair the committee.

MOTION PASSED.

- b. Rules and Regulations, Final: MOTION was made by Owen Hodge and seconded by Kate Koski to send the final version to the Association's attorney for review and to mail the reviewed copy to all owners to be voted on at the regular February Board meeting.

MOTION PASSED.

- c. Lock on Exercise Room: Covered.

NEW BUSINESS:

- a. Modification Request Unit # 302: MOTION was made by Tom Foley and seconded by Kate Koski to approve the ARC request from Unit # 302 to install tile on the ground level lanai floor.

MOTION PASSED.

- b. Laundry Room Contract: Covered.

- c. Landscape Contract: Keenie Bugenhagen reported that she has met with Charlie from Hoskins Pest Control and discussed costs for landscape fertilization and pest control. She is waiting for a call back from Gardenmaster to provide the same services. She will be meeting tomorrow with the landscape company to get a price for landscape only, with no fertilization or pest control. She will provide her recommendation to the Board at the next Board meeting.

- d. Update Information Meeting Procedures: The President distributed a draft of the procedures. It was suggested that "speed limit", "what to do while away", "pest control" recycling" and "social events" be added. The Board members will review and provide suggestions for inclusion.

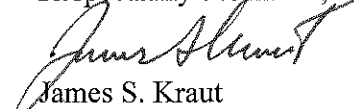
OWNER COMMENTS: 1). Units # 300, 302 and 304 are requesting to build storage spaces for their units. The Board requested that the owners provide individual, detailed drawings of their requests. 2). The Ladies Group is requesting that a chairlift be installed to provide access to the clubhouse for all owners. The President requested that the Group create a committee to work on the project, including pricing and manufacturers and to provide that information to the Board as soon as possible. 3). The President will write a letter to all owners reminding them that it is a violation of the fire code to store anything in closets that have public utility equipment in them and to remind all owners that they need to lock the common area bathrooms when using them after 5:00 P. M.

MOTION was made by Tom Foley and seconded by Keenie Bugenhagen that the meeting be adjourned.

MOTION PASSED.

The meeting was adjourned at 10:16 A. M. The next scheduled meeting of the Board will be held on Thursday, February 26, 2015, at 8:30 A. M. in the clubhouse.

Respectfully submitted,


James S. Kraut
For the Secretary

Maintenance Report 1/22/15

- ✘ We had to call Jim Bear to remove a tree that has fallen in the 200s.
- ✘ After a tenacious effort, the water leak that has plagued Building #10 has been located. Fortunately it is not under the slab. It is the result of a root system that fractured the water line. It leaked downward so the porous soil absorbed the water before it had a chance to pool on the surface. Our crew did as much as they could before calling in Ron Horn to finish the job. Our bell just rang and Rick informed me that the water in that building is back on.
- ✘ We ordered 37 recycled plastic parking bumpers. That should enable us to replace our damaged ones.
- ✘ As I communicated to you, our small wooden notice receptacles are expensive to maintain because:
 1. They are labor intensive
 2. The piano hinges are costly
 3. They are exposed to weather and have nooks and crannies that catch and retain water.

There are also 42 of them in thirteen locations. I have found a weatherproof bulletin board that is highly rated. The discounted prices are:

1. 13"W X 19"H - \$150.75
2. 19"W X 31"H - 195.40
3. 25"W X 31"H - 218.50

These dimensions are for visible area and the width and height cannot be switched. Obviously the 19" X 31" will accommodate four letter size notices with a 19" X 8" space at the bottom for smaller signs. I think it would be possible to find from five to six locations that would be easily accessible to residents. That would enable us to cut down on the number of notice copies we need to make.

- ✘ We have ordered the material necessary for our crew to do a lot of rehab on Building #8. Our guys will be painting that building in May.
- ✘ I want to point out that yesterday was a classic example of why our crew's timetable must be flexible. The water leak took the best part of a day of their time. It is also worth noting the leak was costing us a minimum of \$300/month according to that meter's history.

Condo rentals restricted for good reason

By ILYCE GLINK AND SAM TAMKIN

Tribune Content Agency

We received a lengthy comment regarding a column on leasing restrictions in condos. We've abbreviated the letter here:

Q: Rental restrictions can decrease resale values and hurt individual owners who think they might never have to rent, until they find out they do. Life is unpredictable. No one should have to beg condo boards for hardship waivers. Many boards promote misinformation about how the percentage of rentals can affect mortgage financing.

Therefore, you would do a service by clearing up the widespread and oft-quoted misperceptions about Fannie Mae and Freddie Mac guidelines regarding rental restrictions for mortgage financing.

Many news articles state that FNMA and

Freddie Mac have "rental restrictions" of 51 percent. In fact, neither Fannie Mae nor Freddie Mac has any "rental restrictions." The only restriction they have for established condos is an "owner-occupancy" ratio that applies to investor loans. There are no — repeat, no — "owner-occupancy" ratios required for people buying condos to live in as a primary or even as a secondary residence.

FHA has a 51 percent owner-occupancy ratio, but for many luxury condos, conventional FNMA or Freddie Mac financing is used much more than FHA financing.

