



Village News

A Publication of Waterside Village

August 2008

This Newsletter

Your Board would have preferred to make this issue available in July, but summer activities prevented concentration on the writing of this issue. We express our disappointment, especially that the previous issue was received by owners with very supportive comments as being very informative. Let's hope that this issue will provide as much information on what's going on at Waterside.

Ask the President

Please remember that we have a new section on the official website that allows owners to direct questions to the President. As long as the questions are signed, the President will provide an answer to the specific request.



If you have not yet registered on our official website, please go to watersidevillage.com and click on the "Communications" tab and then choose "Message Board", then click on "Register" (top right of screen). Follow the instructions. Once

registered, contact the office to be added to the owners group, then you will see the "Ask the President" link on the Message Board.

This private section of Waterside's website was introduced for owners only as a way for an exchange with your Board. By using such an approach, owners have access to a straight answer from their Board and not from the rumor mill.

Owners' Email Addresses

We have over 240 owners who have provided their email address to the office. By doing so this not only provides up-to-date information on a personal basis to the owner, but also reduces the mailing cost and improves the efficiency of the office work. The current newsletter will be mailed by regular mail to owners who have not yet provided their email address. Hopefully they will provide one if they have access to the Internet.

Mailings required by law, such as the budget and yearly meeting requirements, will always be mailed by regular mail to owners. Newsletters, monthly financial statements and status on receivables that are published on a monthly basis will always be available and sent to owners.

Please rest assured that your email address is confidential and every emailing is on a one-to-one basis, so

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other owners do not get access to your email address.

Projects

Entrance / Exit Gates

We installed an arm on the exit side in order to minimize the wear and tear on the gate. The entrance and exit gate remains open from 7:00am to 7:00pm.

If the arm does not function then the appropriate gate section would then close.



About 2 weeks ago there was a breakdown of the arm mechanism on the entrance side. This piece of equipment was the oldest one of the gate set-up, and was not replaced by CSI when the major work was performed about 18 months ago. Hopefully the replaced part will last as long as the original one.

We did have to incur substantial costs to repair all of the electronics, from the card reader to the television that monitors the traffic. Even the office computer that stores all the data needed to be reloaded, as that office computer communicates with the outside reader. This extra-ordinary expense was the result of one of the electrical transformers near Waterside property being hit by lightning that created a power surge.

We are currently negotiating with our insurance provider to see if such an event is covered by one of our insurance policies. If the insurance coverage related to our equipment does not cover such an event, then your Board will have to make a decision on the usefulness of such policy.

The cylinders that were installed during the major rework of our gate close to 18 months ago are a main concern of the Board. These cylinders are of residential quality;

we expect to have to replace them with industrial type in the next 18 months. There is too much in and out traffic to have the residential type. This expense would have to be estimated in the next year's budget, either as a reserve account or as an operating expense.

From November 1st, 2007 to June 30, 2008 we have spent \$ 7,895.06 on the gate system for the following:

- a) An amount of \$1,661.89 was paid to resolve the prior year's remaining issue, left over by the previous Manager.
- b) An amount of \$4,957.58 was spent to add the exit arm over May and July.
- c) A series of small invoices (6 of them) for a total of \$1,275.59 was spent on service calls, training, and providing explanation to our maintenance crew on how the system works.

We still have to receive the invoice for the last power surge repair, and this does not account for the extra guard time when the gate was not functional.



Postal Kiosk

We now have an architect drawing and engineer specification. We received three bids and are negotiating with one in order to see how we can reduce the cost. As soon as we have a final negotiated bid we will get the final permit from

the Town. We estimate that the work will start late in August. This project was part of the operating expense budget for the year. If you look at the last financial projection for the year we have increased our forecasted cost in order to reflect the current ongoing negotiation. The difficulty is the size of the required structure in order to protect the lower portion of the postal boxes from the elements or hurricane winds.

Ground Surrounding Building Foundations

Some of our buildings are showing the base slab, which if not repaired would lead to future difficulties and also lead to termite infiltration. Sand or a specific type of soil will be applied where required.

Painting Program

Manager Daniel Harvey has prepared a painting schedule from the file of previously-painted buildings in order to establish the current and future year program.

This would be a two-step program. First the warranty work will be done on buildings: 1, 2, 3, 4, 6, 7, 8, 14, 15, 35, 36 and 37. Secondly we will paint the following buildings: 40, 41, 42 and 43.

