

OBC1 Owners Meeting Minutes May 2, 2026

Meeting called to order by David Hux at 10:05 am.

Board members in attendance: Suarez, Field, Schnell and Hux. On Zoom teleconference: Cook. Board members absent: Cybul and Truxaw.

Notice of Owners Meeting submitted by Harford Field and on file.

The proxies counted were 21 when 22 needed for a quorum. Quorum not met.

Minutes from last meeting to be as written without change since no Quorum is present to approve the minutes.

Election: No election since no new candidates and all current members declaring to remain active except Harvey Cybul who has opted to resign/retire from the board. That leaves six active board members for 2026-27 fiscal year. The board will seek a candidate to fill out the board at seven members.

Reports of Officers:

President (Christy Truxaw, read by Dave Hux): Regrettably, I am unable to attend the upcoming Owners meeting. However, I have full confidence in my Officers and Board Members to conduct the meeting in my absence.

I had intended to introduce Chris Dalessio to the Owners in person, but he is also unable to attend. Chris has been working for a month and is adapting to his new role. He and his wife, Annmarie, recently moved into our neighborhood. Due to their proximity, he is willing to assist us at OBC1 when needed.

This season has been particularly challenging due to the severe freeze that occurred, which is believed to be the most intense on record for Flagler Beach. Consequently, we lost several bushes and trees. We are advised to be patient and wait until late May or June to assess the recovery of the affected vegetation. However, if the damage persists, we will need to replace some of the landscaping. I have scheduled a visit from our Landscaper on Friday, May 1st, to evaluate the Palm Tree at the corner of Unit 101 and obtain a bid for its replacement. I will continue to plant what has survived the extreme freeze, which is notably cacti. Additionally, installing rock around the remaining pool area is another objective by the end of May.

Recently, we completed the replacement of three electrical panels and breakers in the electrical room, which were also 50 years old. Furthermore, we have updated our outdated timer system for controlling the building lights with reliable new photocells.

New Blue Awning's will be installed in late May or early June to replace the old ones. This will complement our new umbrellas in the common areas, which are a popular gathering spot for Happy Hour. We are also in the process of having a new ornamental aluminum gate with distinctive side panels fabricated. This gate is currently being powder-coated and will be installed by the end of May. Our 50-year-old gate is deteriorating and requires retirement. We are fortunate to have the original artisan of the old gate create this new gate for us once again.

Our elevator modernization project is currently underway, and its timely completion is imperative. The existing car operating panel will be replaced with a new one. The existing controller will be replaced with a state-of-the-art microprocessor-based control system. The existing door operator will be

modified with a new solid-state type featuring state-of-the-art closed-loop feedback control. The closed-loop feature enables constant monitoring of the speed and location of the doors during any position of travel, ensuring smooth and consistent opening and closing motions. In addition to the operator, all interlocks and door rollers will be replaced. The car door will remain intact. The existing mechanical door reversal device will be replaced with a 3D infrared device that will reverse the door without requiring physical contact with the door. This 3D infrared device will significantly enhance the elevator's functionality, addressing the issues caused by its age and the obstruction of the car door by luggage carts. Recently, we experienced a similar incident that resulted in a \$3,000 repair to restore the elevator's functionality. We will promptly inform the ownership of the lead time and schedules, and we anticipate a minimum of 12 weeks of elevator shutdown with repairs likely to begin after August 1.

As evident, we have implemented essential improvements to our building to ensure its long-term viability and future success.

Vice President (David Hux): R&K has essentially completed all punch list items from hurricane damage repairs and will shortly be issuing a release (of lien) and of completion so we can get final insurance payment from Lloyd's of London completing all actions and payments for the project. Due to Christy's project to bring our elevator into compliance this year so the state will certify the elevator system by late summer to early fall, we will delay replacing the parking lot asphalt until after that project is complete and we can assess if we have sufficient funds to resurface this year or delay until spring of 2027. Repairs are to be from maintenance and reserve funds precluding a need to ask for a special assessment to cover the costs.

Treasurer (Brian Schnell): As noted with this year's budget, we were able to keep our HOA payment at \$675 a month and I'm happy to report that all monthly HOA dues are paid up to date with no outstanding delinquencies. Note we do have one lien outstanding thru R & K Construction (Contractor for our Hurricane Milton repairs). Soon as that work is completed, I will obtain a release of that lien before the final retention payment is issued to them. At the same time, we will seek final payment from our Insurance Company for the remaining proceeds due us that were held upon final completion of repairs.

In accordance with the mandated reporting governing Condominiums under Florida Statute or Chapter 718.112(2)(g), OBC1 is adhering to the SIRS report and will be in full funding compliance as of December 31, 2026. As a reminder on the Special Assessment Notice that was sent to you to close that funding gap, the special assessment of \$5,281 may be made in 2 equal payments with the first payment of \$2640.50 to be paid by July 15 and the second one of \$2640.50 to be paid by October 15. Please email me directly if you intend to make 1 single payment on or before October 15. To date, I've received a couple of payments and 1 email to pay the full amount by October 15.