The nation was built on the basis of individual property rights. But condo and homeowners' associations have become private, feudal governments that often are neither transparent nor subject to meaningful checks or balances. It's getting worse and worse, especially as it's hard to find new housing not in a condo or HOA.

In the meantime, individual owners should be allowed to use their units as allowed within the real federal and state laws. No one else should be allowed to restrict lawful use, including the ability to rent. There are much better ways of dealing with bad renters and bad owners than by a priori discriminating and restricting such.

Better management; notifying and making sure owners take responsibility; requir-

ing provisions in leases that protect the condo common areas and behaviors; helping owners rent to responsible people by providing a tool kit on due diligence; incorporating renters into the community. All of these will help improve the quality of those who live in condominium complexes.

A: You raise a couple of interesting issues. We even agree with some of them, but we don't agree with your general contention that people in condominiums or other associations should be bound by no rules other than state and federal laws.

Condominiums are a legal creation to allow the division of parcels of land into either vertical or horizontal condominium associations. By their own definition, specific laws were drafted to allow condominiums to exist. In condominium buildings, an individual owns the air space within a specific unit, but the building as a whole is owned by all of the unit owners. That means that everybody owns a part of the whole. And when everybody owns part of the whole, you have a committee that needs to decide issues dealing with the whole.

You need this kind of system to decide how to make repairs and handle issues that affect all homeowners. Some issues affect them more than others. If a condo-

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Q&A FOR CONSUMERS

GLINK, from 6

minium building needs major, urgent repairs, that will affect all of the owners and take priority over other issues.

How does leasing a unit come into play? There are valid reasons for regulating leasing of units. Some of those regulations may be the same as making sure owners in buildings follow the rules. You certainly don't want an extended family of 20 living in a 1,000-square-foot condominium unit, whether its owner-occupied or rented.

So the issue is making reasonable rules and not overdoing it. Plenty of condominium boards and HOAs make rules for everything. In some cases these rules are necessary, as many homeowners live not by the spirit of the association, but by strict interpretation of its rules.

Having said that, you are wrong in your interpretation of Fannie Mae and Freddie Mac guidelines for their loans. If you have a rented unit in an association, that unit is considered investor-owned.

Freddie Mac's project review will require an established condominium development to have a certain number of owner-occupied units in order to allow buyers to borrow up to a certain amount. While a condominium development may allow a greater number of rental units, the borrower-

ing in that development may not get as high a loan as he or she would have wanted. Given the buyer's propensity to finance 80 to 95 percent of the sales price of their properties, the number of rental units in the building does become an issue.

Fannie Mae and Freddie Mac set the ultimate guidelines, but individual lenders may have stricter requirements. The lender furnishing the loan may have more stringent guidelines requiring a significantly higher owner-occupancy level.

Federal Housing Administration (FHA) rules require that at least 50 percent of the units in a condominium project be owner-occupied. If the requirement is not met, the borrower may not get an FHA loan.

The FHA has the most stringent guideline among big players in the real estate market, and many condominium associations will adhere to the one that allows borrowers to get loans from all of them.

So it's valid for condominium and other association developments to mandate some level of owner-occupancy. However, some developments have limited the leasing of units entirely. Whether you would want to live in such an association is up to you. Given the tone of your letter, it seems you would be better off owning your own house, where you would have a distance — and autonomy — from your neighbors.

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Parting bits of homey wisdom

"So long, farewell, auf Wiedersehen, good-bye."
— "The Sound of Music"

I have had the pleasure of writing this column for many years. I have really had fun with it, but this will be my last regular column for the paper. I am going back to Naples.



TAMELA EADY

CONDOMINIUM LAW

As much as I love Sarasota, I consider Naples "home."

It is where I practiced law for 20 years and where I made a small contribution in helping shape the community through service on the Naples City Council.

Naples is also where my children were born and where many of my closest friends reside.

So I feel a little like Dor-

othy clicking the heels of my ruby slippers while repeating, "There's no place like home."

Or if you prefer, maybe I am trying to prove Thomas Wolfe wrong when he wrote that you can't go home again.

So, my topic this week is home.

What does home mean to you? Your home should be your refuge, the place where you can breathe deeply, where you can sit on your couch and eat ice cream in your underwear if you want to.

Home is the place where you can be the king or queen of your castle. Although, as a frequently cited Florida Supreme Court decision correctly points out, the rights to complete control over a home become more limited in common-interest-property communities, such as

condominiums and HOAs. This can be beneficial or can create the potential for disputes that disrupt the peace and tranquility that should go hand and hand with home ownership or occupancy.

Over the years, I have received many reader inquiries, and even though I could not respond to them all, I read every one. The majority of them could be divided into two categories, and in fact I grouped them into separate computer files.

One is named "boards gone wild." The other is labeled "bat@#\$\$% crazy owners."

So, in giving my Top 10 suggestions for peaceful community living, I'm devoting five for boards of directors and five for disgruntled owners.

Here they are — drumroll, please:

To board members:

1. Know the rules. The law that applies to Florida condominiums, cooperatives and HOAs requires new directors to certify in writing that they have read all the community documents, rules and policies and that they will work to uphold them and faithfully discharge the fiduciary duties that directors assume when they take office. In lieu of the certification, directors may complete an educational course approved by the state.

