

SUNSET INC.

Board of Directors Meeting
October 5, 2023, 9:00 a.m. EST

Mark Hilton called the meeting to order at 9:03 am EST. Linda Durst called the roll. Mark Hilton, Emidio Carrico, Deb Jones, Stacy Howard, and Linda Durst attended the meeting by phone. Many owners attended the meeting by phone.

Mark Hilton confirmed that proper notice was sent to all owners and the manager by email on October 2, 2023. The meeting is also being recorded.

Confirmation of a Quorum:

Mark Hilton confirmed with 5 of the 5 active board members present the quorum requirements were satisfied, and the meeting can be held.

Secretary Report:

The minutes from August 24, 2023, have been reviewed by the board members and updates completed. Mark Hilton made a motion to accept the board meeting minutes for August 24, 2023. Linda Durst seconded. Vote taken and Stacy Howard, Mark Hilton, Emidio Carrico, Deb Jones, and Linda Durst with ayes. Motion carries.

Treasurer Report:

Emidio Carrico stated that the August financial report was emailed to the owners. Balance sheet and P&L look good. Did start receiving revenue from Dish and this will be recorded in the replacement fund in September. The \$92,000 borrowed last year for the operating fund will be repaid in September. Because of Ian and the delays, there will be an operating surplus at the end of this year. This surplus will be discussed at the annual meeting.

Mark Hilton made a motion to approve the August financial report. Stacy Howard seconded. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Grounds Committee:

Deb Jones discussed the role of the committee going forward. There needs to be more direction from the board. She raised concern about future assessments and the need to have a timeline so assessment monies will be used appropriately. Mark Hilton made a motion to discuss the Grounds Committee roles and responsibilities going forward. Deb Jones seconded. Discussion by the board members. Deb Jones made a motion to place the Grounds Committee on pause until the board determines a timeline for Sunset rebuild and directs the committee members to research specific task(s) that will assist the board in planning the timeline. Mark Hilton seconded the motion. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Old Business:

Mark Hilton made a motion to postpone the topic of the parking spaces under the tower to the annual meeting in February. Linda Durst seconded. Discussion by board members. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Mark Hilton made a motion to discuss the proposal on how to add members to the Grounds Committee. Stacy Howard seconded. Discussion by board members. Mark Hilton made a motion to continue with 7 members on the grounds committee and the chairperson to request additional members when needed. Deb Jones seconded. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

New Business:

Mark Hilton made a motion to add a market value appraisal to the tower to the agenda. Deb Jones seconded. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Mark Hilton made a motion to add the MECA engineering proposal to the agenda. Deb Jones seconded. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Deb Jones made a motion to discuss the proposal by Marc Anthony Gizzi Appraisal & Consulting Inc. for \$4000.00 to provide a market value appraisal for the tower building. Mark Hilton seconded. Discussion by board members. Deb Jones noted that this appraisal can be completed by October 20, 2023 and that Gizzi fully understands the 50% rule. Mark Hilton made a motion that the proposal by Marc Anthony Gizzi Appraisal & Consulting Inc. for \$4000.00 to provide a market value appraisal for the

tower building. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Mark Hilton made a motion to discuss and approve the proposal from MECA Engineering Corporation to review contractor submittals for the items needed for the rebuild. The cost is \$135.00 per hour for each review which includes a retainer for \$1500.00 to get started. Deb Jones seconded. Discussion by the board members. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with ayes. Motion carries.

Dave Vieceli requested that three proposals be discussed and voted on by the board. Mark Hilton made a motion to the board to discuss and consider David's Vieceli first proposal stating that: 1) All invoices for contracts already awarded shall be reviewed by our Public adjustor. If it is determined that these costs are covered by insurance, those invoices shall be announced and discussed at the next regulatory scheduled board meeting followed by a vote to approve the payment. 2) If the invoice is found to not be covered by insurance an open discussion at the next immediate board meeting must take place with the Owners given a chance to comment before a vote of the board to approve payment. Linda Durst seconded. Discussion by board members. Vote taken and Deb Jones, Mark Hilton, Emidio Carrico, Stacy Howard, and Linda Durst with nays. Motion rejected. Mark Hilton made a motion to the board to discuss and consider David's Vieceli second proposal stating that: All future work to be done in the restoration of Sunset's structures must be insurance reviewed and approved before awarding a contract to do such work. Linda Durst seconded. Discussion by board members. Vote taken and Deb Jones, Mark Hilton, Stacy Howard, and Linda Durst with nays. Motion rejected. Mark Hilton made a motion to the board to discuss and consider David's Vieceli's third proposal stating that: 3) Any changes to the buildings that are not covered by insurance, or that are not substantially similar to what existed prior to the hurricane event, shall be placed on the agenda at the next board meeting for an open discussion with the board and owners followed by a formal vote, either mail in ballot or electronically taken (if legally allowed) to either approve or disapprove expending those funds. Stacy Howard seconded. Discussion by the board members. Vote taken and Deb Jones, Mark Hilton, Stacy Howard, and Linda Durst with nays. Motion rejected.

Mark Hilton made a motion to discuss and consider Doug Daniel's to change the bylaws to allow one-week rentals. Deb Jones seconded. Discussion by board members. Linda Durst and Deb Jones will do research about one-week rentals on Fort Myers Beach. Mark Hilton made a motion to postpone the discussion about one-week rentals until the annual meeting in February. Deb Jones seconded. Vote taken and Deb Jones, Mark Hilton, Stacy Howard, and Linda Durst with ayes. Motion carries.

Mark Hilton made a motion to discuss and consider the request by Cheryl and Steve Walz to purchase and place a sign with the address-6400 at the front of the property. Deb Jones seconded. Discussion by the board members. Mark Hilton made a motion to approve a temporary sign with the address-6400 that Cheryl and Steve Walz had proposed after approval if needed by the city. Deb Jones thanked the Walz's for their generosity, however, the cost of signage should be paid for by Sunset. Linda Durst seconded. Vote taken and Deb Jones, Mark Hilton, Stacy Howard, and Linda Durst with ayes. Motion carries.

President Report:

Mark Hilton reviewed the spread sheet that was emailed to owners on September 22, 2023. The estimates are the most accurate numbers to date. The estimates will be a moving target as things progress with updates from insurance coverage and changes from Rick Dearing, our adjuster. FEMA does not cover any repairs under the tower that are buried in the sand. Indigo Plumbing had to change most of the shut-off valves in the units. Mark Hilton noted that the new law that takes effect in 2025 will require that a reserved study must be completed in 2024 and it will require that our reserve funding be fully funded as needed for any repairs over \$10,000 in the future. The more items that insurance will pay that will be replaced/repaired will be positive in the future. Rick Dearing is working hard to get insurance to pay for all that Sunset should be entitled to. This spread sheet is an estimate of future assessments. Comments and concerns were raised by the board members. Mark Hilton will update the spread sheet and email to owners if there are any significant changes.

Owner's Comments:

The meeting was open to the owners and all questions and concerns were addressed.

With no further topics to be brought before the Board, Mark Hilton moved to adjourn the meeting. Linda Durst seconded. Vote taken Deb Jones, Mark Hilton, Stacy Howard, and Linda Durst with ayes. Motion carries. The meeting was adjourned by motion and the recording was stopped.

Respectfully submitted,

Linda Durst

Linda Durst, Sunset Secretary