



Palmas Del Mar Homeowners Association

No. 5 Academy Drive, Humacao, PR 00791-6904
Phone: 787.285.6425 • www.palmaspha.org



May 3, 2024

Dear Homeowner:

Minutes of the Annual Meeting of PHA Members held on Saturday, April 6, 2024, are forwarded in accordance with the Palmas del Mar Homeowners Association (PHA) By-Laws. Please contact PHA at (787) 285-6425 should you have any questions/comments or require additional information.

Sincerely,

Jose A. Quinones
Executive Director





MINUTES PHA 49th ANNUAL MEETING

Minutes of the Annual Meeting of the Membership of the Palmas del Mar Homeowners Association (PHA) held on **Saturday, April 6, 2024** at Palmas del Mar, Humacao, Puerto Rico.

I. CALL TO ORDER

The 49th Annual Meeting of the Palmas del Mar Homeowners Association (PHA) was called to order at 9:00 a.m. by Mr. Enrique Alejandro, President. Mr. Alejandro welcomed all attendees and outlined the order of business and procedures for the meeting.

II. ROLL CALL & QUORUM

The PHA Board Secretary, Mrs. Mariel Figueroa, conducted a roll call of the PHA Board.

Class A Directors Present

Mr. David Hurwitz
Mr. Brad Cohen
Mr. Robert Lowry

Class B Directors Present

Mr. Enrique Alejandro
Mr. Jason Maddox
Mr. Fernando Sosa
Mr. Joe Vizcarrondo
Mr. Ricardo Casillas
Mr. Carlos D. García
Mr. Jorge Manrique
Mr. José R. Vázquez
Mrs. Mariel Figueroa

Directors Excused

José De Jesús

Quorum for the Annual Meeting was established at 71% with 2,605 voting units out of 3,658 represented by 32 out of 47 voting District Delegates or alternates as follows:

	<u>Name</u>	<u>Regime/Association</u>	<u>Units</u>	
1	José Rodríguez	Aquabella	131	
2	Jorge Blay	Bahia del Sur	37	

3	Joseph Tusinkiewitz	Beach Village I	36	
4	Steve Kreishner	Beach Village III	30	
5	Jorge Manrique	Beach Village V	72	
6	Raúl Candelario	Casillas de Palmas	30	
7	Enrique Alejandro	Club Villa	25	
8	Carlos Rodriguez	Crescent Beach	156	Zoom
9	Lexy Sanchez	Crescent Cove	101	
10	Maricarmen Muntaner	Fairlakes Village I	100	
11	Madeline Pérez	Harbourlakes	248	
12	Jose Quiñones	Harborlights	88	
13	Rebecca Pinott	La Jolla	69	
14	Emilio Colón	Las Villas I	45	
15	Annie Ray	Las Villas II	45	Zoom
17	José Lezcano	Maralago	72	
18	Marlyn Ortiz	Mare Sereno	56	
19	Lucy Pereira	Palmanova Village	66	
20	Nerdy Cruz	Palmas Doradas	70	Zoom
21	Rafito Miranda	Palmarina	39	
22	José R. Vázquez	Palmas Plantation	178	
23	Victor Galán	Península de San Juan	50	
24	José Vizcarrondo	Plaza del Puerto	38	
25	Ricardo Villalobos	San Marcos Island	39	
26	Jose A. Silva Cofresi	San Miguel Island	74	
27	Frances Olivieri	Shell Castle Club	64	
28	Sunrise	Mariel Figueroa	114	
29	Jason Maddox	The Estates	298	
30	Antonio Bures	Tennis Village	38	
31	José Otero	The Woods	33	
32	Daisy Diaz	Villa Franca I	136	
	Total		2605	

III. APPROVAL OF MINUTES

Minutes of the 2023 Annual Meeting were mailed to the membership within 60 days after the meeting in accordance with the PHA By-laws. No comments were received.

Minutes of the 2023 Annual Meeting were unanimously approved. upon a motion by Mr. Joe Tusinkiewitz seconded by Mr. Edd Siler.

