

MINUTES OF MEETING
SPECIAL BOARD OF DIRECTORS MEETING, BRINY BREEZES INC.
Wednesday, April 23, 2014, 9:30 A.M.
COMMUNITY CENTER

A Special Meeting of the Briny Breezes Inc. Board of Directors was called to order at approximately 9:30 AM on April 23, 2014 by President Michael Gallacher. The Pledge of Allegiance was recited and a Moment of Silence was observed.

President Gallacher called the roll. Directors Gallacher, Gross, Coyner, Elble, Brannen, Long, Stewart and Oglesby were present at the meeting constituting a quorum of Board Members. Coyner, Brannen and Oglesby attended by conference phone link.

President Gallacher confirmed that Proof of Notice for the meeting was posted on Friday April 18, 2014 at 9am and signed/witnessed by President Gallacher.

Approval of Minutes

Secretary Oglesby informed the Board that the minutes being considered for approval at this meeting were those for the two Special Board Meetings held on April 16, 2014. The Secretary then called for amendments. There were no motions for amendments and ***Secretary Oglesby moved to waive reading of the afore-mentioned minutes and approve these minutes as written.*** The motion received a second, there was no discussion and the question was called. **The Board unanimously (8-0) approved the Secretary's motion to approve the aforementioned minutes by voice vote.**

New Business

A. Approval of Qualmann raise/re-build finger piers yacht basin

President Gallacher provided the following background information before calling for a motion. The Board voted against this motion at the April 16 Special Board Meeting because they did not have enough information to make an educated decision on the matter. In addition, several new ideas were introduced during the meeting and the Board had yet to meet with a new vendor that might have provided an acceptable alternative to the Qualmann proposal. After meeting with the vendor and evaluation of the information provided, several board members and others on the Marina Committee indicated support for the Qualmann proposal for the finger piers, but with a slight modification to address the issue of small boats in the marina.

Before entering into a detailed discussion, the President called for a motion supporting the Qualmann proposal.

Director Elble made a motion to approve the re-building of the marina finger piers, sole sourced to Qualmann at a cost not to exceed \$36.1k and being paid for in the next fiscal year out of our Capital Asset reserve fund. The motion received a second and was discussed.

President Gallacher opened the discussion by informing that the new vendor mentioned above did not limit his evaluation solely to the finger piers, but discussed the entire Dock Drive project.

This vendor outlined two main options for the Dock Drive seawall and provided some subordinate suggestions:

- Optimum Solution –drive steel down to the bedrock and continue the structure up as high as we need it to mitigate overtopping of the seawall. The President informed the vendor that soil cores taken behind the seawall document that bedrock under the Dock Drive seawall is over 25 feet below the surface. Taking this information into consideration, the vendor estimated that his optimal option would cost in the neighborhood of \$5-\$7 million dollars.
- Practical Solution - If the Corporation does not wish to spend the millions of dollars for the Optimum Solution, the vendor advised that the Qualmann proposal was the (next) best solution to the flooding issue. The Qualmann footers would secure the bag wall from being forced out at the base of the seawall and the steel rods (rebar) would stabilize the existing seawall sufficiently to support the new cap. The vendor suggested that we move soil away from wall before backfilling and add a semi-permeable fabric layer that allows water to pass but impedes soil from being carried out into the Intracoastal thru any gaps in the seawall. With this new information, members of the Seawall Committee felt that Qualmann's proposal was the best option.

The vendor also suggested that it would be advisable to do the finger pier work at the same time as the rest of the Dock Drive project because of the significant cost increase of bringing in new equipment and labor after the work was complete. He estimated the "stand alone" cost at over \$45k.

After the discussion with the vendor, many of the Seawall and Marina Committee members and several Board members felt comfortable in recommending moving forward with the Qualmann proposals for the seawall and marginal dock as well as reconsidering the Qualmann bid to do the finger pier work.

The President mentioned that one alternative open to the Corporation is to leave the first 4-6 piers (closest to Banyan Drive) at their current level so that owners of smaller boats have better / safer access. This would still leave these finger piers underwater at high tide, but these are the piers in the best condition having been rebuilt not too long ago. He added that we could always repair these piers in-house, should it become necessary at a later date. Finally, President Gallacher noted that if we leave these 4-6 piers as is, we could save \$8-\$11k of the \$36,100. He noted that Qualmann has recommended that we wait to see the height of the new cap before deciding on leaving the finger piers as is or not.

Director Elble provided additional information from Qualmann's Mitch Scavone suggesting that we wait until we see the height of the seawall relative to these 4-6 finger piers before we decided if we need to add any steps to connect the main dock and finger piers, assuming that they are not raised. Scavone did, however, recommend that the finger pier surface and frame

be raised above high tide level to reduce the rate of deterioration. Director Elble also informed that installation of a semi-permeable fabric behind the seawall is not specifically mentioned in the contract proposal document and needs to be added to made the requirement clear. Qualmann told Director Elble that the material was included/installed on the Flamingo seawall repair work and would be included in the Dock Drive project. Elble also addressed the suggestion for floating piers noting that floating docks are (1) more appropriate for “no wake” areas or inland waters, (2) not an effective solution in areas subject to wakes, (3) could lead to boat damage and (4) constitute additional risk of breaking free during a hurricane, according to Qualmann.

In response to a question from Director Coyner, President Gallacher informed that Omar will be supervising this project for the Corporation’s interests and GM Pussinen will be following the progress of this project closely. Director Brannen asked that the Corporation assure that the delayed payment (next fiscal year) email commitment be attached to the contract and to clarify that Briny would not pay extra for the survey mentioned in the contract. Director Gross, reflecting on his discussion with the vendor expressed his (Gross’) conviction that the use of fabric behind the seawall will limit the loss of soil and that Qualmann is a well-qualified and an appropriately-sized company for doing seawall work at the Briny scale. Director Long suggested consideration be given to establishing a “No Wake Zone” for Briny in an effort to reduce the wake-wave impact that caused deterioration of our seawalls. Finally, Director Elble suggested getting Qualmann to speak to the stockholders at a future board meeting about the condition of Briny seawalls.

