

Waterfront on Venice Island Master Association, Inc.

Board of Directors Meeting
Argus Management of Venice Offices
November 7, 2012

Minutes

Kim Calla called the meeting to order. He also established that a quorum was present. Notices of the meeting were posted in all three elevators 48 hours in advance.

Those attending included: Barry Alberter, Kim Calla, Mike Kaplan, Sharon Vander Wulp and Vinny Campbell. There were also several Waterfront condo owners in attendance.

Kim turned the meeting over to Association Attorney, Sharon who first stated the meeting ground rules. She said that she was going to address her comments exclusively to the Board members. The Board could ask questions or make comments. Once the Board was through listening and commenting, Sharon would take comments or questions from the audience.

Sharon set the context for the meeting by stating that the Board had approached her on several occasions about matters pertaining to the Clubhouse. The Board members have wondered about how approval for such an undertaking should occur. Is this a Board vote or a unit owner vote?

The condo docs state that the Master Association is a homeowners association. The developer set up three condo associations, one for each building. Even though the docs say the Master is a homeowners association, the Master is actually also a condo association.

Sharon went on to talk about several key "struggles." She presented the Board and Vinny with a packet of documents as background to the struggles she referred to.

1. Buildings B and C have a prospectus from the builder which was used by the sales force to attract potential buyers. It was stated that a clubhouse was "anticipated and the estimated day of completion was December 31, 2006. Sharon then referred to Article 9 of the Master BYLAWS, "Provisions Related to Declarant." In this Article it states that the Declarant shall have the right but not the obligation, to build and construct the recreational facilities described and shown in Exhibit "A" attached hereto and any other facilities Declarant, in its sole discretion, decides to construct. Sharon summarized all this by saying that the developer didn't have to build a clubhouse even though the prospectus included one.
2. Article 5.5 "Acts of the Master Association refers to the Board's freedom to make decisions without a vote of the Members (members being unit owners). This puts a tremendous amount of responsibility on the three Board members.
3. Article 12.1 "Other Documents" raises a possible legal question, according to Sharon. This legal question can be taken to the appropriate State Agency for an opinion.
4. Sharon also presented information from Florida Condo Law 718.113 section 2 on material alterations to additions to the common elements of our property. Any alterations require a 75% approval by the total voting interests. In the case of the Waterfront, that would be 75% of the three Board members. Weighted averages would

come into play because we have 32 units in Buildings A and B and 34 units in Building C.

5. Article 6.7 "Special Assessments" was discussed by Sharon. This Article states that special assessments may be imposed by the Master Board.
6. Sharon then returned to Article 9 and reminded everyone that the developer rights were never turned over to the new Master Association. The question here is, "do we assume the right to build a Clubhouse?" Sharon says we "may have the right." The Division of Florida Land Sales, Condominiums and Mobile Homes might say no. It was moved by Kim and seconded by Barry to table any decision to seek an opinion from the Division. The vote was unanimous.

The meeting was opened to questions and comments from audience members. A recommendation was made to survey the 98 owners. The survey would contain a prospectus describing the features of the proposed Clubhouse, the advantages of building it, the projected cost and the impact on quarterly dues paid by each owner.

Kim moved and Barry seconded a motion to send out a Board-developed survey which would solicit feedback from the 98 owners. The Board voted unanimously to send the survey once all the relevant information for the prospectus had been gathered. Results from the survey will be tabulated. A decision to build the Clubhouse will be based on a percentage of support determined by the Board. The Board will make the final decision upon consultation with Association Attorney, Vander Wulp.

Everyone was reminded that there is a meeting of the Clubhouse Committee on November 19, 2012 at Argus Management of Venice. The Board meeting adjourned at 11:30 AM.

Mike Kaplan, Master Association Secretary
Vinny Campbell, CAM
November 9, 2012