IV. PRESIDENT'S REPORT – MR. ENRIQUE ALEJANDRO

Members of the Board, distinguished PHA Delegates, members of the Palmas Del Mar Homeowners Association, special guests and friends. It is with great satisfaction that I present to you the Annual President's Report.

I want to start by thanking all of you, individual property owners that make up the membership of the Association, the PHA Delegates that represent your individual communities so well, members of the various PHA Committees; and specially, my fellow Board Directors for your support, your commitment, your dedication and your generosity as you voluntarily give so much of yourself and your time for the benefit of our community.

My special thanks and recognition for those who have served before us, either as Directors of PHA, Delegates or any other capacity, representing our community at Palmas del Mar. Thank you for your outstanding work, dedication and commitment to the wellbeing of our community.

Ours is a growing, diverse thriving residential resort community full of challenges, which we have turned into greatest opportunities. That is why this past year we have been able to provide to all our community needs and improve our quality of life. We have been able to bring about substantial improvements to our critical infrastructure by working with partner agencies, and will continue to do so. The services being provided have made our community safer, secured and more enjoyable, while sustaining our community growth and enhance property values.

Today you will hear from the Treasurer, that in spite of high contracting costs within Puerto Rico, the PHA remains a strong and financially stable institution. We have made and continue to make the necessary adjustments to protect our financial strength while ensuring that services to the community continue uninterrupted, and at the same quality level. However, we are striving to move our community to higher quality levels "same" is not enough for the legacy we want to establish. As such, the PHA Staff has chartered a consultant that will evaluate our Palmas del Mar Association Homeowner Association fee's structure, in comparison with numerous Capital Improvements and critical infrastructure works that need to be completed to attain that higher quality of life demanded from all residents. The report will be provided to the community.

The last few years have been very difficult for Puerto Rico; however, Palmas del Mar has shown tremendous resiliency and strength. Instead of complaining, instead of waiting for any governmental agency to solve our problems, we faced this challenge with an aggressive effort to transform Palmas into an attractive residential resort community with plenty to offer to our residents and visitors alike. An ambitious street repaving program has commenced, along with heavily on the landscaping and maintenance of common areas, fixed community infrastructure problems, as we coordinate and intensive work with the Highway Department and the Municipality of Humacao, to build the Villa Franca Common area, and continue to work in several other initiatives to position our community as one of the best residential-resort community in Puerto Rico.

All this work has brought us to a new brilliant and promising reality in Palmas: a safe and secured residential resort community, with a highest quality of life, while upkeeping our critical infrastructure secure and operable. No other community within Puerto Rico is

alike! A positive tendency and stability for 2023 showed a marked improvement with real estate, carried over to year 2024, and we expect the real estate market to become very stable and solid, with the resulting increase in property values.

We will continue to aggressively pursue our primary objectives and, budget permitting, we also intend to continue to help our neighbors in the surrounding communities through numerous programs. PHA has reach out to children in the adjacent Buena Vista and Candelero Abajo wards through a scholarship program instituted by the PHA Board of Directors that allows bright, young students from these neighboring communities to attend the Palmas Academy. We strongly believe that initiatives and programs such as these ones will go a long way toward creating good relations with our neighbors and a better future for these talented students.

Sargassum and Beach erosion has been one issue that continues to keep us very busy as the problem has reached unprecedented levels. Our efforts in this area have continued, with the allocation of higher funds to collect sargassum from our pristine beaches and inner marina. PHA is teaming with other non-for-profit entities in order to conduct scientific, research and development involving the collection and processing of sargassum to numerous uses.

The fact is that sargassum and beach erosion has been in a process of significant acceleration. PHA has made important decisions that will affect the very existence of our beach quality, to avoid adverse impact to the quality of life, health hazards concerns and beach quality. PHA continues with FEMA, COR3 and the Department of Natural Resources working with the artificial reef project at Punta Candelero, with the initial phase of design and permitting commencing soon.

