

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.
Minutes of the Meeting of the Board of Directors
June 5, 2013

John Rasmussen called the meeting to order at 1:05 p.m. on the date above noted at the location and time specified in the notice of meeting.

Those present were:

John Rasmussen, President	John "Randy" Kuhl, Director (via phone)
Glenn Norton, Vice-President (via phone)	Earl Monari, Director
Robert Krueger, Treasurer	Joyce Morris, Director (via phone)
Bryon Smith, Secretary	Chris Gourdie, General Manager
Carl Bauer, Director	Carol Post, Assistant General Manager

Richard Moore was absent.

The president called the meeting to order and announced that a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

Under provisions for owner comments, no owners were present to address the board.

Robert Krueger then gave the treasurer's report. He indicated that he had reconciled all of the Association's bank statements with the balances on the balance sheet, and that all the numbers are accurate. He stated that the Association ended April with a surplus of income to expenses of \$57,004 for the year. Operating cash was \$817,775 and cash in reserves totaled \$762,709.

Chris Gourdie reviewed some highlights of the General Manager's Report. He recommended, due to the issues the Association has experienced with sewer backups, that language be added to the rules stating that residents are not to put grease or feminine hygiene products into the sewer system. He also gave a report on the paving and indicated that parking stops were not included in the initial cost estimates for the paving, and the plan is to use the remaining "log" type car stops on the west side and the composite ones on the east side. In the future, the Association will need to put back reserve monies to purchase the composite car stops. Regarding satellite dishes, he stated that the Association attorney agreed with the board's interpretation of the wording in the Declarations of Condominium and reported that notices had gone out to owners of illegally installed dishes. He indicated that the Association would be working with these owners to bring them into compliance as soon as possible.

Mr. Gourdie also discussed the possibility of having an outside contractor to clean the laundry rooms, since the current method of having the landscaping crew periodically clean them isn't very effective. Mr. Monari questioned the wisdom of using the laundry profits in this manner, and Carl Bauer asked if the employees need "inside" work to do on rainy days.

Carol Post gave a report on delinquent accounts and indicated that four accounts had been paid in full since the last report. She reported brisk sales and pointed out several higher-than-normal sales prices, which she attributed to the units being nicely renovated.

The next item on the agenda was appointment of a budget committee. Robert Krueger indicated that Earl Monari and Carl Bauer had previously served and been a part of the process, and that if they were willing, he would like for them to serve in that capacity again. Both Mr. Monari and Mr. Bauer expressed willingness to once again serve on the budget committee.

The next item on the agenda was electric grills. Mr. Gourdie shared some rules governing condominiums per the State Fire Code. Although the 2007 rules allowed cooking with electric grills on back patios and balconies, the 2010 code does not allow any grilling within 10 feet of any part of the structure. The only exception is a permanently-installed cooking apparatus permitted by the Polk County Building Department. A discussion ensued regarding the Association current rules pertaining to grilling, which state, "No cooking shall be permitted on any patio or deck of an apartment," (rule number 7) and, "The use of barbeque grills by all owners as well as guests shall not be allowed on the premises," (rule number 2 in "other rules" section). It was suggested that the two rules be combined. Bob Krueger expressed concern that people would dump the hot ash in the yard when they are finished grilling. Bryon Smith pointed out that people are grilling anyway, regardless of the rules against it, and that allowing grilling 10 feet from the building would encourage them to at least do it in a safer manner. John Rasmussen asked about eliminating rule number 2 and adding the following wording to rule number 7: "Grills may not be used within 10 feet of any building or overhang. Grills may not be stored on the common element." Carl Bauer suggested changing the word "apartment" to "unit." Randy Kuhl moved and Glenn Norton seconded a motion to amend the rules as suggested. Discussion ensued regarding storage of flammable items near the buildings, and Mr. Rasmussen stated that he would check to see what size limitations are specified in the fire code regarding propane tanks. A vote was taken and the motion was approved unanimously.