This second stage of the painting will be done in accordance with very precise specifications, like covering the ramps, stairs, bushes and surrounding sidewalks. It will also include the cleaning and sealing wall surfaces. The same quality paint used previously is also specified. Besides the complete re-paintings, we will use the leftover paint from the 2006/2007 program. Wall repairs will be conducted where required and the caulking of the tracks above the shutters would be verified to make sure they were done properly at the

original installation. We have to remember that the 2006/2007 painting program was done by people that are not in the area anymore, so they are not under warranty. We will also refresh the inside of the office during the last part of October.

Sprinklers Major Overhaul

Over the past two months major work was done on the sprinkler system. Two pumps were losing the prime, and we needed a new 5 HP (horsepower) pump, a 2 HP pump, new pressure tanks, and re-piping the whole system from the well to the main pipe was required. We had about 20 wireless valves not working correctly. It was determined that new wire had to be supplied to the timer, which had been broken either by the trees after the hurricanes or by lightning. Permits were required. The total cost of about \$20,000.00 would be funded by the appropriate reserve account. This work would have been required anyway and for now prevents the installation of a third well. We are not in control of the State/County and their possible restriction regulations, but we do have a valid permit to operate the sprinkler system.



Daniel and Larry have also introduced a "wet check" program where a full section of the site is done every week and in a five-week cycle, the full site is done. This verifies if the sprinkler heads are functioning properly and if the

water pressure is adequate. Even after 14 days of no rain at Waterside during July, the grounds were still in good shape. This also eliminates some of the work orders, as this is more of a preventive measure.

These costs would be below the estimated reserve amount budgeted for the year. We have to remember that the budget reserve was for a cost of \$30,000.00.

Sidewalk Repair

We managed to find a firm that will repair our damaged sidewalks for a reasonable cost. The portions that need to be repaired have been identified by Daniel and our Vice-President Mr. Gaby Belanger. The pressure washing of the sidewalks is completed and will be monitored on a continuous basis by our maintenance staff. Short sidewalks leading to a unit will also be pressure washed.

Asphalt Refresher

We are now in the process of getting bids to refresh the central driveway from the entrance to the garbage area of Waterside with the application of a new coat of black liquid tar.

Photoelectric Switches / Electricity Cost Increase

Please note that FPL (Florida Power and Light) was granted an 8% fuel charge to compensate for fuel cost increase. This adjustment would appear on the August statement following the July meter reading.

This concerns each owner and also impacts Waterside's budget for the current and future year. In order to minimize the impact for Waterside, previous management bought a number of photoelectric on-off timers. We will test the

effectiveness of those devices and hopefully this action would reduce our electricity consumption. We have to expect a series of cost increases in other utility areas, like the water bill, since a lot of electrical pumps are used by that utility.

Important Information

New Insurance Law



The section 718.111(11) of the Condominium Act was substantially rewritten with regard to insurance and reconstruction after casualty.

The new insurance coverage provisions will be effective for policies issued or renewed on or after January 1, 2009. For an Association like Waterside we would be required to update our insurance appraisal every 36 months, instead of every 18 months. We cannot comment on the impact of such till we negotiate our program next April.

The memo received from our legal counsel mentions the following: *"there are significant changes in the coverage provisions. For example, alterations installed by the Associationwill be insured by the Association, but alterations installed by individual owners will be excluded from the Association's coverage obligations."*

In situations where an owner replaced his ceramic floor tile, or an owner has

replaced an electrical fixture or a window, you can imagine the confusion this will create if these need to be replaced following a major storm. A newspaper article published by our law firm mentioned that the law would be subject to modification due to interpretation and cost to secure the insurance coverage.

The memo continues to say; "Unit owner coverage is still mandated, but the Statute will also require individual unit owner policies to provide \$2,000.00 of loss assessment coverage per occurrence, will require each owner to provide proof of hazard and liability insurance upon request, but not more than once per year, and will authorize the Association to acquire a policy at the expense of the unit owner if the unit owner fails to provide a certificate of insurance. The new Statute will also require that the Association be named as an additional insured and loss payee on all casualty policies issued to unit owners."

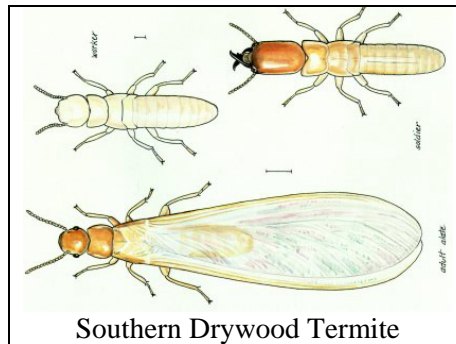
The memorandum we received from our law firm is far too long and complex to reproduce in a newsletter. We simply want to alert the owners that there is change in the insurance requirement that is being introduced in the Florida Statute and we suggest that you consult your own insurance broker to obtain details. Your Association will also issue a special memo on this subject at the same time as next year's budget is published. Numerous modifications will also become law when signed by the Florida Governor.