Coping with the changes in the beach and protecting our properties from the consequences of the extreme sargassum arrival and coastal erosion is not a simple or an easy task. In fact, there is no proven solution for it. Climate change, global warming, the rising of the ocean levels can be controlled or alleviated only by a worldwide effort against all the factors that are causing it. The currents, the tides and the cold/warm fronts have different effects on each beach in accordance to the way in which the energy of the water hits the beach. It is necessary to know these differences in order to make the best decisions to mitigate the effects of that energy against the shoreline. It is obvious that the weather conditions change during the year and that the mitigation measures we have to protect our coasts, our properties and our lives will depend on the place where we are.

Highly important, on a day-to-day basis, the security and safety of our community remains our number one priority. I want to recognize our Ranger America Staff, led by our Security Director, Mr. Miguel Velazquez, and our Security Council as well as all the dedicated members of the Council for their excellent job in overseeing our security plans and efforts in this critical area. The results speak well of the quality of work.

When it comes to the security and safety of our community, we will spend and do whatever is necessary to ensure the safety and security of all members of the Palmas Del Mar community. That is why we have recently upgraded the main/back gate cameras and at a cost of approximately \$55,000 with state-of-the-art cameras effective during day or night hours, we are in the process of upgrading our perimeter security cameras, to have added additional security to sensitive areas.

Although we are not immune from delinquent activity every now and then, the statistics reflected in the report distributed to you today, show that Palmas Del Mar is the safest place of its kind in Puerto Rico. This is not by accident. It is the product of extreme hard work and effective supervision, applying our resources where they are mostly needed, implementing good programs, sound initiatives and above all dedicated personnel.

As you can see from the report handed out to you today, Palmas remains free of major criminal activity such as homicides, rapes, sexual assaults, aggravated assaults, and vehicle thefts and a very low incidence of robberies, burglaries and illegal appropriations. Certainly, good news that should make us feel comfortable about living in Palmas and telling others about our quality of life in this regard.

As we have advised you in the past, please continue to take appropriate measures to protect your household and your property. There is a lot you can do to prevent crime. In the security report we have distributed to you today, there are excellent security tips for you and your communities. Please put them to good use.

Also, it is important that you stay correctly informed to prevent false rumors that only make our community unnecessarily nervous and does more harm than good when the information is inaccurate. If you have a question or need information, please contact Mr. Jose A Quinones, or our Director of Security Micky Velazquez to get the correct data before putting out information of your own especially through the social network.

On another safety and security related matter, you know that our community has been plagued by stray dogs roaming our community. Many of these are wild dogs that have been living in the forest or wetlands around Palmas for years while others are stray dogs either abandoned within our community or that venture into our community from the nearby wards. As it has been recorded these dogs have attack and kill other domestic animals, or have bitten numerous members and tourist visiting our Palmas del Mar premises.

In addition to the obvious safety hazard, they clearly represent a serious health threat. According to our veterinarian consultants, these dogs often feed on other animals such as the mongoose, which is also very prevalent in the green areas of our community, and is well known to be a carrier for infectious diseases such as rabies, amongst other named diseases.

In view of this problem we encountered, PHA contracted a professional service to help neutralize this problem. The service company has all the permits, license and insurance requirements. We have developed a protocol to ensure that domestic pets are protected and any captured dog is handled in the most humane manner and in strict compliance with the law. Simultaneously, we are also working with other non-for-profit organizations to manage the humane treatment of captured dogs and several options of adoption for qualifying animals.

This past year PHA continued with a diverse array of community activities that have been the delight of old and young. Our most recent activity was the Easter Egg Hunt for our kids, activities at Hacienda Buena Vista and other, which attracted unprecedented community wide participation and visitors alike creating the image that Palmas is lots of fun and enjoyment.

Also, it has been one of our main objectives to create places such as recreational parks for passive activities for every age group. That is why a couple months ago, you will see the

commencement of the “Palmas Country Trails” which will connect our unique Pterocarpus Forest with our pristine Beach area. This amenity is an extension being added, with approximately three (3) miles of recreation, birds watching and fauna/flora observation areas.

My friends, in closing, let me say it is impossible in a report such as this, to cover the myriad of issues, activities, initiatives and programs in which your Association is involved on a daily basis. That is why it is so important for you to stay abreast of what is going on by tapping into our communications channels and staying informed.

