



# Gulf Shores Plantation

Monthly Update until we get back to the beach - APRIL 2021



## LET THE COUNTDOWNS BEGIN

What a great month it has been at GSP. The ends are in sight for all buildings with the new construction schedules and oversight. I finally feel that our goal of making GSP into the *Premiere Family Resort* is attainable. As you will read, we did not get here easily, as the first 90 days were nothing but challenges. Sometimes the hardest part was keeping our mouths shut as we were instructed. We learned to trust each other and we found everyone's strengths.

Thankfully, we close the first quarter beautifully, just like the sunset above. We are about to sign a contract to provide state of the art security cameras, webcams and rewiring of all buildings. We hope to have a new security service in the future and a few other very positive changes. We have listened to the owners wishes and concerns.

Stay Positive - Focus on the Goal and please pray for good weather.

## TAKE NOTE OF THIS

### **SHELBY KILPATRICK - Secretary**

I would like to thank the owners that requested and helped our previous BOD by agreeing to the Zoom Meeting for our annual Board Meeting. On January 17<sup>th</sup> while I was still at Gulf Shores, I received a call that a condo that I own in the Smoky Mountains was damaged by fire. I have spent three months working with Insurance, HOA, and contractors. The condo had its first guests on Easter Weekend. I have been able to be involved in all our GSP Board of Directors' meetings, thanks to Zoom and Conference Calls. Zoom Meetings are something that the 2021 Board has been and will continue to use. I have been slower than I should have in signing the minutes after they have been approved and mailing them back to Wendy. I will be able to print them faster now that I am back home and have them mailed to Wendy in a timely manner, for her to post. There are so many missing documents that Wendy has tried to find. Coastline Management did not leave our files intact or have they been responsive when contacted. Wendy and the Board have worked together on trying to piece things together. Wade, Bill, Lesa, and Ann spend multiple hours each week working for our HOA. They are true fighters for GSP and are squeezing everything out of Claremont and the Insurance that they can for our buildings and amenities. Now if our supply chain, Claremont, and Mother Nature can all work together, we will continue on the road to the GSP Phase 1's full Recovery. As owners, we all share that goal!

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# STORAGE UNITS AND LAUNDRY ROOMS

## **ANN DELMORE - Vice President**

This report will include current storage unit owners information, status of the storage unit waiting list and laundry rooms washers and dryers. Please be aware that this work was basically started from scratch and from what pieces of paper I was able to locate. Between Coastline, Lori, Hurricane Sally and the prior board I was unable to retrieve much to help.

That being said if you do not see your name on a list and you believe it should be-contact me direct. If you do see your name on a list and you don't believe it should be-contact me direct.

As new doors to storage units are being installed there will be a new numerical system to identify them. This will eliminate a large amount of confusion for owners and future boards to say the least.

There are numerous owners that have not paid their 2021 dues for their storage unit. I ask that each of you contact me directly.

As far as the waiting list-I had to start somewhere and this will be the official waiting list moving forward. I have found at least one available storage unit that will be offered to the first owner on the list. There is the potential for more openings.

We have 44 washer/dryer units. All units will be serviced, rebooted and tested on April 20. We are looking into vending machines, both laundry products and snack machines. Along that note we are also looking into 2 additional ice machines with one to be placed south end between B1-B2 and another south end between B2-B3. We feel these machines will be a convenience to guests and much needed income for the HOA.

All signage will be updated to match the new colors for our resort as well. We, as your board, have given and will continue to give 100% of our time and attention through this difficult phase and look forward to normal days ahead. I would like to thank everyone for their patience!

#### CURRENT STORAGE OWNERS LIST:

11C Dillinghan-4101  
12AA Melerand-1105  
12BB Ellenburg-1107  
12CE Yost-4507  
12CW Kornowicz-3124  
13AA Ballard-3205  
13C Brewer-1309  
13BB Springman-4301  
13CC Theis-1305  
21A Kelly-2317  
21B Hobbs-2109  
22A Bankester-2206  
22AA Repking-2307  
22B Bauguss-2226

22C Wylie-2205  
22D Lee-2308  
22E Shaw-3203  
23A Zahneis-2323  
23AA Winship-3304  
23B Dodds-2306  
23C Downey-2209  
23D Tolar-2327  
23E Tolar-2327  
31AA Mezick-3308  
31B Seely-3125  
32A Merello-3206  
32AA Greiner/Morton-3209  
32B Jones-3211  
32C Nash-3201  
33A Jackson-3306  
33AA Greenway-3327  
33B Reavis-3309  
33C Hazelbaker-4503  
33D Padgett-3316

#### CURRENT STORAGE ROOM WAITING LIST

Jordan-4315  
Middleton-4112  
Gunn-2121  
Caudle-2316  
Pene-3204  
Bautista-1207/2304  
Callahan-4405  
Kilpatrick-3315

We know that this is an incomplete list but it is all we have found after requesting the information from the previous management and board. Therefore, if you want to be added to the waiting list please email Ann at [Vicepresident@gulfshoresplantation.org](mailto:Vicepresident@gulfshoresplantation.org) with your Name, Unit Number and month and year that you purchased.