Take the course. Most are available locally, free of charge.

2. Enforce the rules uniformly. Rules should not be different for directors and their friends than for everyone else. No self-dealing is allowed. So, just being on the board does not mean you can park anywhere you want or you

get preferential treatment when your property needs association maintenance.

3. You are a volunteer, but it is a business. Always remember that the decisions you make affect others and that, as a board member, you are not just spending your own money, but that of others. Your decisions also affect the property values of the homes in the community.

4. Rely on professional guidance. Don't be penny-wise but pound foolish. Volunteers can't be expected to know and do everything. Plus, an individual director is insulated from personal liability by relying on the advice of qualified professionals.

5. It is everyone's home, not your fiefdom. Make sure your head fits through the door at all times. A "my way or the highway" mentality has no place in quality community living.

To owners:

1. Know the rules. So much discontent comes from owners buying and not understanding the restrictions that they agreed to comply with when they bought. Realize that you give up a certain amount of freedom to live in a planned community. If you realize that only after the purchase, you may well be stuck.

2. Be civil. As angry as you are, try not to raise a ruckus. If you lose your temper or make matters personal, you will lose credibility and allow yourself to be marginalized. Don't create a shouting match at a meeting and don't send rash emails to the board or other owners that you may regret later or that can be used as evidence against you.

3. Participate. Board service may not be for you, and that is fine. But I hear from readers all the time that their boards are made up of power-hungry incumbents. You live there. The more owner participation, the better. If nothing else, read what the association sends you or posts on their website, vote and attend meetings. If you don't do those things, should you be heard complaining?

4. There is power in numbers. If you find yourself in a dispute that affects other owners, seek out your neighbors. The board is likely to pay more atten-

tion to your concern if it is one that is shared by others. Owners have the power to recall board members for any reason or no reason at all, but it takes a majority of the owners to do that.

5. It is your home, not a battleground. I am saddened when I see neighbors suing one another. Sometimes it is unavoidable, but try to keep things in perspective, and, if you find you are doing something just for the "principle of the thing," stop and re-evaluate.

Pine Run Fitness Center

The current fitness center is in need of an update. Much of the equipment is old, donated, or in need of maintenance. The ceiling has been removed in order to deal with water issues from above, and wall to wall carpet is not the proper flooring for this type of facility. A personal trainer visiting our fitness center was quick to tell me in one word her opinion of the room; "liability".

While small, the space should be suitable for a nice upgrade, given the new trends in workout areas. Treadmills, elliptical, and stationary bikes are still very popular, however most of the equipment used today consists of less costly free weights, balls, kettle bells, resistance bands, yoga mats and foam rollers.

A reasonable plan would have us begin to make improvements to the fitness center in 2015, beginning with the physical room. Along with this, we would remove those items that are unsafe, broken, or outdated, clearing up much needed floor space. We should also start with regular maintenance of the equipment. After these items have been taken care of, we could begin to slowly purchase many of the items listed above. Included below is a sample of current prices for this equipment.

Free weights... approx. \$1.50 per pound

Medicine balls... \$15-36

Kettle bells... \$2-3 per pound

Resistance bands.... \$8-30

Yoga mats.... \$25-60

Foam rollers... \$25-40

The more expensive upgrades, or replacement of our current treadmill, elliptical, and stationary bike would be staggered over the next couple of years to reduce cost.

Thank you for your consideration....Kip Kellogg 2015 B.O.D.

Informational Meeting Guidelines

Thank you for agreeing to be an Informational Contact person for your Section of Pine Run. You will receive an email from the Board Secretary confirming either a Sale or Rental Approval. Upon receiving that letter of approval the unit owner should notify the new owner or renter that they must contact you for an Informational Meeting within 20 days. You may conduct that meeting by phone if the individual is not going to be readily available in person or schedule an in person meeting. The purpose of the meeting is twofold: to provide useful information about Pine Run to the renter or new owner and to acquaint that person with our basic guidelines for respectful community living. You might want to consider the following topics:

- Pool Rules
- Tennis Court Rules
- Exercise Room Rules
- Use of Clubhouse
- Care in securing bikes
- Kayak information
- Grilling Rules
- Contact information in case of emergencies: Rick Jackson 8:00am-4:00pm, a Board Member or Keys Caldwell 941-408-8293 (in that order)
- Work Order information
- Leashing of pets, and pickup/disposal of waste, not allowed in pool area or tennis courts
- No storage on balconies or porches
- Recycling
- Trash schedule and proper disposal in tied plastic bags
- Notification to Board regarding alterations and modifications to unit
- Parking
- One vehicle for renter and no more than 2 persons/bedroom
- Noise restrictions particularly in the evening
- TLC with regard to plumbing at Pine Run (care with respect to what is flushed and disposed in garbage disposals)

If you are not contacted after 20 days of receipt of the approval letter please notify the Board Secretary and a Board member will contact the unit owner as a reminder. Failure of the owner to comply will be noted and retained in case there is an incident requiring Board action.