05-21 Board Meeting: Special Assessment Approval and Milestone Inspection Repairs for Building 2601

In person 7 Zoom 6 Total 13

Special Assessment Meeting for Building 2601: Milestone Inspection Repairs

Date: May 21, 2026

Attendees: Neil McGarry (President, Speaker 1), Steve Amante (First Vice President, Speaker 2), John D'Angelo (Second Vice President, Absent), Michelle Meyer (Treasurer, Speaker 4, also identified as Speaker 2 in one segment), Anthony Berg (Secretary, Speaker 5, also identified as Anthony Burke), Kim Williams (unit 26-513, Speaker 3), Scott Wolf (Unit 203, Speaker 7), Rocky (Speaker 8, also referenced as Speaker 2), Karen McGuinness (Unit 26-105, Speaker 9), Ken (Speaker 10), Speaker 6, Unit Owners (various; some attending via Zoom), Zoom participants (names not specified).

1. Executive Summary:

- **Purpose:** This recorded board meeting was convened to consider, discuss, and adopt a special assessment for Building 2601 to fund necessary milestone building inspection repairs.
- **Key Outcome:** The board formally approved a special assessment for Building 26 totaling $410,269.16. The motion passed with a 4-0 vote. This equates to $13,675.64 per unit, with payment options provided.
- **Main Discussion Points:** The meeting covered the rationale for the assessment, particularly the high cost and the application of interest charges, which was a point of contention for residents. The board explained that a new Florida law post-Surfside prevents using reserve funds, necessitating a line of credit and the passing on of interest. Discussions also addressed resident concerns about the quality and cost of repair work, the discovery of extensive, unexpected damage once work began, historical balcony tiling policies, and the fairness of the building repair sequence.
- **Governance/Compliance:** The meeting was called to order at 5:35 PM, a roll call was conducted, the Pledge of Allegiance was recited, and proof of notice to unit owners was affirmed. Protocols for hybrid (in-person and Zoom) participation were established to ensure proper documentation.

2. Key Action Items/Commitments for auto:

- There were no action items assigned to you in this meeting.

3. Detailed Breakdown by Topic:

Topic 1: Meeting Call to Order, Roll Call, and Procedures

- **Summary of discussion points:**
    - The meeting was called to order at 5:35 PM, followed by the Pledge of Allegiance.

- A roll call confirmed the presence of President Neil McGarry, First VP Steve Amante, Treasurer Michelle Meyer, and Secretary Anthony Berg. Second VP John D'Angelo was absent.
- Proof of notice (mailing, hand delivery, electronic transmission) was affirmed.
- Instructions were given for all participants to use microphones, state their name/building/unit for the record, and for Zoom participants to use the "raise hand" feature for questions.

- **Decisions made:**
  - The board proceeded with the agenda under hybrid participation and recorded documentation rules.
- **Action items/commitments and assigned owners:**
  - **Board/Host:** Ensure Zoom participants can hear and are unmuted when appropriate. **Owner:** Board/Host. **Deadline:** During the meeting.
  - **Secretary:** Maintain a record reflecting proof of notice and attendance. **Owner:** Anthony Berg. **Deadline:** During the meeting.

Topic 2: Special Assessment Motion and Approval for Building 26

- **Summary of discussion points:**
  - The motion to approve and adopt a special assessment for Building 2601 milestone inspection repairs was formally introduced.
  - Residents voiced frustration over interest charges and payment terms, comparing them unfavorably to the terms given to building 24.
- **Decisions made:**
  - **Motion Passed (4-0):** The board approved the special assessment for Building 26 for milestone inspection repairs in the amount of **$410,269.16.**
  - This amounts to **$13,675.64 per unit.**
  - Payment options were established:
    - **Option 1 (Single Payment):** $13,675.64 due by Friday, June 19, 2026.
    - **Option 2 (Installments):** Four interest-included installments totaling **$14,050.06 per unit**, based on a 7.25% line of credit interest rate and 8-month amortization.
  - **Installment Schedule:**
    - **1st Installment:** $3,512.53 due on **Friday, June 19, 2026**
    - **2nd Installment:** $3,512.51 due on **Friday, August 14, 2026**
    - **3rd Installment:** $3,512.51 due on **Tuesday, October 13, 2026**
    - **4th Installment:** $3,512.51 due on **Friday, December 11, 2026**
- **Action items/commitments and assigned owners:**
  - **Treasurer (Michelle Meyer):** Coordinate dissemination of payment instructions and schedules to unit owners (implied). **Owner:** Michelle Meyer. **Deadline:** Not specified.
  - **Secretary (Anthony Berg):** Record the motion details and the final 4-0 vote. **Owner:** Anthony Berg. **Deadline:** During the meeting.

Topic 3: Justification for Interest Charges on Building 26 Assessment

- **Summary of discussion points:**

- Scott Wolf (Unit 203) questioned the morality of charging Building 26 residents 7.5% interest when other buildings (e.g., Building 24) were given five months to pay without interest, calling it a penalty for having the largest repair bill.
- The board explained that operating funds were depleted after paying for repairs on other buildings, leaving insufficient funds to cover the large expense for Building 26.
- It was noted that other buildings had been charged interest in the past when funds were unavailable.
- Steve Amante clarified that a new Florida state law enacted after the Surfside collapse prohibits condo associations from borrowing from their own reserve funds for such repairs, forcing the use of a line of credit. The interest from this loan is being passed on to the building that necessitated it.

