

SEA EDGE, INC.  
2076 SOUTH OCEAN DRIVE  
HALLANDALE BEACH, FL 33009

MINUTES OF THE NOVEMBER 10, 2024 BOARD OF DIRECTORS' MEETING

1. Mr. Martinez called the meeting to order at 2:00 pm and stated that the Affidavit of Notification was on file with the secretary.
2. A roll call of the board was taken; Mr. Paquin, Mr. Lamperelli, Mr. Commodari, Mr. Fazi and Mr. Martinez were present. Mr. Fischer was absent due to health reasons and Ms. Lirio was absent due to a previous commitment.
3. Officers' Report
  - A. Secretary's Report
    1. Mr. Martinez made a motion to accept the minutes of the October 22, 2023 Board of Directors' meeting as distributed. Mr. Commodari seconded the motion. there was no discussion and a voice vote was taken. The motion passed and the minutes were accepted as distributed.
    2. Mr. Fazi made a motion to accept the minutes of the November 26, 2023 Special Board of Directors' meeting as distributed. Mr. Commodari seconded the motion. There was no discussion and a voice vote was taken of the board. The motion passed unanimously and the minutes were accepted as distributed.
    3. Mr. Martinez made a motion to accept the minutes of the October 6, 2024 Special Board of Directors' meeting as distributed. Mr. Fazi seconded the motion, there was no discussion and a voice vote was taken of the board. The motion was passed unanimously and the minutes were accepted as distributed.
  - B. Presidents Report
    1. Mr. Martinez announced the results of the voting on the 2025 budget. 1,958 shares were voted which is 60.64% of the total shares. 1,958 shares voted in favor of waiving the requirement for a budget with reserves. 0 shares voted against waiving the requirement. The 2025 budget will be a budget without reserves. The vote will be certified under old business on the agenda.
    2. Mr. Martinez stated that the Sea Edge is in the midst of a 40 year evaluation and he has to attend a meeting in the Hallandale Beach town hall on December 5, 2024. At that time he has to present an electrical engineer's report and a structural engineer's report that the Sea Edge, Inc. is a safe structure. The two reports have been contracted for and conducted and the building received a safe rating that qualifies if for the 40 year evaluation. The reports will be sent to Mr. Martinez before December 5<sup>th</sup>. The electrical engineer's report cost \$6,500, the structural engineer's report cost \$3,000.
    3. Preparations for a 2026 budget with reserves have begun as we will no longer be able to waive Florida's requirement for a budget that includes reserves. Part of that

is that the physical assets of Sea Edge, Inc. have to be inspected by a licensed engineer in order to ascertain what parts of Sea Edge must be included in the reserves, how long before each part must be renovated or replaced and estimate how much the renovation or replacement will cost. This report is now underway and could cause as much as \$3,000.

4. Renovations of the two pumps that provide water to units above the first floor are underway. One pump is completely renovated and the second pump has been removed for renovation and should be re-installed within the next week. The cost of these renovations is \$3,700. Mr. Martinez is also awaiting a bid for a maintenance contract for these two pumps which will provide service calls twice a year.
5. The pool heater was replaced with a new unit which was recently installed. The cost of the new heater with installation and gas connection was \$5,243.00
6. Sea Edge, Inc. had been served with a notice that our outside lighting violated city codes for the protection of the turtles. Mr. Martinez had to attend a court session and was told if the lighting was not replaced the Sea Edge, Inc. would be fined until the lighting was replaced. Our lighting has been replaced in the walkways, the pool deck and the parking lot to be in compliance with the law. The cost was \$5,270.00.
7. The permit for the Building Project with Beach Construction has been officially accepted and closed by the city of Hallandale Beach. This includes the wrapping of 3 columns in the underbuilding parking area with Carbon fiber as an extra protection. We have not paid Beach Contractors in full, the project's final cost was \$1,058,550.

**SHAREHOLDERS WILL RETURN TO THEIR ASSIGNED PARKING SPACES ON MONDAY, NOVEMBER 18<sup>TH</sup>.**

8. Two outside steel doors were replaced located at the stairways nearest the beach and in the middle of the building. The cost for the doors \$1,319.00. Julio and Mr. Martinez installed and painted the doors saving the shareholders installation costs.