Termites

Over the past two years 2 different buildings were tented for termites and some of the owners came up

with suggestion of a yearly formal termite inspection. Some asked how to find out if there are termites or not. We researched some information from the firm that did the work and from books and the Internet.

For owners with Internet access, go to: <http://realestate.msn.com/improve/article2.aspx?cp-documented=8483653>i=35000>. Some of the more pertinent information is published here.



Almost no home is immune. Termites live in every state except Alaska. Termite colonies can range from 10,000 insects to a million and reach areas from a half-acre away.

There are three groups of termites in the U.S., the subterranean, drywood and damp wood termites. The first two are the most damaging.

Coastal areas such as Florida are mainly subject to the drywood type. Remember that upstairs units of models A and B are built of wood with an external stucco finish.



FIVE (5) SIGNS YOU HAVE TERMITES:

Our pest control company would probably be the first one to detect them during their spraying either on the inside or the outside. It is the Association's responsibility to make

sure that when they go around they check for these developing situations. You can and should survey your home yourself. Here's what to look for:

1) SWARMING. Swarms usually happen in the spring, when some of the termites take flight from the colony in an effort to establish a new colony. A homeowner with a termite problem will often find the insect bodies lying on sashes and below windows where the termites have tried to exit. (This is how one home owner reported her situation when we had to tent building 25.) Please, if you are faced with one of those situations, do not remove anything and call the office. The Manager will check the evidence and make a special call to the pest control company for a full inspection.

2) SHELTER TUBES. Subterranean termites need moisture to live, and they hide in tiny spaces. They build pencil-thick tunnels of mud and earth across exposed areas. To see if tubes are active, break one off and see if it gets rebuilt. Our maintenance staff with their current ongoing work will check for this, and instead of applying soil around exposed foundation areas, will use sand (10-16 mesh size) as a preventive measure or a special soil type.

3) ENTRY POINTS. Simply pull back mulch or soil around suspicious areas of the house or ANY rotting wood near the house and look for termites. Weak points in the home perimeter could include plumbing penetrations, settlement cracks in concrete foundations or walls, front entry doors, patio doors, electrical and cable TV entrances.

4) HOLLOWED WOOD. Probe suspect wood with a knife or flat-blade screwdriver to see if it's been hollowed. Severely damaged wood may sound hollow when tapped. This is harder to detect as an owner would

need to have access to the wood to do this test. Brown, sand-fine dust around the edge of a baseboard, near a window or door frame could be evidence of termites.

5) DIRT IN WOOD. Sometime owners are confused about water damage and termite dust. Water damage does not create dust, and termites do. It is important that as soon as a water leak is found in a unit to report it to the office, as the termites need access to some form of humidity to survive. The office will react promptly to water infiltration and fix the problem if it is the responsibility of the Association.

Very often owners are quite upset when they receive a notice from the office to remove wood debris and furniture from the outside of their unit. Remember this is also a preventive measure that helps reduce the risk of termites.

There are different solutions to fix the problem:

A) THE LIQUID SOLUTION. This is the basic solution at Waterside, as results are quicker than other options. This solution is done by our pest control provider. Depending on the degree of infestation the liquid may also be injected in the wall by drilling small nail-sized hole.

B) BAITING. This solution requires the installation of plastic stations around the building perimeter but is not that effective as it can take up to six months before the termites get to the baiting station.

C) THE ORGANIC SOLUTION. Substitutes chemical products but has not proven to be very effective.

D) TENTING. A very costly solution, over \$3,000.00 for one building, and the results are not guaranteed to prevent future infestation.



This method also disrupts residents who must remove all food and liquid substances and other products, and they must move out for 3 days.

Some owners suggested a yearly inspection by a specialized firm. There is no guarantee that termites might not appear after the inspection date once a year. There are preventative things owners can do:

- 1) Owner should empty crawl spaces of storing wood.
- 2) Stored wood for alterations should be on a support structure at least a foot above ground.
- 3) Stop all types of leaks.
- 4) Limit mulch around your unit as it retains more water and opt for sand or other type of soil (diatomaceous earth) that dehydrates termites instead of mulch. This will be the new norm for Waterside when we do work near the foundations of units.

We hope this answers some of the owners' questions. In the next issue we will talk about the sales tax on rentals of less than 6

months, as there appears to be a surge in this area at the State level. We will also address leak prevention and other situations that may develop.