Respectfully Submitted,

Ann Delmore

## FINANCES AND OUR FUTURE

### **BILL SHAW - Treasurer**

We are beginning to gain momentum in our rebuild of GSP and at the same time, a clearer estimate of the total cost to be up and running. This is made more difficult by skyrocketing material cost, the discovery of previously hidden damage, additional damage from last weekend's storm and the uncertainty of future insurance cost. As we continue to gain a better understanding of our financial position, we are close to finalizing the assessment amount. We plan to delay the due date long enough for most of us to earn rental income during the summer and fall. At this time, there is no reason to change my earlier guidance on the amount of assessment you should expect. Unfortunately, our very early review of operating cashflow with our estimated insurance cost suggests you should prepare for an increase in HOA fees in the ten plus percent range. We have spent most of the first quarter migrating our financials from the poorly managed bookkeeping system of cash accounting to accrual-based accounting utilizing GAAP (Generally Accepted Accounting Principles).

After we open, we will have recovered with significantly lower assessments than those levied from other associations. I wish I could end my update on that positive note, but I have to inform you of other actions the board is taking to protect your investment. As association members, we are exposed to potential liabilities and we empower a board of directors to

protect our equity by identifying and mitigating risk. Your board has been quietly working behind the scenes to ensure we deliver on our commitment to fiduciary oversight.

In the days and weeks immediately following hurricane Sally, the previous board of directors failed us. Their mistakes almost forced us to demolish building four, which would have financially devastated those owners. Hundreds of thousands of dollars were inappropriately paid by the previous board to a subcontractor invalidating the association's master contract. Poor leadership and decision making by the previous board resulted in litigation, a lien against GSP and unnecessary expenses and delays that stretched from weeks to months. Prior to hurricane Sally, the previous board failed to take the advice of legal counsel when engaging in a material contract creating a significant disadvantage for the association, causing us additional costs and time as we rebuild. Much of the silence from the current board is mandated by confidentiality agreements we were forced to sign in order to clean up these mistakes.

Within days of becoming Treasurer, our board was challenged to recover more than \$1,000,000 of misappropriated funds. We initiated contact with the F.B.I. and they launched a criminal investigation. Because the investigation is ongoing, we can only say that we have recovered 100% of the missing funds. We will not be able to answer any other questions about the investigation at this time. This is another reason your board has been unable to disclose certain information. Your board is creating financial controls, building operating protocols and a disaster plan coordinated with our insurance provider in the event of another disaster.

During this recovery we continue to be exposed to a very significant financial liability by literally a few irresponsible owners that continue to spread unfounded rumors, make libelous statements, and in some cases complete fabrications of the truth on digital platforms and in conversations with other owners. These statements can lead to events that jeopardize our financial viability.

Because of this and other threats, your board has passed a unanimous resolution empowering our outside attorney to prepare litigation as needed against any member(s) of this association and empowering our association President to move forward with litigation at his discretion. I have full confidence in each member of your board, and I'm satisfied in both the character and commitment displayed by each of my colleagues. I'm especially grateful for the leadership of our President, Wade Everett. This board will always protect your financial investment by actively and aggressively pursuing all rights and protections to which we are entitled, to the fullest extent of the law. This board is committed to operate ethically and professionally and in the interest of our owner members.

I look forward with great anticipation to our grand reopening!

Bill Shaw

## LET'S CLEAR UP ALL CLEAR

### **WADE EVERETT - President**

A history of the post Sally clean up

*May 2020* - All Clear Restoration had a contract with GSP to provide emergency clean up services after a major storm. This contract required All Clear to come on site and review the property to develop an emergency plan; therefore, they would know the property and what equipment would be needed when they arrived after a storm. Unfortunately, this evaluation was never completed. There was no follow up by Coastline, GSP, etc. to get this critical evaluation done.