**C. Treasurer's Report**

Mr. Paquin stated that we are in the middle of the fourth quarter so there is no quarterly report at this time. One will be available for the fourth quarter early in January and it will be sent out to all shareholders at that time. He also stated that there were a number of unexpected costs such as the 3 reports from the engineers which could cost as much as \$12,500 as well as the pressure pump repairs, elevator repairs and the pool heater. It is possible that there would not be enough money in the 2024 budget should there be an unexpected repair needed. The budget might have a small surplus but that can't be counted on so it might require that money be borrowed from the assessment account.

Mr. Commodari inquired how much the Home Equity loan was for and Mr. Paquin stated it was for \$100,000. Mr. Commodari then asked how much of that had we borrowed and Mr. Paquin stated that we had used \$0.00 and it was entirely unencumbered.

### C. Old Business

1. Mr. Martinez ask for a motion to accept the 2025 budget as one without reserves as determined by the vote of the shareholders. Mr. Lamperelli made the motion and Mr. Fazi seconded the motion. There was no discussion and Mr. Martinez called for a vote on the motion. Mr. Paquin, Mr. Lamperelli, Mr. Commodari, Mr. Fazi and Mr. Martinez voted yes. The motion passed unanimously and the 2025 budget without reserves was officially accepted.
2. Mr. Martinez stated that there is \$146,200 left in the assessment account after paying off all of the bills for the Building Project. He stated that the shareholders are the ones who will decide how this money will be used.

Mr. Martinez stated that there are two options the board would like to put before the shareholders.

Option 1 – to return this money to the shareholders according to shares.

Option 2 – if necessary, allow the board to use \$12,500 of the money left in the assessment account to pay for the 3 reports currently being written. Two of these reports are for the 40 year evaluation and one is for the preparation of a budget with reserves for 2026. All three of these reports are mandated by the state of Florida.

The second part of this option is to keep the rest of the money, \$133,700, in the assessment account for 1 year and use it to help build up the reserves and keep the increase in the maintenance for 2026 as low as possible.

It is possible that all, some or none of the \$12,500 the board is asking for will be needed. We just can't be sure that there won't be another unexpected expense to be dealt with before the new budget begins in 2025. If we are able to pay for those 3 reports out of the regular 2024 maintenance budget that is what we'll do and then all of the \$146,200 would be used to build the reserve and keep the 2026 maintenance as low as possible.

The board believes a switch to a budget with reserves will be expensive, especially since we have no reserve fund and that will cause an increase in the quarterly maintenance fund which would be severe. Therefore the board would like the shareholders to consider the board's suggestion that the 2<sup>nd</sup> option would be in the best interests of all of our shareholders.

Mr. Martinez call for Mr. Lamperelli to make a motion to put this question to a vote by the shareholders.

**Mr. Lamperelli made the following motion: The board of directors shall set up a vote to give the shareholders 2 choices on what to do with the money left in the assessment account after the completion of the Building Project:**

**Choice 1 – The money be returned to the shareholders according to shares.**

**or**

**Choice 2 – That up to \$12,500 may be used from the assessment account, if needed, to pay for the required engineering reports for the 40 year evaluation and for the preparation of the 2026 Budget with reserves.**

**and**

**that the remaining \$133,700 (if the \$12,500 is used) or the whole \$146,200 (if no money is used) be held in the account for 1 year and used to lower the maintenance costs when Sea Edge, Inc. is required to switch to a budget with reserves in 2026.**

Mr. Fazi seconded the motion and after some discussion Mr. Martinez called for a vote.

Mr. Paquin, Mr. Lamperelli, Mr. Commodari, Mr. Fazi and Mr. Martinez voted in favor of the motion. Mr. Martinez stated that the motion had passed unanimously and that the shareholders would receive the voting documents as soon as possible.

Mr. Lamperelli stated that tomorrow, Monday, November 11, 2024 the share holders would receive the minutes of this meeting, a statement of the issue regarding the choices the shareholders were to consider, instructions on how to fill out the proxy ballot to reflect their choice and the proxy ballot itself.

