

MINUTES OF MEETING
SPECIAL BOARD OF DIRECTORS MEETING, BRINY BREEZES INC.
Wednesday, September 18, 2014, 9:00 A.M.
COMMUNITY CENTER

A Special Meeting of the Briny Breezes Inc. Board of Directors was called to order at approximately 9:00 am on September 18, 2014 by President Michael Gallacher. The Pledge of Allegiance was recited and a Moment of Silence observed.

Secretary Oglesby called roll and noted that seven of the Directors were in attendance for the meeting thus establishing a quorum. Directors Gallacher, Stewart, Oglesby and Gross were present at the Community Center in Briny and Directors Elble, Coyner and Brannen attended by conference phone link. Director Long was absent with prior notice.

President Gallacher confirmed that Proof of Notice for the meeting was posted on Friday September 12, 2014 at 4:00 pm and signed/witnessed by General Manager Theresa Pussinen.

Approval of Minutes

President Gallacher told the Board that the minutes being considered for approval at this meeting were those for the Special Board Meeting held on September 3, 2014. Secretary Oglesby then called for amendments to the minutes as written.

As there were no motions for amendments, ***Secretary Oglesby moved to waive reading of the aforementioned minutes and to approve the minutes as written.*** The motion received a second, there was no discussion and the question was called. **The Board approved the minutes unanimously (7-0) by voice vote.**

Reading of Correspondence to the Board

There were no letters to the Board received in advance of the meeting.

Report of Officers – President & Treasurer

No reports of officers were presented at this meeting.

Committee Reports

No Committee reports were presented at this meeting

Unfinished Business

There was no Unfinished Business.

New Business

1. **Approval of Emergency Roof Repairs Auditorium, Club house and Hobby Club to be paid from Operating Expenses (roof budget) and/or roof reserves. +/- \$7,000.00**

Director Oglesby moved to approve the Rhino Roof Protection Systems bid for emergency repairs to fix leaks to the roofs of the Auditorium (\$850.00), Ocean Clubhouse (\$5,850.00) and Hobby Club (\$1,322.00), for a total of \$8032.00 to be paid out of the Operating Account Budget from the roofing line item. The motion received a second and was discussed.

President Gallacher informed the Board that the tropical storms last week brought heavy rain to Briny and exposed multiple leaks in the roofs of our Auditorium, Ocean Clubhouse and Hobby Club. GM Pussinen stated that because of the need to repair the leaks as soon as possible to prevent further damage, she obtained only one bid for these roof repairs. The company selected was Rhino Roof Protection Systems.

When bidding the recent roof repairs for the Art Building, Rhino Roof Protection Systems was by far the low bidder of the three vendors willing to make bids for the work and Rhino offered the best product for those repairs. In addition, Rhino was available to make the urgently-needed repairs to the Ocean Clubhouse on an emergency basis. Finally, the GM told the Board that Rhino is documenting their work by taking “before and after” pictures of the areas needing repairs. These photos will be distributed to the Board when the work is completed.

The GM noted that a foundation for the roofing repairs was established, in part, due to a recommendation from Director Elble to have Rhino inspect the roofs of all our corporate buildings during a prior visit. That effort resulted in the company’s recommendation to re-coat the Auditorium roof at a cost of nearly \$20k, and strongly recommended fixing many issues with the clubhouse roof and then coating it with rino-shield coating to protect and avoid additional leaking for approximately \$14k. Director Gallacher also noted that the company doing our reserve study advised Director Stewart and GM Pussinen that our clubhouse roof had many deficiencies. Both of these repairs will be considered by the GM and the Board during the next fiscal year.

President Gallacher informed the Board that the Operating Account line item for roof repair has adequate funds to cover this expenditure of \$8k.

After discussion, **the Board by voice vote unanimously (7-0) approved the Rhino Roof Protection Systems proposal to repair the leaks in the Auditorium, Ocean Clubhouse and Hobby Club, for a combined cost of \$8032 to be paid out of the Operating Budget.**

2. Approval of Emergency Pest Control Hobby Club – tenting for termites. Paid from building reserves. +/- 5,500.00

President Gallacher and GM Pussinen verified that termites have infested the Hobby Club and that the building must be tented to eliminate the insects. GM Pussinen contacted three vendors for bids for this work. Bug Thugs was selected based on a tie for the low bid and Briny’s ongoing relationship with the company.

Director Brannen moved to approve emergency pest control / tenting for termites of the Hobby Club by Bug Thugs Inc. Pest Protection Systems at a cost of \$5,000.00 to be paid out of Building Reserves Account. The motion received a second and was discussed.

President Gallacher informed the Board that the Building Reserves Account currently has adequate unencumbered funds to cover this expense.

After discussion, **a voice vote of the Board resulted in unanimous (7-0) approval for the bid of \$5,000.00 by Bug Thugs Inc. Pest Protection Systems to exterminate termites by tenting the Hobby Club.**

3. Approval of Emergency A/C repair/replacement at the beauty shop. +/- \$6,000.00 Paid from building reserves

Director Gross moved to approve the emergency A/C repair/replacement work by Air Plus Corp at a cost not to exceed \$3000 including permitting costs to be paid out of Building Reserves Account. The motion received a second and was discussed.

The air conditioning unit that needs replacement is referred to as a ‘Mini-split, ductless or hotel stand-alone’ air conditioning unit and serves the portion of the Town Hall building leased to the Beauty Shop. This

expense is mandatory since the Corporation is responsible for air conditioning under our lease with the business owner. The lowest bidder was Air Plus Corp with a bid of \$2190 not including permitting costs. Director Gross recommended that with the \$3k to be approved in his motion and that the GM evaluate purchasing a Mitsubishi unit that is more expensive but considered the most reliable in the industry instead of purchasing the “off-brand” unit as proposed by Air Plus.

