



October 2017 Avail only via email. Save or print to cherish

COOL SANDS

Newsletter for Owners at the Sea Shell --Oct 6

Annual Membership Meeting Weekend

Sunday	October 22 nd	4 PM Wine and Cheese at the Pool
Monday	October 23 rd	9 AM Business meeting at Bank of America across the street

We hope as many owners as possible will come to the meeting. The more you understand about the condominium the better for everyone. Because 104,204,304,404,504 stack of condos are being taken out of commission for Round 1 of the plumbing upgrade, we thank those owners who have loaned their condos to other owners in town for the meeting. This is what community cooperation is all about.

We would like to keep this meeting within our typical approximate 1.5 hour time frame so a food truck does not have to be brought in and I.V.'s are not needed to hydrate everyone. To help expedite the meeting as some people may have similar questions (especially in regards to our plumbing project), we request you submit your questions in advance. Then we may prepare a fact sheet in advance to distribute at the meeting. This applies to other topics as well. If a question is known in advance requiring any special research it can be answered appropriately. Send your questions to: maria@seashellcondos.com.



Electronic door lock master system

This will be a short topic of discussion. In advance, go to www.pointcentral.com for information. This is a keyless code system that integrates with our reservation system. Instead of using 40 year old keylocks that may have been copied, it will provide increased security and emergency access for staff or responders. Codes will be assigned that are valid for specific dates and times to correspond to booked stays. It is kind of

like a hotel pass key that only works on the days you are checked in and then expires, except there are no cards to carry. There are manual overrides for early or late check-ins and outs. Owners not on the rental program can set their own codes. Options such as thermostat control and sensors are also available at additional cost so the HVAC is not being blasted when no one is present or doors are left open. (those tourists)

The technology will connect to each condo using cell technology, not wifi, to minimize possible disruptions. Our figures indicate with the cellular gateway, lockset and installation it will be about \$ 605 per unit. The cellular gateway connection is \$15.00 per month and this is an ongoing monthly cost. Integrated thermostat and door opening sensor options have additional cost.

Here's the plan for the plumbing man, Stan...

Stacks will be done on a one by one basis. A stack is 201,202,203,204,205. All of the cast iron and metal drain lines are being replaced with PVC for a permanent fix. We are not going through this again. Because the pipes all drain into one another the entire stack is done at the same time for efficiency. During the meeting stack #4 will be in progress. Most of the work is being paid for by the Association by way of a 2-part special assessment. Part 1 of



that was combined with our roof replacement. Part 1 was for the original plan to reline the main vertical stacks only. Now with the revised plan to replace all pipes, the Part 2 assessment will come into play for the additional work. Those units that have already completed some of the work and have paid for that work themselves (not by the Association) will receive a credit at the time once it is determined what work is not needed.

The Association will be responsible for the following:

1. Remove water valves under vanity sink (if applicable).
2. Cut and patch drywall as needed on wall or ceiling, finish and make ready for painting
3. Remove and re-installed toilets
4. Complete the plumbing work

Because each unit is different with paint, wall paper, tile, etc, each owner is responsible to clear items and fixtures from applicable walls and for the finish after the drywall has been made paint-ready.

1. Remove vanity (if needed)
2. Remove any large affixed mirrors. Board recommends using a professional glass company (note—owners may be advised to use a picture frame mirror to replace)
3. Paint, re-install vanities, light fixtures, mirrors, tile and all applicable
4. Cleaning.

Owner Assistance—with many owners out of state, finding help is appreciated for the painting, reinstallation of items, tile work, etc. Any owner may make arrangements with any contractor or handyman of their choice. This assistance to have a “go-to” person is being provided as a CONVENIENCE. If your condo is managed by the rental program, this coordination will be provided to you at no charge. If you manage the inside of your condo yourself or use another 3rd party this will be your responsibility or that 3rd party. For those not managed internally on our program, please keep good communication with the office during this process so your downtime will be minimized and the work is coordinated efficiently.

Approximate Timetable and Chronology

Week 1	Plumber disconnects water valves (when applicable) Essential Services, LLC will be providing services to paint and remove vanities and light fixtures. Quotes for these services will be obtain on stack by stack basis according to what's needed to acces the plumbing lines. Mirror company removes mirror(s) Cover floor areas with floor protection paper Drywall is cut out as needed on walls and ceilings. A shop-vac will be use while cutting dry wall to contain as much dust as possible.
Week 2-4	Plumber removes metal pipes starting at 1 st floor going up PVC pipes are replaced form top floor going down Inspections completed
Week 4-5	Drywall repairs are completed to be paint-ready
Week 5-6	Painting, tiling, vanities and mirrors are replaced Fixtures reconnected
Week 6-7	Cleaning and unexpected delays from starting date.