#### D. New Business

**1. Starting on January 1, 2025 the quarterly maintenance by shares will be:**

**27 shares = \$978**

**29 shares = \$1,039**

**43 shares = \$1,471**

**48 shares = \$1,625**

2. Mr. Martinez called on Mr. Lamperelli to explain the status of the Fine Committee. Mr. Lamperelli stated that all shareholders had received the explanation of how such a committee would function. He then explained he emailed the 3 shareholders who had volunteered to serve on the committee to remind them of the need for being at this meeting. One of the shareholders confirmed her commitment to serve on the committee, one volunteer called Mr. Lamperelli and stated that for personal reasons he could no longer serve. Mr. Lamperelli then received a call from the 3<sup>rd</sup> member to state that he could not serve on the committee due to physical reasons.

This being the case the fine committee cannot be established at the present time and, for now, there will be no further attempt to establish such a committee.

3. Mr. Martinez gave some background as to why the board had decided to add procedure and

consequences to the by laws directly associated with the illegal occupancy of a unit in the absence of the shareholder. He explained that last year after numerous complaints about individuals staying in a particular unit who were not related to the shareholder without his being there he called the shareholder to discuss the situation.

The shareholder stated that these were good friends and that he could not ask them to leave. Mr. Lamperelli then called the shareholder and was told the same thing even after he was told that the board would take action because he was blatantly violating the by laws. After attempts to settle this in an amicable manner it was felt that we needed to check with our lawyer to see what steps we could take to enforce the bylaws. We couldn't change the lock on the unit, we couldn't fine the shareholder because the by-laws made no mention of a fine and so finally we had to hire the lawyer let the shareholder know the unit needed to be vacated forthwith.

This process took time, it cost the association legal fees and was frustrating in that the by laws stated the rule but not the consequence for breaking the rule.

Mr. Martinez then called on Mr. Lamperelli to explain the additions to the bylaws that are being proposed. He began by reminding the shareholders that they had all received copies of the additions involving procedures and consequences.

He pointed out that none of this would apply if the shareholder was in residence, this was only when guests would occupy the unit in the shareholder's absence.

He pointed out that the by laws already required the shareholder to notify the board when family members not on the certificate were going to occupy the unit without the shareholder being present. The change that is proposed is the guests are to identify themselves to the office within a certain time. It is also important that they identify their car and the parking space so it is not towed from our property by mistake.

Should the board receive a complaint and it is proved that the guests are not family as described in the by laws share holder will be notified that the guests must vacate the premises immediately. If the shareholder refuses the board would now have the power to fine the shareholder \$3,000 and take other actions to enforce the rule.

Mr. Lamperelli discussed various other aspects of the proposed by law additions and stated that they are now being reviewed by our attorney to be sure that they follow the laws of Florida. Once we receive the lawyer's report the share holders will be given the opportunity to vote on whether they want these procedures and consequences added to the by laws.

A shareholder discussed his reasons for not supporting these changes, another shareholder felt the changes should be put into effect. Mr. Lamperelli stressed that once the proposed changes were returned from the lawyer it would be the shareholders

vote which would determine whether these procedures and consequences would become part of our by – laws.

4. Mr. Martinez explained that the terms of 4 board members would be ending in February and asked Mr. Lamperelli to explain the election procedure.

Mr. Lamperelli stated that the 4 board members whose terms were expiring are Mr. Fischer, Mr. Fazi, Mr. Lamperelli and Mr. Martinez.

He stated that on November 18, 2024 all shareholders would receive an election time line, Instructions regarding running for office and “An Intent to Run” form.

Mr. Lamperelli stated that if there were only 4 candidates for the 4 openings there would be no need for a general election but if there were more candidates than openings a general election would be held.

#### E. Additional Items to be brought before the board which are not on the agenda

Mr. Martinez asked if there were any other items to be discussed before the meeting was adjourned.

Mr. Commodari stated that he was glad to be at the meeting and appreciated working with the board. Mr. Martinez stated that Mr. Commodari’s presence on the board was one of honor and respect and that he had served for 34 years in sometimes difficult circumstances but that he always had the best interests of the shareholders as his goal. It has been an honor to serve on the board with him.

#### F. Adjournment

Mr. Fazi made a motion to adjourn the meeting, Mr. Lamperelli seconded the motion and the meeting was adjourned.

Respectfully submitted,

Robert Lamperelli  
Secretary  
Sea Edge, Inc. Board of Directors.