- **Decisions made:**
  - The board upheld its decision to charge interest on the assessment for Building 26.

Topic 4: Scope of Work, Repair Costs, and Engineering Reports

- **Summary of discussion points:**
  - Residents questioned why the repair costs, including a recent ~$170,000 invoice, were significantly higher than initial estimates.
  - The board and management explained that extensive, unexpected damage was discovered once work began. The process required chipping away concrete until "clean" rebar was found (as directed by the engineer), with damage extending deep into the building structure in seven apartments.
  - Work was confirmed to be on a time-and-materials basis, tracked via daily time cards, with the majority of work on the back (balcony side) of the building.
  - Residents felt misled by a prior engineering report that described Building 26 as being in "good" condition. The board acknowledged the discrepancy, with the President calling the report "bullshit" in hindsight, and clarified that such reports are preliminary and cannot predict the full scope until demolition occurs.
  - Environmental factors were cited, with Building 26's corner/ocean exposure to wind and rain over decades leading to accelerated deterioration compared to more sheltered buildings.
- **Decisions made:**
  - The board accepted that prior engineering assessments can be superseded by field discovery.
- **Action items/commitments and assigned owners:**
  - **Board/Management:** Update resident communications to emphasize the exploratory nature of structural repairs and the potential for scope to increase after demolition. **Owner:** Board/Management. **Deadline:** Not specified.
  - **Construction Team/Management:** Maintain documentation of time cards and engineer approvals. **Owner:** Construction Team/Management. **Deadline:** Ongoing.

Topic 5: Quality of Repairs and Resident Issues (Unit 26-301)

- **Summary of discussion points:**
  - A resident from Unit 26-301 (Speaker 4) detailed multiple issues: an electrical outlet that failed after balcony light repairs (resulting in a $121 Xfinity charge), a messy and incomplete drywall/painting process, and a broken outlet cover.
  - Rocky (Speaker 8) disputed the connection between the electrical work and the outlet failure and stated the resident had refused to let painters finish.

- The board president assured the resident her issues were documented and would be discussed.

- **Decisions made:**
  - The board will review the resident's complaint.
- **Action items/commitments and assigned owners:**
  - **Board:** Discuss the issues raised by the resident of 26-301 (electrical, painting, outlet cover) and determine a course of action. **Owner:** The Board. **Deadline:** Not specified.
  - **Resident of 26-301:** Send an email to the board regarding the Xfinity charge for a formal review, as previously advised. **Owner:** Speaker 4. **Deadline:** Not specified.

Topic 6: Balcony Tiling Policy and Enforcement

- **Summary of discussion points:**
  - Residents questioned why owners were allowed to reinstall tiles on balconies after repairs, given that tiles can contribute to water intrusion if not maintained.
  - The board explained the history: tiling was allowed for years with board approval, but this ceased around 2014–2015. Existing tiles were effectively grandfathered.
  - After current repairs, owners were allowed to replace removed tiles. The board president (Neil) took personal responsibility for allowing one owner to replace three tiles to prevent water from pooling at their door, stating the declaration doesn't require full removal if one tile is lifted. He noted emails stating otherwise came from a previous board.
  - It was clarified that no engineer report explicitly attributed damage to tiles, though they can be a contributing factor if grout is not sealed.
- **Decisions made:**
  - The current board president made the on-the-spot decision to allow residents to replace tiles if they have matching ones after repairs are made, overriding previous board policy.
- **Action items/commitments and assigned owners:**
  - **Board/Legal:** Clarify and communicate a formal, current balcony tile policy, including reinstallation rules, grout sealing requirements, and alignment with governing declarations. **Owner:** Association/Board/Legal. **Deadline:** Not specified.
  - **Board/Engineering:** Consider an inspection protocol for waterproofing/grout sealing after tile-related repairs if tiles remain. **Owner:** Association/Engineering/Management. **Deadline:** Not specified.

Topic 7: Project Oversight and Future Planning

- **Summary of discussion points:**
  - Residents expressed concern that work crews were not being adequately monitored. The board clarified that workers use a time clock and bills are separated by building. The suggestion to hire an independent monitor was dismissed due to the high cost (est. $100,000).
  - A resident expressed frustration that Building 26 is often "last" for projects and asked for future prioritization. The board noted Building 26 was the 18th addressed in this milestone project and that earlier buildings also paid interest.
  - A work stoppage was mentioned due to the contractor's scaffolding not being OSHA-approved, but residents were assured the association was not billed for the delay or fine.

- The next milestone inspection is required in eight years (the first was two years ago, and the new law requires them every 10 years). The board president expressed that the next inspection is unlikely to reveal such extensive damage.

- **Decisions made:**
  - No formal decision was made to hire an independent monitor.
  - A verbal commitment was made to document prioritizing Building 26 in future cycles.
- **Action items/commitments and assigned owners:**
  - **Board/Management:** Document the board's intent to prioritize Building 26 in future maintenance cycles. **Owner:** Board/Management. **Deadline:** Not specified.
  - **Board:** Evaluate an equitable sequencing policy for future projects. **Owner:** Board. **Deadline:** Not specified.
  - **Board/Engineering:** Consider preventive maintenance strategies tailored to high-exposure buildings like 26. **Owner:** Board/Engineering/Management. **Deadline:** Not specified.