This is **APPROXIMATE**. Weeks will comingle and overlap at different units based on the workflow. Unforeseen situations can occur requiring additional time. The best description might be “Shit happens”. So go with the flow.

Improvements in Rental Program

A lot is happening to increase rentals and make life easier for those on our in-house rental program called Sea Shell Vacation Rentals. SSVR is an asset to our building as it provides additional front office staffing, guest assistance and helps owners manage and repair their units. Some owners manage their own units or use a 3rd party which is fine if it works for them. For the benefit of all, it is important to not needlessly undermine rental rates consistently just to get additional rentals as in the long run that hurts every unit. Without the in-house rental program and some published rates, there is no website or benchmark to “compete against” and it becomes a free-for-all. A set of published schedule helps define and stabilize rental rates. While the Association takes care of the outside for everyone and common association-owned inside items, the inside of the unit is the responsibility of each individual owner or his designated agent.

Some of the changes coming to fruition are:

- New website. www.seashellcondos.com
- e-marketing. 6600 email addresses regularly receive Siesta Key and Sea Shell information
- VRBO Corporate account
- After hours response to rental inquiries
- Renter damage and travel insurance program option

MTV reality TV show “Siesta Key”

If you haven't seen it, you haven't missed a whole lot. BUT it is amusing. If you started watching it from the beginning, it is kind of addicting. Who will “do” who? What local landmarks will you recognize? Hit the “pause button” during the show and figure out where they filmed that scene. Marina Jack, Casey Key Fishhouse, etc. It is kind of fun. There are a few glimpses of the beach and Seashell in an occasional overhead opening shot.

You do need to see the first episode though so it makes sense. If anyone has Comcast, Spectrum, Directv, go to the “On Demand” settings on your cable box and then look up MTV. Next search for “Siesta Key”. You can watch any episode there and fast forward through commercials. Commercials are about 25% of the show. It was filmed largely just down from Sea Shell at the last house by Point of Rocks, the home of 1-800-ASK-GARY local businessman. For sure you need to see at least the first 2 episodes before you start drinking heavily.



Ongoing maintenance

We still have other items to attend to—primarily those that are metal and don't play well in our sandbox with salt air and water. When you park in our covered lot take a look up--there are low voltage cable TV and telephone wiring junction boxes rotting away in addition to other items. A plan will need developed to replace these with salt-proof conduit and boxes.

Hurricane Irma—“Whew! Close call”

Our island was under mandatory evacuation. A huge percentage of Sarasota residents were also recommended to evacuate with an impending 5-10 foot surge along with sustained 170 MPH winds. Because the hurricane changed course to 30 miles to the east it made all the difference. Our friends in Cuba and the Keys helped out taking the first blows.



Sea Shell staff made preparations and got out of Dodge. Power was out for about 2 days. Phones were not operational. We had minor damage from the beach and pool equipment fences blowing over and some roof flashing coming off. After we were allowed back on the island, Maria, who stayed behind to guide the ship, did a property inspection on the outside of units, inside all 5th floor units to see if any water damage, and inside those units that are managed on SSVR. A lot of quick work was done in a short time period to size up any damage situations. Due to lack of power and phones, a temporary plan to work out of Maria's house began.

When Paul returned to Sarasota on Tuesday he checked the roof and found 20' of wall trim missing. *Ancient Chinese weatherman say, “Hey, Bobs, you very lucky”.*



When the fence to the beach was blown down—Wow! What a view. We are rethinking and making plans to change this for the better with a solid wood fence about 3' high to minimize sand blowing onto the driveway, but--with a see-through metal picket top half similar to the fence along Beach Access 12.

Epilogue: THIS IS WHY HURRICANE IMPACT WINDOWS ARE NEEDED.

If this storm hit us as planned, any condo that had not already upgraded

windows to new hurricane standards would have jeopardized the entire building. Once water enters, it goes down and sideways. Mold grows. Health departments condemn buildings. Walls need replaced. Volcanoes begin erupting worldwide. This can be a 3 to 9 month shutdown. No rentals. Everyone loses. Just ask the Excelsior Condo when the tornado blew out many windows and how long their building could not be occupied and how much rental revenue was lost. A survey is being taken on which windows do not meet hurricane code and a policy will be developed to insure the ENTIRE building is protected. Last year we replaced the office/pool slider doors. So glad we did. If you own a condo and your still have old windows, you should start getting quotes now to replace them. The office can provide window company recommendations.