Stockholder Ray Profit (F-8) advised that “No Wake Zones” are only granted to full service marinas, not the case in Briny’s Marina.

The question was called and Director Elble’s motion was carried unanimously (8-0) by roll call vote.

B. Approval of sale and rentals committee – process for sales

President Gallacher announced that the Sales and Rentals Committee has been actively working on improving the administrative process of sales and rentals. He added that at the last Regular Board meeting, the Board approved the rental process as proposed.

Director Brannen made a motion to approve the Sales and Rentals Committee’s recommended Process for Sales including a revised application form for membership.

The motion received a second and was discussed and later amended as noted,

Sales and Rental Committee Chair, Sue Thaler, summarized the proposed process and recommended Membership Application Form.

After extensive discussion, ***Director Gross made a motion to approve the Sales and Rentals Committee’s recommended Process for Sales including a revised application form for membership, except to eliminate the section on the Application that asks for information on arrests/convictions.*** The motion received a second and the question was called. **The**

motion failed 5 to 3 with Directors Brannen, Stewart, and Gross voting for Director Gross' motion.

For the purpose of allowing discussion on amendments to the proposed process and applications forms, Director Oglesby made a motion for the Board to discuss the three amendments under consideration. The motion received a second and discussion of amendments began. This motion was never formally voted on by the Board, but as no exception was taken by any Board member and all Board Members participated in the discussion, it is included in the minutes. The discussion was productive and led to the subsequent motion.

Director Oglesby made a motion to approve Director Brannen's motion amended to include the following changes to the Sales and Rentals Committee's recommended Process for Sales and the revised Application Form for membership.

- ***Eliminate the section in the Application Form that asks for information on the applicant's arrests/convictions.***
- ***Require buyers to pay for an inspection by a licensed inspector for any unit sold in Briny (see Attachment 2 for amendments)***
- ***Include a question on the Application Form that asks "Do you or your immediate family own any units in Briny?" (Secretary understood that this amendment includes a space on the form to list the identification numbers and owners of the units)***

The motion was seconded and **the Board voted unanimously (8-0) by voice vote to support Oglesby's motion.**

Director Oglesby also asked that the record reflect that the approval of any membership application by the Sales and Rentals Committee for Corporation Membership be considered a recommendation with final Board approval occurring when the President signs the Stock Certificate and related documents. Further, he asked that the following process be followed: If the President does not agree with the Committee's recommendation or the Committee recommends rejection of the application, the President will call a meeting of the Board to make the final decision on the application.

Adjournment

Director Elble moved to adjourn. The motion received a second and was unanimously (8-0) approved by voice vote of the Board. President Gallacher adjourned the meeting at approximately 11:20 AM.

Respectfully submitted,

Tom Oglesby
Secretary, Briny Breezes Inc.
Approval Date: May 28, 2014

NOTICE

Special Meeting of Board of Directors

Briny Breezes Inc.

Wednesday April 23, 2014

At 9:30am

Briny Breezes Community Center

AGENDA

All stockholder comments must be limited to (3) minutes.

- I. Call to Order
- II. Pledge and Moment of Silence
- III. Roll Call
- IV. Proof of Notice
- V. Approval of Minutes (2 special board meetings of April 16, 2014)

New Business:

- A. Approval of Qualmann raise/re-build finger piers yacht basin
- B. Approval of sale and rentals committee –process for sales

Adjournment

All Stockholders are Welcome

This notice is dated and posted: Friday April 18, 2014 at 9am

Michael Gallacher, President - Board of Directors

Attachment 2

**SALES AND RENTALS COMMITTEE
REPORT TO THE BOARD OF DIRECTORS
APRIL 23, 2014**

ASSIGNMENT: The Sales & Rentals Committee was assigned to draft a proposal of process and procedures for sales of stock/membership.

RECOMMENDATION: The Committee recommends a few changes and enhancements to the procedures previously followed by the office.

Current Procedure	Change/Enhancement
No home inspections have been required since the rules were changed in prior year.	We recommend require (<i>changed by Board Vote</i>) that the prospective buyers pay for an inspection of have the unit inspected by a licensed inspector , as you would any property.
No review and approval of new residents is done by owners of our co-op.	We recommend that the committee review applications for purchase of stock/membership for approval.
Two letters of reference are required of new residents in addition to 2 personal references.	We recommend eliminating the requirement for 2 letters of reference since no verification has been done. Two references preferably from residents of Briny are still required. (This reduces 4 references to 2.)
No application fee is charged for family transfers.	We recommend that the fee charged be consistent, since the process and paperwork is the same, if not more.
Fee for background check is higher than for renters (there used to be a credit check also)	Reduce fee for background check to \$45 individual / \$65 per couple

Process:

Sellers:

Send sales packet to the Corporation Office (Owners and buyers information), including:

Application for Membership in the Cooperative (from buyer)

Background Check Authorization (from buyer)

Agreement to Purchase

Original Briny Breezes Inc. Stock Certificate

Original Title to Mobile Home

Allow at least 30 days for processing and committee approval.

Check for \$100 transfer fee due no later than closing.

Buyers:

Complete Application for Membership in the Cooperative

Attach check for \$100 application fee to application

Background Check authorization with fee at current rates.

Upon move-in, stop at Office to complete "personal" information card, update vehicle information and obtain badges and parking decals

Attend an Orientation offered by the Corporation