Let me assure you that this PHA Board and the PHA Executive Director will stay focused on matters that mean the most to our community. Our programs and efforts will always be oriented toward improving our quality of life, the values of our properties, the preservation and improvement of the amenities being offered by the community and of course, your safety and security.

I know this is a tall order, but it is one that we undertake very seriously, and with great passion, because we believe in our community and we want the absolute best for everyone. I ask of you your support, your involvement and your contribution to our community. We have a lot of talented and resourceful people in our community that have become aware of the necessity of working together as the only mechanism that will make us achieve our community goals.

Our strategy of dialogue, communication and reaching consensus has been a successful one and has brought us to where we are now: We are our family’s legacy and the shining path to a brighter future! This concludes my report. Thank you.

V. TREASURER’S REPORT—MR. ENRIQUE ALEJANDRO, TREASURER

The report presents the results and financial condition of the Palmas del Mar Homeowners Association, Inc. as of December 31, 2023 audited by CPA Jorge L. Rodríguez Velázquez and the 2024 approved Budget which was sent to the owners on November 2023 as required by the PHA Covenants.

The PHA Board of Directors as part of his responsibility continues monitors the finances of the Association very closely to ensure a healthy financial position that supports the needs and interest of the community giving the ability to deal with the emergency situations while providing the services and support to the community. Security and the quality of life and property values still the number one priority for the Board. As an organization with fiduciary responsibility to its membership, we want to continue to act prudently with our budget and programs for 2024. The Association continues in a good cash position on the operating account as well in the Major repairs/Disaster recovery funds.

The firm JL RODRÍGUEZ & CO conducted the 2023 Financial Audit. The report was posted on the PHA web page in accordance with the PHA Bylaws. As previous years, no findings were reported and we received an unqualified opinion in our financial

statements. The report also validates the excellent management of the operations and strong financial position of the Association.

A. AUDITED FINANCIAL RESULTS AS OF DECEMBER 31, 2023

Revenues

In terms of revenues, audited operating and major repair fund total revenues for 2023 were \$4,357,552 (net of discount) which was \$254,818 favorable in compare to 2023 Budget. The major variances are:

1. Owners Assessment - \$130,114 – Represents new developer houses and prior year assessment (2015 and prior year)
2. Other Income - \$87,758 – Includes legal fee reimbursement for owner in arrears, late charges, change of owner fees, security fines and conference rooms.

	2023			Total 2023 Budget	Variance Budget vs Y-end
	Operating Fund	Major Repairs Fund	Total 2023		
Revenues					
Owners Assessment	\$ 3,918,348		\$ 3,918,348	\$ 3,788,234	\$ 130,114
Road repairs		13,139	13,139	5,000	8,139
Golf cart path fees	149,888		149,888	138,000	11,888
Access control stickers	66,370		66,370	75,000	(8,630)
Bank Interest	10,962	5,894	16,856	4,000	12,856
Other income	180,258		180,258	92,500	87,758
Insurance claim income (Fiona)	12,693		12,693	-	12,693
Total revenues	\$ 4,338,519	\$ 19,033	\$ 4,357,552	\$ 4,102,734	\$ 254,818

Expenditures

Total Audited Operating Expenses and major repairs fund in 2023 were \$4,618,598 representing a negative variance of \$515,864 in compare with 2023 Budget.

The major drivers are the follow:

1. Security – Favorable \$33,816 – Unused special services.
2. General Maintenance – Favorable \$161,230 – Represents lower use of funds for sargassum beach cleaning.
3. Salaries & Fringe Benefits – Unfavorable \$29,776 – Adjustment in minimum wages.
4. Business Meeting & Activities – Unfavorable \$38,749 – Christmas and PHA homeowners weeks activities.
5. Office & car maintenance – Favorable \$16,585 – Saving in car repairs and maintenance.
6. ARB Contribution – Favorable \$20,000 – No contribution to the ARB.
7. Bank Charges – Unfavorable \$16,315 – Represents bank charges from credit card transaction.