*September 17, 2020* - The day after Sally. All Clear did show up, totally unprepared for what they found. They had lots of people on site, but had little management directing the scope of work. All Clear subcontracted with Crest Exteriors to assist with clearing of debris, as well as installation of temporary roofs. Due to the lack of progress and a number of other problems related to the lack of supervision of their employees, All Clear was fired in October.



*November 2020* - GSP received bills from All Clear, and our insurance adjuster requested certain documentation from All Clear to determine the final payment. This was not available or was not provided timely, and All Clear filed a lien and suit in the amount of \$2.9 million dollars. All Clear gave GSP an extension of the time to file an answer to the suit, pending a review by our insurance adjuster of the billing.

*December 2020* - Our insurance company is obligated to hire a law firm to defend any lawsuit against GSP. A law firm was hired at an hourly rate with a possible total cost of \$250,000.00 over the next couple of years of litigation.

*January 2021* - The billing documents were provided to our insurance adjuster, the GSP Board election occurred, and our insurance audited the bills after inspecting the amount of work completed and approved a payment.

Once the insurance adjuster finished their audit of the value of work completed, negotiations began, and the Board authorized a payment that was less than the amount approved by the insurance adjuster. This was a win/win, except for the law firm that lost the potential \$250,000.00 fee.

Had we litigated over the next couple of years, GSP would have to set aside as reserves enough insurance money to pay any potential verdict in the amount of \$2.9 million for the claim and attorney fees which are awarded on the lien and suit. We could not use that money for construction, and would have to either have an assessment in that amount or stop construction.

*April 2021* - Crest Exteriors was a subcontractor hired by All Clear in September 2020. In December 2020, Crest was paid directly by GSP for a portion of their bill potentially breaking the subcontractor status. As of today, the balance of their bill is still being negotiated since it exceeds the approved insurance amount and could result in litigation; therefore, comments must remain general in nature until this is resolved. Our insurance adjusters are actively working with GSP and Crest to finalize this matter.

## **CONSTRUCTION UPDATE**

Larry Oliver reports that we had the most productive week so far with sheetrock hanging and finishing double the normal speed. Sheetrock is hung in all of 1 and 2 and the first and second floor of building 3. The roof drains are scheduled to be delivered on Tuesday and if the rain will ever stop, they will be installed in all three buildings this week. Once they are installed, the units that are below them will have the sheetrock completed.

The storms and rain halted outside work this week.

**Building 4** the TPO roof is approximately 30% complete. Inside work is continuing.

**Building 3** has the HVAC units still being installed and then the mansard will be completed.

**Building 2** has the HVAC units installed and most are up and running (they are turned off when the sheetrock is being finished to keep dust out of them). The units are prepped for paint and it is onsite.

**Building 1** most units have been painted and cabinets and flooring should be installed this week.

Severance Security is maintaining strict ingress and egress. You must be registered 48 hours in advance through Wendy. This security is required because cabinets and fixtures are arriving daily and are stored throughout the building.

Hallway carpet (grey/charcoal) and light fixtures are on order. The exterior doors are on order, but most will not be installed prior to June 1. Claremont will arrange a convenient time with each owner for the install.

Glass and sliding door hardware will be installed beginning Mid May.

The pool fence was to begin this week, but has been delayed by the weather.

Appliances have been ordered and are arriving in small quantities. Your point of contact will be reaching out to you this week to determine who has appliances they could use until the new ones arrive.

Your Points of Contact will be reaching out to you with details on the progress of your unit. Please relay questions and concerns to them. This is the most efficient way to get information to Claremont about your unit.

No washers/dryers have been disposed of; however, please make arrangements to have them moved off the property as soon as possible.

Insurance - We renewed the builders risk policy for 60 days. We are still working to get full insurance by May 15. We were delayed because building 3 was not complete enough by the April 15 deadline.

MOVE IN DATE - I see our move in just like a college dorm move in, with everything is happening all at once. It is a potential for mass chaos. Therefore, we are going to steal from the Georgia Southern playbook. On that date, we will have workers to assist with moving, contractors to check and make adjustments, as well as management to answer questions and make a punch list for repairs. We will coordinate with outside vendors, such as White Sands for the return of your items from storage. It will take a lot of organization, so watch your emails for details and ways you can volunteer.

## **WEBSITE UPDATE**

A huge thank you to Randal Ray for becoming our webmaster and updating the site. Please check it often as it is changing daily. Remember to register on [gulfshoresplantation.org](http://gulfshoresplantation.org) as it now requires a login to see any info.

## **BOARD MEETING MAY 1 @ 9:00 central**

This meeting will be broadcast via Zoom for those interested. We hope to have the Dome Pool Proposal to present. This proposal will require a written vote.

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