2017-2018 Operating Budget

Well, the good news we have not incurred a Maintenance Fee increase for 3 years. Actually we should have had one 2 years ago but the owners voted to instead do a 1x lump sum buy down, to pay for operating cost shortfalls and maintain the current fee. Then that same fee stayed the same the following year. Costs have increased but our fees haven't. So...guess what folks...

Unfortunately, the Maintenance Fee will increase by \$ 248 per month. Yes, it may seem a little high but times are tough. With this we can cover all the bills and fund reserves. Blah blah, blah blah blah, blah ha ha ha. Actually this is not true, but it will set the stage later so when the real amount is revealed you will be so relieved and happy.

We need to continue funding our reserves amidst rising replacement costs, and pay for increased line item costs that increase annually with inflation. Good thing the toilet drain lines are working when we received the notice of from FEMA Flood Insurance with an increase \$27,000 annually. Wow. We cannot shop as it is fixed by the Federal government. This is the joy of being a beachfront property.

We will have an increase in the cost for nightly beach chair retrieval if we cannot find the same deal and also have increased health care costs for staff. Sarasota County workmen’s comp has increased the base rate the first time in years, and we have other increases as well. Sea Shell is no different than any other business with cost increases and we have the added bonus of being at a more costly geographic location—BUT THAT’S WHY WE LOVE IT, right? As construction costs continue to increase, making sure we have money in our reserve accounts to fund necessary repairs is also required. All this is a precise juggling act to make it all work out. Maria is doing an outstanding job on this backside of condo management that few Owners ever see. She is a spreadsheet accounting maniac.

Rather than having a Maintenance Fee increase, a “buydown” (all or part) could be done again, but this year we have the added enjoyment of other capital projects and assessment in place which could make that amount more expensive. It is untimely for these increases as we happen to be doing some major revamp items this year and next. Once we get through these urgent items, perhaps we can stabilize again with very minimal inflationary increases with an occasional unique situation. These are all Operating Expense items and included in our Maintenance Fee along with 50 other line items such as pool cleaning and repair, cable TV and internet, payroll, utilities, etc etc.

Based on our budgeting, an increase of \$ 75.00 per month would keep us at same breakeven. However, as a few line items have some overage included, and not always all of the funds in an account are used, collectively we feel we can split this increase with half of it used in 2018 and the balance in 2019 with a similar increase. Therefore the new 2018 Maintenance Fee will not be \$248.00, it will not be \$200.00 or even \$125.00. It will not even be \$75.00. There are no Ginsu Knife Sets with this but-- yes, we can continue operations effectively for the low increase of \$38.00 per month. In 2019 it will most likely require an additional \$38.00. We have been digging deep looking at all line items to see where we can reduce costs without reducing amenities or the Owner/Guest experience.

2017-2018 Capital Expense Budget

Improvements and unexpected repair items fall outside of the normal operations but necessary to maintain our investment. These unusual or 1x improvement items typically are treated as a special assessment. Here is a list of what is planned: (to be confirmed)

Redo condo declaration documents	12,000*
Replace laundry room windows with hurricane type	12,000
Replace the hurricane damaged beach fence	9,000
Install electronic door locks, units, common	37,000*
Additional plumbing for total PVC installation	115,000
PVC junction box and conduit replacement parking	<u>TBD</u>
Total.....	185,000 /48 = \$3854 per condo assessment

Options—after careful consideration the Board feels these items should be done, however those marked with an asterisk are not vital to our survival today, and could be delayed. If the condo documents and electronic locks are not completed, the assessment amount would be in the \$ 2850 per unit range. It is a matter of how far down the road we kick the can.

The good news—considering the value of our condos as investments, and using a \$500,000K average value, this is less than a 1% investment, so keeping our building progressive is a great idea. These items listed above would be considered “investments in our building” as they will carry us forward for many years. Some of these are hitting all at once, so it is a question of priorities as to what is done when. It is the opinion of the Board of Directors all should be completed in 2018.

Strategic Thinking---Having funds available at the time needed for a forecasted capital expense is a great idea. This is what the reserves are for. When it is ready for a new roof, we have \$\$ to pay for it and there is no assessment. It is a matter of pay a little more money now every month or do a cash call when a shortfall occurs. The Board is moving toward a position to have less assessments through better funding. Compared to other condo complexes we are funded very well, we are 100% funded on mandatory items. To fund every category fully an additional increase in the monthly fee would be needed. With an unexpected savings for roof replacement on our office building, we will be making a contribution into the reserve account for 2018.