OBC1 has engaged the auditing firm Martin and Associates out of Daytona Beach who is conducting a "Review" of our Financials for the 2025 fiscal year. Note they also complete one of our Federal Tax filings. The goal with this type of audit is to confirm that no "material modifications" are needed for the statements to be accurate. I meet with our bookkeeper, Dave Doolittle, on a weekly basis and he informed me this past week that the review has been completed and I should have a copy of the report next week for review and signature and will let you know when it is available on our web site.

Our recent change of insurance brokers this year from Insurance Offices of America (IOA) to Brown and Brown has put OBC1 in a better position. As a result, we achieved an overall decrease in total premiums of \$20,391.92 (which includes the dropping of flood insurance totaling \$11,274 that will expire on June 1) when comparing year 2026 to 2025. Our wind/hazard policy and the entire market in Florida overall saw a decrease in their premiums thanks in no small part to the fact there were no named storms to impact either coast of Florida last year and despite the fact we had a claim due to Hurricane Milton in the year prior. So, we are seeing some improvement in the insurance market for Florida. Zack White from Brown and Brown mentioned we could see a smaller decrease next year but will hinge on the weather impacts to

Florida and us of course. Note we also completed our every 3rd year required Insurance Valuation Inspection this year. Our replacement cost valuation saw an increase from \$7,555,770 in 2023 to \$8,661,820 in 2026. The next inspection will be required again in 2029.

CSC LAUNDRY CONTRACT ENDS 7-31-2026

Our current 10-year lease/contract with our Laundry Provider, CSC Service Works, is set to expire on July 31. Harford and I are in active negotiations with CSC and another Vendor by the name of Commercial Laundries, Inc. who services our neighbor Ocean Breeze next door. We received offers from both Companies in the past couple of weeks with details being ironed out.

CSC is seeking a 3rd consecutive agreement with us. They're offering a contract for 6 years with a slight concession on their revenue agreement. However, with various customer service issues in the past year (notably with the age of the equipment and constant breakdowns (combined with slow service response times)) and some sporadic issues with their laundry app. and wanting to raise the vend price to \$2 on multiple occasions without Board Approval as written in the contract and the fact they communicated to us they won't be able to commit to a 24-48 hour service turnaround timing are concerning.

Commercial Laundries, Inc. offers us a fresh start and has made a compelling offer that includes an 8-year Revenue-Sharing Contract along with a 9-month sign on bonus giving OBC1 100% of the revenue for the first 9 months which will include the busier peak revenue or Winter Months of January - March with a 50-50 split after that with a machine use increase of 10 cents every other year after. They mentioned their pricing is very low for the Market. They have agreed to start out or keep our current machine vend price at \$1.75 (the price we have currently). Also, I've visited next door with a few residents along with the President and On-Site Manager who seem to be happy with their service or no complaints mentioned. Note: An 8-year contract strikes the perfect balance before we would need to negotiate a new contract and given the toll taken on the machines with the salt air. Commercial Laundries agrees to respond to all service calls within 24 hours of notification, excluding weekends and holidays. They agree that to pay us a pro-rated portion of the revenue if the Contract is breached.

Laundry room issues with unauthorized increase in prices by CSC so currently no change in \$1.75 charges and new contract due in 2026. Some new machines were installed recently and CSC requesting our approval to raise prices to \$2.00 per load. Schnell and Field to negotiate with CSC. Laundry Room deep cleaned while maintenance people onsite and changing out washers & dryers. Water hose valves are old and need replacement.

Secretary (Harford Field): New 2025 code for Condos in play again this year with a special emphasis on election procedures and reserves requirements. We are current on all requirements, and we are monitoring for any new changes. No elections will be held again with no new candidates and remaining members staying on except Harvey Cybul retiring.

Old Business:

- Air-conditioning is broken in Club Room and concern voiced about heat & humidity damage that needs to be addressed. New chairs also need to be replaced. A/C replaced and new chairs acquired. Also, the Truxaws donated 50" Smart TV and Fields donated a new Zoom conference camera for use beginning May 1, 2026. CLOSED
- Flood insurance to be reviewed for viability by Schnell & Field. Insurance not renewed and expires this year as approved by the board of directors. CLOSED
- Water leaks in ceiling of bedroom in 205 when rains are strong under unit 402. What is plan of action? Repairs made. CLOSED

- Field to put out email notification of a few issues for reminder: water conservation, pets restricted on property, beach walk-over removal, returning luggage trolleys to laundry room, pool hours change to 10-10 daily, and notice that Spectrum TV boxes & remotes and modems can
Motion to adjourn: Hux motions to adjourn; Field seconds; passed unanimously. CLOSED

New Business

No new issues raised by owners or board members.

Motion to adjourn by Field and seconded by Hux. Unanimous consent.

Adjournment at 10:59am.

Respectfully Submitted by Harford Field
Secretary OBC1