President Gallacher stated that the cost for the A/C replacement will be paid out of the Building Reserves Fund which will have adequate funds remaining after paying \$5k for the tenting the Hobby Club.

After discussion, **the Board by a voice vote unanimously (7-0) approved awarding the contract for the replacement of the Beauty Shop A/C unit to Air Plus Corp for a cost not to exceed \$3000 to be paid out of the Building Reserves Account.**

4. **Approval of Gas tank/line for Auditorium kitchen to replace leaking gas lines. (old line is leaking, cannot be connected to stoves to finish project, Significantly cheaper to run new tank and line then run from old tank.) +/- \$2,000.00 to be paid from building reserves**

Director Coyner moved to authorize \$2000 to pay for Amerigas Propane's proposal to install new gas lines, valves, regulators and other related fittings and to provide an additional gas storage tank to service the Auditorium kitchen. This amount is to cover all permitting costs for the job. The motion received a second and was discussed.

President Gallacher explained that this work is necessary to replace existing gas lines that have been leaking for some time, are in terrible condition, and constitute a danger to the shareholder using the facility. He added that the vendor, Amerigas Propane, will supply a gas storage tank, 'rent- free', as part of the contract. Finally he pointed out that the repair cost will be paid from Building Reserves which will still have adequate funds available after paying for the tenting of the Hobby Club (\$5k) and the replacement of the A/C system (\$3k) for the Beauty Shop.

After discussion, **the Board by a voice vote unanimously (7-0) approved the Amerigas proposal for replacement of the leaking gas lines servicing the Auditorium kitchen for a cost not to exceed \$2000, including permitting costs, to be paid out of the Building Reserves Account.**

5. **Approval of (marina committee recommendation) procedure & location for dock boxes on new marginal dock/marina.**

Director Gallacher moved to instruct the Briny Marina Dock Master Doug Baumgarten not to approve the installation of any dock boxes until the Marina Committee can meet and make a recommendation to the Board in November 2014 to consider possible Rule changes regarding dock boxes at a Board Meeting. The motion received a second and was discussed.

President Gallacher reminded the Board that FS Statute 719.106(1) (c) requires a 14 day notice period before any changes to the Rules can be approved. The Board agreed to defer this matter until sometime in November when more of the shareholders would have the opportunity to express their opinion on the matter.

Dock Master Baumgarten attended this part of the meeting by conference link and voiced no exception to the President's motion.

After discussion, **the Board by voice vote unanimously (7-0) approved President Gallacher's motion suspending the approval of the installation of dock boxes until the Marina Committee can develop its recommendations for any rule changes for dock boxes and present those recommendations to the Board in November 2014.**

References for Dock Box Issue (Secretary's Addition)

Marina Lease Agreement Article 14

14. RULES AND REGULATIONS. The Rules and Regulations and all amendments thereto of the Marina posted in the office and made available to Lessee during normal business hours are made a part of this lease. Failure by Lessee to observe these rules shall give Lessor the right to terminate the Lease on ten (10) days' notice, or to refuse to renew the lease. A copy of the Rules and Regulations are attached hereto (see Addendum) and Lessor reserves the right to amend the Rules and Regulations from time to time

Rules Appendix 4: SPECIFIED IN MARINA RULES AS THE ADDENDUM TO THE SLIP LEASE AGREEMENT

7. Any dock box installed or replacement requires permission of the Dock Master. No new dock boxes exceeding 4' x 2'6" x 2' in size will be permitted. Dock boxes must be white. Dock boxes on the south side of the Marina must not hang over the seawall cap on the sidewalk or roadway side, after it is installed. The box can hang over the Intracoastal side of the seawall cap. Standard size dock boxes, which are wider than the sea wall cap, can be used on the south side. Dock boxes must be numbered the same as lessee's slip and they must be firmly attached to the concrete at all times.

Adjournment

Director Oglesby moved to adjourn. The motion received a second and was approved unanimously (7-0).

President Gallacher adjourned the meeting at approximately 10:10 am.

Respectfully submitted,

Tom Oglesby
Secretary, Briny Breezes Inc.
Approval Date: October 2, 2014

Attachment 1

NOTICE

SPECIAL MEETING

Briny Breezes Inc. Board of Directors
Thursday September 18th, 2014 at 9:00 A.M.
Briny Breezes Community Center

AGENDA

ALL SHAREHOLDER COMMENTS MUST BE LIMITED TO THREE (3) MINUTES

- I. Pledge of Allegiance & moment of silence
- II. Call to order & Roll call
- III. Proof of Notice
- IV. Approval of previous board meeting minutes
- V. Reading of Correspondence to the Board
- VI. Report of Officers
- VII. Committee Reports
- VIII. Unfinished Business

a. NONE

VIII. New Business

1. Approval of Emergency Roof Repairs Auditorium, Club house and Hobby Club to be paid from Operating Expenses (roof budget) and/or roof reserves. +/- \$7,000.00
2. Approval of Emergency Pest Control Hobby Club – tenting for termites. Paid from building reserves. +/- 5,500.00
3. Approval of Emergency A/C repair/replacement at the beauty shop.
4. +/- \$6,000.00 Paid from building reserves
5. Approval of Gas tank/line for Auditorium kitchen to replace leaking gas lines. (old line is leaking, cannot be connected to stoves to finish project, Significantly cheaper to run new tank and line then run from old tank.) +/- \$2,000.00 to be paid from building reserves
6. Approval of (marina committee recommendation) procedure & location for dock boxes on new marginal dock/marina.

X. Adjournment

All stockholders are welcome

Theresa Pussinen, General Manager ~ Briny Breezes Inc.

This notice is dated and posted: Friday September 12, 2014 at 4:00p.m.