The next item on the agenda was sun rooms. Mr. Gourdie stated that he met with a contractor and their engineer, who stated that glass is too heavy to use upstairs, but vinyl and acrylic are okay. Earl Monari asked if the existing air conditioner could accommodate the room, and Mr. Gourdie explained that it most likely would not. The type of room that would be climate controlled and open to the unit would be a Florida room, which would have stricter requirements as far as electrical, materials used, etc. What the Association is considering is a category three sun room. Randy Kuhl suggested stating in the rules that glass windows are not allowed. Glenn Norton moved and Earl Monari seconded a motion to amend Section 5.1(i) of the Declarations of Condominium, to read "Enclosure of porches and patios. Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may enclose porches and patios with screens and acrylic or vinyl windows, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done. Glass windows will not be allowed." Under discussion, Mr. Bauer raised concerns that if rooms are built by different contractors, the buildings could end up with a "hodgepodge" appearance. A vote was then taken and the motion passed, with Randy Kuhl, Robert Krueger, Earl Monari,

Joyce Morris, Glenn Norton, John Rasmussen and Bryon Smith voting in favor, and Carl Bauer voting against.

The next item on the agenda was golf cart pads. Chris Gourdie stated that if the Association wished to install golf cart pads, the most logical location would be near the parking areas, since there is already lighting there. However, it would involve a significant change to the common element, which would require a 75% vote of each of the 18 condominiums. Glenn Norton said he isn't totally sold on the idea but feels if Grenelefe is going to make it, it will be as a golf community. Randy Kuhl agreed that golf cart parking would make Grenelefe more attractive to people wanting to play golf or even go to the pool. He suggested surveying the owners to find out whether, if golf cart pads were installed, they would be willing to pay. Joyce Morris asked if some type of insurance coverage would be needed to indemnify the Association, and Mr. Rasmussen didn't think so, that the pads would be use-at-your-own-risk, the same as the storage closets. Mr. Rasmussen instructed Mr. Gourdie to calculate the approximate cost and survey the owners. Mr. Kuhl asked if there was any means of storing larger items on Association property long-term, and Mr. Gourdie said only the wooded area inside Camelot Circle, which would require the vote of that condominium. Randy Kuhl suggested including that in the survey.

The next item on the agenda was the policy for the installation of satellite dishes. Mr. Gourdie indicated that letters had been sent to the owners of units with the most severe violations, notifying them of the violations and requiring them to complete a form stating whether the dish is in use, whether they are under contract, and if renting, the term of their lease. Mr. Rasmussen presented proposed new wording of Section 16 of the Declarations of Condominium, first paragraph, as follows: "Satellite Dishes and Antennae: Satellite dishes larger than 1 meter (39.37 inches) in diameter, measured across the widest part of the dish, are prohibited. No satellite dish may be installed on or in any common area, including, but not limited to, roofs, building sides, fronts of buildings, and building fascias. Satellite dishes or antennae may only be installed on or in an owner's exclusive use area in a location acceptable to the Association and may not extend more than 36 inches beyond the owner's exclusive use area into the air space of the common element." Randy Kuhl moved and Glenn Norton seconded a motion to accept the new wording as proposed. Carl Bauer suggested deleting "into the air space of the common element." Randy Kuhl and Glenn Norton both agreed. A vote was then taken, and the motion passed unanimously.

The next item on the agenda was back patio restrictions. The following proposed addition to the rules, per the Design Review Committee, was presented to the board, "Back patios and decks may not contain garbage cans, automotive parts, tires, watercraft, boat motors, boxes and storage bins, coolers, indoor furniture and items intended for indoor use, appliances, exercise equipment, dead plants, empty planters and flower pots, firewood, building materials, table saws, drill presses, workbenches. Blankets, sheets, quilts and tarps are not to be used to cover items on patios. Owners who install approved screen and/or sun rooms on their patios and balconies are exempt from these restrictions." A lengthy discussion ensued wherein Mr. Bauer indicated that he had a problem with the last sentence. He pointed to a screen room visible across the fairway and stated that he could see clearly into it, and that screened patios shouldn't necessarily be exempt. He suggested saying "may be exempt" and allow the Association to decide whether an item may be allowed in a screen room. Other board members felt the vagueness would be

problematic and make the policy hard to enforce. Mr. Gourdie indicated that screen rooms do generally obscure the view, that it is much harder to see inside when the sun is shining. Glenn Norton stated that the screen does contain the items and keeps them from spilling outside the patio area, and the kick plate, when installed, further hides the items. Randy Kuhl moved and Glenn Norton seconded a motion to adopt the policy as presented by the Design Review Committee. The motion passed, with Randy Kuhl, Joyce Morris, Earl Monari, Glenn Norton and John Rasmussen voting in favor and Carl Bauer, Robert Krueger and Bryon Smith voting against.