	Total 2023 Operating Fund	Total Budget 2023	Variance Budget vs Year end
Expenses			
Security	\$ 1,281,103	\$ 1,314,919	\$ 33,816
Ground maintenance	357,302	344,642	(12,660)
General maintenance	446,100	607,330	161,230
Insurance	102,203	110,300	8,097
Professional services	87,690	103,000	15,310
Salaries & fringe benefits	652,011	622,235	(29,776)
Business meeting & activities	215,749	177,000	(38,749)
Utilities	66,670	67,000	330
PHA General Admi	65,280	74,500	9,220
Office/Car Maintenance	73,415	90,000	16,585
Others			-
Depreciation Exp	153,199	166,608	13,409
Youth Activities	12,332	10,000	(2,332)
ARB Contribution	-	20,000	20,000

Forest Maintenance	6,375	10,000	3,625
Bad Debt Expense	193,724	197,287	3,563
Bank Charges	71,315	55,000	(16,315)
Total expenditures	\$ 3,784,466	\$ 3,969,821	\$ 185,355

In terms of major and special projects, the Association spent \$834,132. The major projects were:

- Road/Cart path repair - \$529,532– Includes golf cart paving from Palmas Academy to Shell Castle Road. Also, paving and lines of La Jolla Drive, Monaco area, Country Club Road and Candelero Drive.
- Marina - \$150,000 – Contribution for the marina dredging.
- General Projects - \$89,000 – Includes replacement and installation of solar lamps, access control gate bars and motor replacement; main gate painting and upgrade and repairs in Roble Valey Road area due to landslide because of the heave rain.

Major & Emergencies Fund

Total 2023 Major Repairs Fund

Main gate upgrade	\$ 9,726
Coral Reef Ecosystem	36,000
Golf cart path & Road	529,532
Marina sargassum	150,000
Walking Trail	4,530
General Project	89,013
Hurricane expenses	15,331

Total expenses **\$ 834,132**

In summary, total audited revenues were \$4,357,552 while total operating expenses and major repairs and special projects were \$4,618,598 ended with \$261,046 unfavored variance due to the major repair’s expenses.

B. 2024 Budget

The 2024 budget was assembled by special committee consisting of the PHA President, the PHA Treasurer, a “Class A and a Class B member of the PHA Board,

the PHA Executive Director and the PHA Comptroller. It was reviewed in detail by the PHA Executive Committee and reviewed and approved by the PHA Board of Directors and sent to the PHA membership in November 2023 as required by the PHA Covenants.

The objectives pursued and the assumptions made in the preparation of the 2024 budget are as follows:

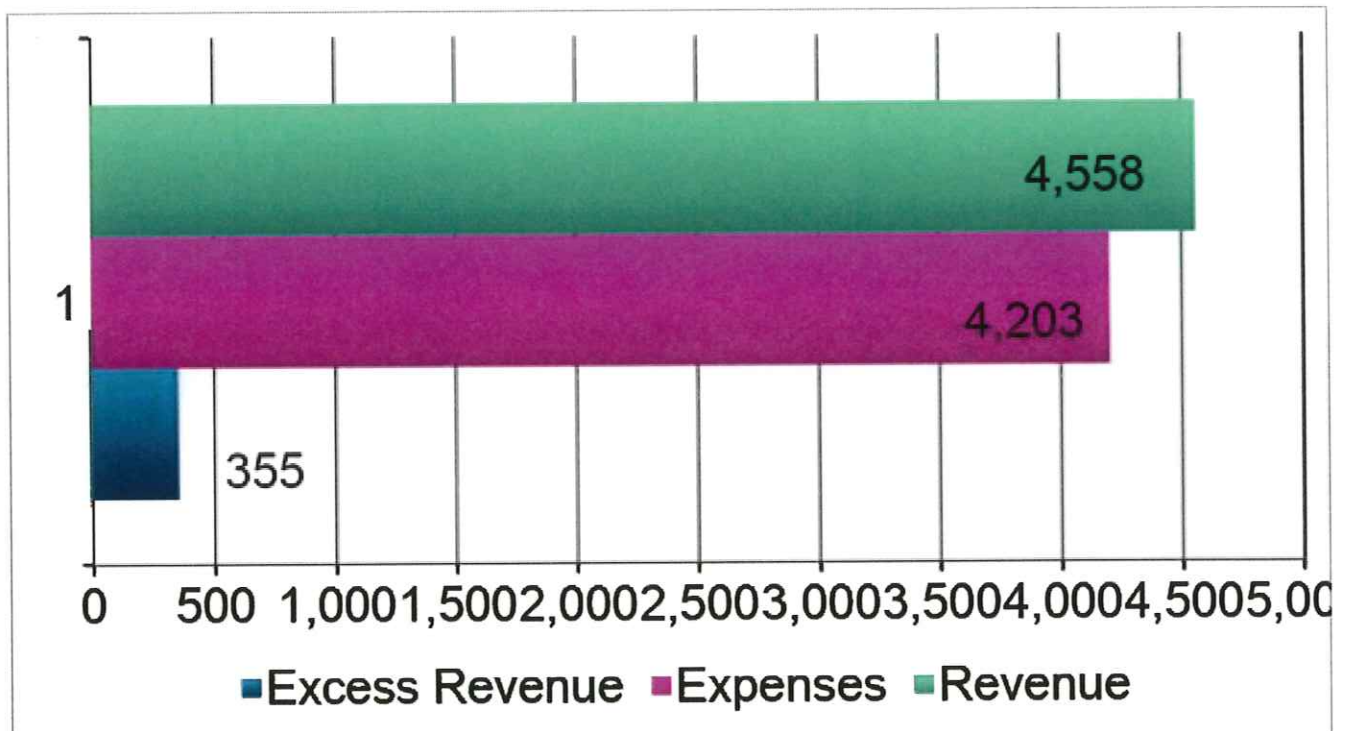
1. PHA Objectives

- Enhance quality of life and property values of the community
- Community safety
- Develop programs and initiatives that support community growth.
- Association financial stability

2. Budget Assumptions

- 5% increase in assessment fee
- Golf cart fee increase
- 2.5% discount on prepaid assessment
- Conservative revenue projection
- Zero based budget in major expense accounts
- Support community essential programs and objectives.
- Support fund for major projects and disaster recovery.

3. 2024 Highlights



- Conservative revenues projection of \$4,558k net of 2.5% discount
- Operating expenses at \$4,203k, zero based budget in major accounts
- Supports essential projects of the community
- Support fund for major repairs and disaster recovery, \$355k

BUDGET REVENUE

	Total 2023 Budget	2023 Year-end Actual	2024 Budget	2024 Budget vs. 2023 Budget
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Revenues

Owners Assessment	\$ 3,788,234	\$ 3,918,348	\$ 4,094,660	\$ 306,426
Road repairs	5,000	13,139	5,000	-
Golf cart path fees	138,000	149,888	278,000	140,000
Access control stickers	75,000	66,370	85,000	10,000
Interest	4,000	16,856	5,000	1,000
Other income	92,500	180,258	90,000	(2,500)
Insurance claim income	-	12,693	-	-

Total Revenues	\$ 4,102,734	\$ 4,357,552	\$ 4,557,660	\$ 454,926
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PHA 2024 revenue budget is \$4,557,660 net of 2.5% discount and total operating expenses at \$4,202,682 for an excess of revenues over expenses of \$354,978.

Revenues include assessment income (regular and road assessment), Other income which includes change of owners, golf cart, miscellaneous income and late charges income (which comprise late fees penalties for individual late payments and bank and investment interest.)

Compare budget to budget, the major variances are:

1. Owners' assessments - \$306,426 – Represents assessment increase.
2. Golf Cart Income - \$140,000 – Increase in golf cart stickers.

