#### January 2023 Building Report

Two components of the fire alarm system failed during the month and were replaced by Thomas Alarm.

The latest inspection of the building revealed that someone damaged our roof on the northwest corner. This damage is not covered by the warranty and will have to be repaired at our expense. Hopefully we can determine who the guilty party is and bill them for the damage.

We will be moving forward with Recon Response Engineering to perform the Milestone Inspection in the coming months for \$6750.

The portico gutters do not have downspouts and portions of the elevator room have no gutters. The water from the portico gutters is slowly damaging the pavement and the elevator roof runoff has caused water leaks in the 7 stack.

In order to do a flow test on the fire pump it has been necessary in the past to utilize the small fire bibb on the roof and flood the roof with 100s of gallons of water. The height of the bibb from the ground makes it difficult to obtain an accurate pressure and flow reading from the pump and risks damage to our new roof. I have received one bid from Fire Safety to install a test stand in the pump room and am seeking additional bids for the installation.

We will be moving forward with removal of the storage tank in the boiler room in the near future.

Respectfully submitted,

John Thornbrugh Building committee chair

#### Open Architectural Change Requests (ACR) January 10, 2023

Unit 112 - O'Regan - Bathroom Renovation (Native Tile)

Unit 305 - Spolar - New Storm Door, Carpeting, Bathroom Updates

Unit 504 - Mastrangelo - Windows (Hom-Excel)

Unit 602 - Neubauer - Walkway Windows (Weather Tite)

Unit 609 - Olson/Ness - Windows (Lowe's Home Center, LLC)

Unit 705 - Smith - Window Replacement (New South Windows) Unit 1001 - Brimmer - Kitchen Cabinets (Many Moons, Ent.)

Unit 1006 - Descheemaeker - New Heat Pump/AC System (Midway Services)

Unit 1007 Brahm - Condo Renovation (Kitchen, baths, floors, ceiling) (Evergreen Development)

Respectfully Submitted, Martha Meegan, Building Committee

# Electrical Panel Box Replacements Update January 10, 2023

In a spring 2022 survey of the 120 units in the Diplomat, we discovered that 93 of the 120 units had original Electrical Panel Boxes, installed when the building was built in 1974.

Courtesy Electric continues to offer the price of \$1205 to any owner who wants to replace the panel. As we have mentioned, some insurance companies are demanding that condo owners upgrade their boxes to renew the All-Peril Insurance coverage.

To date, 56 owners have "voluntarily" upgraded their electrical panel boxes.

This job takes about 3 hours, the electricians from Courtesy Electric are trustworthy, work efficiently and clean up after their job is done and they label the panel box!

If an owner is considering getting their box replaced, you will need to complete an ACR, so contact me. I work directly with the office staff at Courtesy Electric to make this process smooth for them and for you.

Respectfully Submitted, Martha Meegan, Building Committee

## DIPLOMAT ORIENTATION REPORT January 10th, 2022

Dennis and Cynthia Coyne are the new owners of unit 1010 as of November

Michael Kenney is the new owner of unit 1008

Bryan and Tina McMahon are new renters of unit 408

The Diplomat welcomes our new residents.

I make a motion the Diplomat Board of Directors accepts and welcomes our new residents.

Respectfully submitted,

Pati Lytle and John Carson

### Masters Association Update January 10, 2023

Suzanne Saratore has officially been replaced at the Condominium Associates office at the Clubhouse. Her replacement is Robin Warner. Although we were initially told this office may be not be manned five days a week, we have not received definite confirmation of new office hours.

The Master Association has voted on the 2023 Officers which are:

Irene Gernon, President Betsy Sierra, Vice President Terry Libich, Treasurer Karen Gillespie, Secretary

Committee Assignments are: Dock Committee – Betsy Sierra Planning Committee – Irene Gernon, Roger Bell and Nic

Irene and the Masters Association has again negotiated with Saving Our Seniors to provide an on-site Farmers Market on January 18, beginning at 8:30 am, in the employee parking lot next to the Lancaster.

This program furnishes fresh produce at no cost to ANY senior in Town Shores who would like to take advantage of the offer. Each item has a limit. Feel free to make a donation to their cause if you feel inclined to do so.

Respectfully submitted

Pati Lytle Diplomat Master Delegate

#### Engineering Report January 10, 2023

Recon Response Engineering held a site visit of the building on November 18, and performed an inspection of the exterior common elements at the Diplomat Condominium, focusing on the exterior walls, walkways, stairwells, and main roof.