Robert Krueger expressed concern about preserving the beauty of Grenelefe and felt that some of the changes the board was considering, such as cart pads and barbeque grills, would take away from that beauty. Carl Bauer indicated that he would have supported the motion without the exemption. Mr. Norton stated that he would rather take the item to the membership with a unanimous vote without the exemption than have it fail and end up with nothing. Randy Kuhl moved and Glenn Norton seconded a motion, which was passed unanimously, to reconsider the last vote. Carl Bauer then moved and Randy Kuhl seconded a motion, which was passed unanimously, to strike the last sentence from the proposed amendment. A vote was then taken on the amended motion, and the motion passed, with Carl Bauer, Randy Kuhl, Joyce Morris, Earl Monari, Glenn Norton, John Rasmussen and Bryon Smith in favor and Robert Krueger opposed.

The board then moved to item number 12 on the agenda, number of directors specified in bylaws Article 3.1. Mr. Gourdie indicated that the bylaws currently state, "The affairs of the Association shall be managed by a Board of Directors of not less than three (3) nor more than thirteen (13) directors, the exact number to be determined at the time of election," but that the Association attorney felt that that language should be cleaned up to state a specific number. Carl Bauer moved and Earl Monari seconded a motion, which was passed unanimously, to change the language to state nine directors.

The next item on the agenda was appointment of an insurance committee to work with brokers regarding the Association's property and liability renewal. Randy Kuhl indicated that it is not his field, but he would be happy to help. Glenn Norton said he would also. John Rasmussen stated that Chris Gourdie would be in charge. Randy Kuhl asked if any of the owners are retired brokers. It was decided by consensus of the board that the committee would consist of John Rasmussen, Glenn Norton, Randy Kuhl and Chris Gourdie, and that the Association office would find out if any owners with expertise would be willing to serve.

The board then moved to item number 11 on the agenda, vote to move west side trash disposal area. Mr. Gourdie explained that the Association was having a lot of problems with illegal dumping, both from on site and off site, and that it had recently been cited by Code Enforcement due to trash overflowing at the dumpster sites. He indicated that he is currently working on getting security cameras installed. He had looked into a trash compactor, but found the cost much higher than the current set-up. To help alleviate the problem, he stated he has changed the trash collection schedule from Monday, Wednesday and Friday to Monday, Thursday and Saturday, since the biggest problem is over the weekend. He indicated that to help with some of the dumping from on site, the Association could offer a service to residents where it would pick up furniture and large items for a fee and put them in the 30-yard container in the shop area.

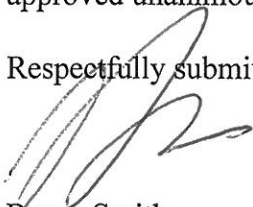
Another option is installing parking arms which would require a card for access. He also recommended moving the west side containers from their current location, which belongs to Westgate, to the former site of the golf school building in Burnway North #1, which belongs to the Association, and making the area less open, like the east side area. This would, however, require a permit to hook up electric and a vote of the Burnway North #1 association. Earl Monari stated that he would be in favor of the Association moving the containers to its own land. Randy Kuhl felt that the Association should try to get the problem under control with the change in schedule and deterring illegal dumping. He suggested signs noticing what is allowed and not allowed and that violators will be prosecuted, and encouraging homeowners to help monitor the situation. John Rasmussen instructed Mr. Gourdie to put together a proposal on the cost to relocate the west side containers, then present that to the board before going to the Burnway North owners. Randy Kuhl asked about the possibility of the Association leasing the area for \$1 just for the use of garbage collection. John Rasmussen said to run everything by the Association attorney.

The next item on the agenda was report on insurance renewals. Carol Post indicated that the directors and officers insurance and the auto insurance both renewed May 1, both with slight increases.

The last item on the agenda was condition of the roads. Carl Bauer and Bryon Smith indicated that there is no change and no sale in the works.

At 3:37 p.m., Carl Bauer moved and Joyce Morris seconded a motion to adjourn, which was approved unanimously.

Respectfully submitted,



Bryon Smith
Secretary