

**BEAR ISLAND HOMEOWNERS ASSOCIATION, INC.**  
**MINUTES OF MEETING OF THE BOARD OF DIRECTORS**  
**Monday, July 6, 2009**

**A. Call to Order, Notice, Roll Call, Determination of Quorum, Approval of Minutes:** A regular meeting of the Board of Directors of Bear Island Homeowners Association, Inc., pursuant to posted notice, was held at 7:00 P. M., on Monday, July 6, 2009 at the Faircloth meeting room, Shiloh Boulevard, West Palm Beach, Florida. Present were: Directors Howard Berman, Laura Fedor, and Stephen Seftenberg. Karen Spina and Louis Stevens were excused. Mr. Berman acted as Chair and Mr. Seftenberg as Secretary. The Chair declared that a quorum was present. Upon motion duly made and seconded, the minutes for the Board meetings on May 4 and June 1, 2009, were unanimously approved and signed by the President and the Secretary.

Also present were Bryan Welch, the Property Manager on behalf of MMI of Palm Beaches, Inc., David McElroy, Diane Rose, Ron Warnecke and Wayne Meisenzahl, home owners.

**B. Reports.**

1. **President.** No report.
2. **Architectural Control Committee.** No report.
3. **Manager's Report.** The Manager's printed report is attached to these minutes.
4. **Gatehouse.** No report.

**C. Old Business**

1. **Water submetering.** The Chair recognized Michael Sloup, President and CEO of American Waster & Energy Savers, of Boca Raton, Florida. His company's proposal is attached to the minutes. The Owners paid an average of \$78.67 per month for potable water and sewer service from the City of West Palm Beach (2009 budget \$214,299.96 / 227 = \$944.05 per year /12 = \$78.67 per month). The average cost to residents of West Palm Beach is about \$52 per month, so it is obvious that there may be serious leaks in and under houses or in the pipes within the Common Areas, or faucets or toilets are being allowed to run continuously. Submetering allows individual usage to be measured. If an Owner is "using" \$200 worth of water service, submetering provides an immediate incentive to conserve waster. Water rates are rising and will continue to rise for the foreseeable future. Mr. Sloup's company proposes to install 227 individual water meters between the shut-off valves and the houses. Each meter will be connected to the company by a Data Collection Unit, which permits instant recording of usage. Each Owner will be charged \$3.50 per month. The Owner will be billed monthly, but can obtain an electronic record of the Owner's usage at any time. The cost of installing the submetering system to the Association will be \$ 79,268.00 (\$349.20 per unit), plus some additional charges for replacing shutoff valves and wall mounts for the meters, if required. Mr. Sloup predicted that the average cost to Owners would decrease by anywhere from 20% (\$16 per month or \$192 per

year) to 30% (\$24 per month or \$288 per year), which would permit the Owner to recoup the cost of installing the meters in 14 to 22 months! Even after deducting the \$3.50 per month service charge, the predicted savings would be \$12.50 per month (\$150 per year) to \$20.50 per month (\$246 per year), with recovery times of 17 to 28 months. Some Owners will, obviously, receive larger bills, reflecting either their larger usage or the fact they are wasting water. After sustained questioning, the Chair excused Mr. Sloup with thanks.

**2. Xeriscaping landscaping.** The Chair called on Mr. Seftenberg, who reported his conversation with Owner David Campbell, who operates a landscape design company. Mr. Campbell recommended against replacing healthy plant material that may not be qualify as “Florida-friendly landscaping” as defined in Section 166.048 Florida Statutes, with new qualified plant material. However, should existing nonqualifying plant material require replacement because of age or disease, etc., then the new plant material should be selected from qualifying plant material on lists supplied by South Florida Water Management District.

**3. Bank accounts.** The Chair called on Ms Fedor, who reported that the spokesperson for her bank was sick and unable to attend the meeting. The Chair postponed discussion of this topic until Suntrust has had an opportunity to present its proposal.

**4. Amending and Restating the Declaration.** The Chair called on Mr. Seftenberg, who reported that Mr. Powell, of the Association’s law firm, had presented the Association with an opinion letter with respect to the issue of obtaining required consent to the amendment and restatement of the Declaration from the “Institutional Mortgagee with the highest aggregate mortgage indebtedness on the lots.” The opinion letter will be attached to the minutes in the records of the Association. Mr. Powell had also provided Mr. Seftenberg with a list of typographical errors, suggested nonsubstantive clarifications and outlined the proper form for the document to be recorded. The Chair requested Mr. Seftenberg to draft and circulate the “master” letter to the top six lenders as shown on the Official Records of Palm Beach County, at their last known addresses as shown on the records. Upon motion duly made and seconded and unanimously adopted, the Board directed that a lender be deemed to have consented to the amendments if it fails to respond to its letter within 30 days.

**5. Alarm Monitoring.** In the absence of Mr. Stevens, the Chair postponed discussion of this topic to the August meeting.

**6. Irrigation Pumping Station Repair.** Mr. Welch circulated the report from Hoover Pumping Systems describing the increasing cost of maintaining the existing irrigation controls and recommending immediate replacement as insurance against a catastrophic failure in the near future. After discussion, upon motion duly made and seconded, the Board approved the proposal attached to the minutes, to replace the existing system at a total cost of \$14,615.38.

**New Business.** There is no New Business.

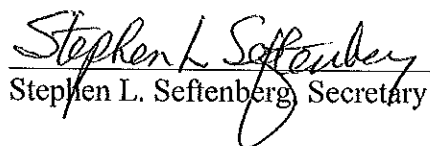
**E. Communications to the Board.**

1. Mr. McElroy expressed his appreciation for the requested removal of the tree and of a portion of the drain installed on his property by his neighbor.

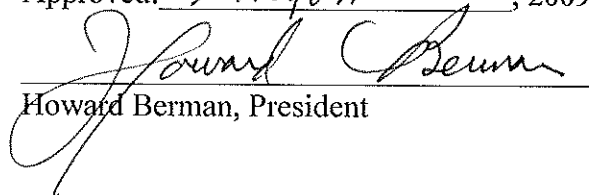
2. Mr. Meisenzahl had several questions about the 2008 and 2009 budgets. The Chair suggested that Meisenzahl put his questions in writing to Mr. Welch, who will do his best to respond promptly.

**E. Next Meeting; Adjournment:** The Chair set the next regular Board meeting for Monday, August 3, 2009, at 7:00 P.M., at the Faircloth Meeting Room, Shiloh Boulevard, West Palm Beach, Florida. There being no further business, the meeting was adjourned at 9:20 P. M.

Respectfully submitted,

  
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Stephen L. Seftenberg, Secretary

Approved: 3 August, 2009

  
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Howard Berman, President