The report was prepared on December 18 and is posted to the Diplomat website at <a href="https://www.TownShoresCommunity.com">www.TownShoresCommunity.com</a>

The report noted minor concrete repairs, likely totaling fifty (50) cubic feet or less, will be required on the exterior walkway beams and slab edges.

Isolated repairs to corroded patches of steel will be required on the stairwells, mainly on the east side of the building.

Minor issues with the roof were observed, which is still under warranty given that the roofer completed the work less than 12 months ago. The roofing company has been contacted and will complete the minor repairs under the warranty and maintenance contract.

Earlier in December, the engineer met onsite with three (3) licensed General Contractors to perform a pre-bid meeting and discuss the scope of work. The bid package is being prepared and is expected to be sent to the general contractors by Monday, January 16. The engineer anticipates having pricing back from the Contractors in February 2023. Following that Recon Response will help the Association select a Contractor who can begin work on the project.

In 2022, the legislature in Tallahassee passed several laws governing the inspection of all Florida condominiums, based on the collapse of Surfside in Miami. As part of these new laws, a new engineering study called a Milestone Inspection is required of all condominiums in the state.

Florida Senate Bill 4-D, now requires "Mandatory structural inspections for condominium and cooperative buildings." This inspection will be performed using visual, non-destructive means, and will include accessible locations in and around the building including the perimeter, flat roof, stairwells, and up to 20% of the unit interiors. They will also utilize an Unmanned Aerial Vehicle (UAV) drone as part of the visual inspection.

This study will include inspection the load-bearing walls, primary structural members and structural systems. The Engineer will attest to the life safety and adequacy of the structural components of the building and, to the extent reasonably possible, determine the general structural condition (safety) of the building, including a determination of any necessary

maintenance, repair, or replacement of structural components. Upon completion of the inspection, the Engineer will submit a sealed copy of the inspection report with a separate summary of the material findings and recommendations in the inspection report to the Board of Directors as well as the Gulfport Building Department.

This new Milestone Inspection will be performed in early March. Because the engineer has been on the property recently, he does not feel we will have any major issues, but we will have the final report in our hands prior to holding the 2024 budget discussion in late summer.

Needless to say, we are very pleased that the current engineering report noted very limited and minor repairs at this time, and we would expect the same outcome during the Milestone inspection in March.

Respectfully submitted,

Pati Lytle, President

Motion for January 10, 2023, Diplomat Board of Director's meeting.

Motion to Record Bank OZK CD #8600 for \$141,900 which matured 11/22/2022; transferred \$150,000 to WinTrust Wealth Management to purchase 18-month CD at interest rate of 4.85 percent which matures June 17,2024.

#### Insurance Update January 10, 2023

I have received an update from our insurance agent and unfortunately our building insurance has gone up 66% to around \$234,000 instead of the 47% we expected.

To refresh your memory, we have to come up with an insurance cost each year in the fall, in order to implement a budget amount the following year. The amount that we save over that year is what is available to pay our policy the following Feb. 1.

In 2021 we budgeted \$140,000 for the year 2022, to pay our insurance policy due Feb. 1, 2023. Unfortunately, we need an additional \$94,000 over and above what we saved last year. During the annual meeting in November, owners agreed to take responsibility for maintenance and replacement of their exterior doors, which allowed us to move \$84,000 out of that reserve and into an insurance escrow for this next payment.

The insurance agent is meeting with every building next week, and we should have a final tally of the amount due (the total amount includes several types of insurance – all peril, general liability, directors and board insurance, umbrella, equipment breakdown, etc.). At that point we will know if we have enough to cover the cost or if we will have to come up with a short-term payment plan.

However, what this does mean is that our budget for this year (\$199,000) will most likely be short at payment on Feb. 1, 2024. We will have to decide late in the year, or in January 2024 whether we will need to levy an assessment to make up whatever difference we may see at that time.

As a reminder, our insurance payment in 2021 was just over \$100,000. The bill in 2022 increased to just over \$140,000. And 2023 appears to be around \$234,000. This does not include the \$25,000 for flood coverage.

Respectfully Submitted Pati Lytle, President

#### Board Appointment Discussion January 10, 2023

I would like to address the email that was sent to Diplomat owners yesterday from Kim Morwood.

First of all, because I made a mistake in sending out an email several months ago where the residents' email addresses were not blind-copied, Kim Morwood was able to see and then use all Diplomat email addresses in our email list, to send out several messages regarding the Operation Santa project. I spoke to her at the time, and reiterated that she could not use the list, as it belonged to the association. We had received written permission from each person to send email to them regarding information about the building, while she had not. But, as you found out yesterday, she didn't think the rule applied to her, and used all the email addresses again, although her husband had been the first and only person to complain when the initial email was sent, about not using the blind copy feature.