Summary---With our new 2018 budget proposed, the Monthly Maintenance Fee will increase \$ 38.00 per month to \$658.00 Based on the Board recommendation, we expect an assessment for capital projects of approximately \$ 3854.00 later in 2018, after the high income rental season and due before September 1, 2018. What that means is for those who rent their condos, they will need about 4 more days per year based on average room rates. With the improvements in our Rental Program and amenities of property this should be very doable.

Hurricane and Disaster Preparedness

Things will only get worse. It's getting warmer outside. Extremes are the norm and wacky weather will continue. If your unit is not managed by our on-site program SSVR to check up and take care of items on the inside of your unit, it would be advised to have whomever manages your unit be on call to assist you when needed in the event something unusual occurs. The condo association will certainly investigate common condo item problems and known emergencies that could affect other units and SSVR will help out as needed on the interior of units managed on that program.



106 Fairy Tale Time

A long time ago in a faraway land was a building on the beach used by vacationers. Guests had the luxury of spending 3-4 months at a time wallowing with warm water walruses called wanatees. They called up 6 months in advance, were assigned a unit sight unseen, mailed a check in advance for their entire stay. Their lives were not crammed into a 1 week vacation to find the cheapest deal they could find on the internet that did not exist. No gate was needed to keep local terrorists off the property. They did not need a hotel-like counter to check in or out. It was a simple time in history to learn advanced strategy of playing checkers. This was the beginning of the Seashell. Our current office area building was a clubhouse for playing checkers. Condo #106 was the condo office to manage the day-to-day business. It is owned by the Association. Yes, we all own a little piece of checker-heaven. It is touching.

Marginal rental income is obtained for our operating fund for the benefit of all. But what if Unit 106 was sold? Hundreds of thousands of dollars (\$400K up) would be brought into the Association. Instead of dividing common expense 48 ways, it would divide by 49 and in theory lower maintenance fees slightly. Funds from the sale could be used for a major beach upgrade, a redo of the office area to enable a portion for common space to play checkers or even have #407 Joe Vegliante entertain us with his fine musical talents. Excess funds from the sale could be placed in an investment account and used to minimize future assessments or reserve funding.

The Board is investigating pros and cons of this idea and what legal steps are required. If a rewrite of the condo documents will be done, the two projects would best be done at same time to reflect 49 units, not 48. The Adios 106 Project is not something that needs acted upon now or at any particular urgent time. It is an idea to brew. What are your thoughts? To take a straw poll—please email your thoughts

- A. yea
- B. nea
- C. send more info when you figure it out.
- D. I like shooting marbles..

Annual Meeting Election

Based on the timing of applications received to run for election to our Board of Directors according to FL statute there will not be an election this year. The existing Board members will continue. However if anyone is interested in being on the Board with all the amazing benefits in the future or would like to chair a committee of head up a project with even more amazing benefits we look forward to your involvement. We are all in this together to “keep Sea Shell great.”

Pavers and Storm Drains

Part 1. We have storm drains along both sides of the property which drain into large pipes running just behind our beach fence. Then they stop. And they are filled with sand. The water has no place to go. This is why we have our own Lake Effect during a big rain. Part 2. Heavy garbage and delivery vehicles park on our south side drive. You may notice what once was flat is now a roly-polly circus ride up and down. It is needed to level these pavers which are now about 12 years old. #305 Dick Bailey would know, he coordinated this huge and well-needed project. With excess water due to poor drainage the roly-pollied may continue worsen. We are looking into solutions and will be releveling the pavers. Thanks to surplus money that we are saving from our office roof replacement, this savings should pay for all or most of this.

Thanks to our staff

Please give your support and cooperation to our office and maintenance staff. Tell them thanks when you can. Most owners are not aware of the myriad of day to day items they handle regularly both planned and unplanned.

On behalf of everyone on the Board of Directors we thank you for your cooperation. Be nice to our staff. It's easy to be an armchair quarterback miles away with no understanding as to what is happening at a given moment.

Reminder—Send your 106 straw poll 106 thoughts and any questions you wish to have answered at the meeting in advance so we can efficiently conduct the meeting. Send to maria@seashellcondos.com



Have a great meeting! After about 14 previous condo association meetings it will just break my heart to miss one. Condo VP Larry Thompson will conduct the meeting. Pam and I will be thinking of you (ha ha...are you kidding?) while attending a wedding and eating too much spaghetti to make sure we can't fit into our swimsuits. Chow?

Ciao!

Rick Briggs

President

Sea Shell Condominium Association
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