As she mentioned, Kim volunteered for the Board, and was told at the agenda meeting last Tuesday she must turn in her request letter by noon, Monday Jan 9<sup>th</sup>. I also sent an email message out to all residents inviting others to apply, and again mentioned the paperwork was due Monday at noon.

The information in her email stated that she was told I would be at the Bocce courts Monday, and she decided she could just hand her paperwork to me at that time. That is a complete lie. I did not tell anyone I was attending the bocce game, and in fact didn't decide to walk to the courts until I walked out the door at 1pm. No one told Ms. Morwood that I would be there. Again, she does not believe the rules apply to her.

In regard to the innuendo about my resigning from the board and not applying for re-election, the whole story is that I had had a TIA in June and was going through neurological tests at the time when I would have been required to turn in my Notice of Intent Sept. 29<sup>th</sup>. I had also had a recent cancer diagnosis, and surgery was scheduled in October. Until the surgery, I was not sure whether I would need to go through chemo and/or radiation. On Friday, Nov. 11, I received the final clean bill of health, so I let the board know that I would be willing to rejoin if they so desired. An emergency meeting was called, with the required 48-hour notice posted and emailed, and they appointed me back to the board. As Kim pointed out, no owner attended, including herself.

Yes, Kim has volunteered for the Board, and in fact was on the ballot at the 2021 Annual Meeting, where of five candidates, she received the least number of votes for the four vacant positions. However, at the 2022 Annual Meeting, she libeled the Board by accusing us of having illegally shredded ballots so that she would not be elected – again, a total lie.

Last year, Ms. Morwood's husband Kevin Elliott continued to post "anonymous" messages on the back bulletin board which alluded to misconduct by the board. One post asked the question whether owners need to follow rules established by the Board. Another post gave information on what was required to recall the Board, but they never posted their name or contact information on any of these messages. Just veiled innuendos behind a mask of anonymity.

Last year the Board made a special effort to put in place an updated rule which allowed realtors to post a sign in the first-floor lobby for open houses. We had an extended discussion at the meeting and with Ms. Morwood, who is a realtor, reiterating that only the one sign would be allowed. But, following that meeting, for three weekends in a row, she posted a large sign on the property, and one weekend had a large sign impeding the walkway in front of the open house unit. She received a violation notice and fine, which has yet to be paid. Instead, she wanted proof that we had sent a similar warning letter to another realtor on the property the same weekends, which we did and he immediately complied. Her argument is that she was working in the building as a realtor, and therefore the building had no authority to levy a fine for the infraction, and she does not have to pay the \$25 fine.

We have received a complaint and an apology from one new owner about the lack of professionalism in how Ms. Morwood conducted herself during the sales process, and this owner told us a second owner had the same problem.

In April of last year, the National Flood Policy program upgraded their software, and encountered a glitch in their system which would not allow new policy declaration pages to be printed. At that time, Ms. Morwood was closing on a unit in the building. After multiple emails back and forth with our insurance agent, Morwood libeled the board, claiming the Diplomat had let the policy expire, even though the agent had sent a screenshot of the renewal certificate.

When the Board voted to change the type of roofing from tar and gravel at a cost of \$500,000 to a Urethane product at \$279,300, we were able to pay the full amount out of reserves. However, Ms. Morwood argued that we should apply for a \$500,000 loan and continue with the tar and gravel. Imagine where we would be right now, with a \$250,000 outstanding loan, plus the cost of our insurance increasing 66%, and adding another \$94,000 to our bottom line. I think the board made the correct financial decision for the good of all the owners.

Last year Ms. Morwood asked for a large quantity of documents, and accused the board of not complying with Florida statute 718, in posting documents, meeting minutes, etc. to the website. I explained that we were within the law as the website was only required if our building had 150 or more units. However, I asked her if she wanted to be the website liaison and she accepted. She forwarded the documents to the webmaster early in 2022, but when I checked the website this fall, nothing had been updated, no meeting minutes or committee reports had been added from March on, so I sent the information in to be added to our site.

All of this goes to the viability of adding Ms. Morwood to the current board. I have documented behavior which does not reflect favorably on someone who wants to be a board member. The board has full discretion in appointing someone during the year. We are not required to accept someone simply because they say they want to be a board member. We have to look at the viability of the person, how they get along with other board members, can they be counted on, do they understand the laws and policies which dictate what the board can and cannot do.

Respectfully submitted,

Pati Lytle, President