BUDGET OPERATING EXPENSES

Total Budget 2023	Total 2023 Operating Fund	Total Budget 2024	2024 Budget vs 2023 Budget
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Expenses

Security	\$ 1,314,919	\$ 1,281,103	\$ 1,458,070	\$ 143,151
Ground maintenance	344,642	357,302	340,942	(3,700)
General maintenance	607,330	446,100	595,930	(11,400)
Insurance	110,300	102,203	120,000	9,700
Professional services	103,000	87,690	105,000	2,000
Salaries & fringe benefits	622,235	652,011	694,515	72,280
Business meeting & activities	177,000	215,749	210,000	33,000
Utilities	67,000	66,670	69,000	2,000
PHA General Admi	74,500	65,280	77,500	3,000
Office/Car Maintenance	90,000	73,415	82,000	(8,000)
Others				
Depreciation Exp	166,608	153,199	156,000	(10,608)
Youth Activities	10,000	12,332	10,000	-
ARB Contribution	20,000	-	20,000	-
Forest Maintenance	10,000	6,375	8,000	(2,000)
Bad Debt Expense	197,287	193,724	190,725	(6,562)
Bank Charges	55,000	71,315	65,000	10,000
Total expenses	\$ 3,969,821	\$ 3,784,466	\$ 4,202,682	\$ 232,861

Total operating expenses for year 2024 are estimated at \$4,202,682. This year also consider an increase in minimum wage as last year. The major operating expenses are:

Major variances

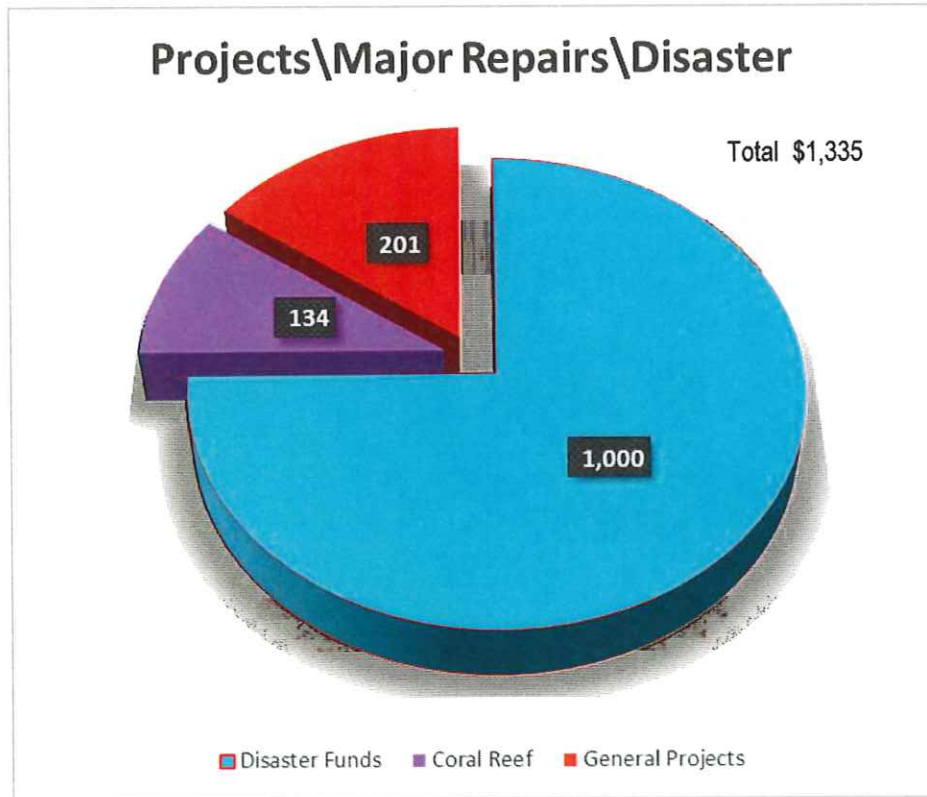
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2023 Budget	\$3,970	Variance from 2023 to 2024 Budget
Security	143	Minimum Wage Impact
Salaries & Benefits	72	Includes CSFE, Office and accounting helper, HR Consultant , Merit and Others net
Business meetings and activities	33	Homeowners week \$12, Christmas Activities \$22 and Others net (\$1)
Insurance	10	
General Maintenance	(11)	Sargassum Cleaning, Stray animals and Others net (\$1)
Others net	(14)	Reduction in provision for uncollectible accounts.
2024 Preliminary Budget	\$4,203	

Major and Special Projects

Form 2024 the amount of \$354,978 is reserved for the Major Repairs\Disaster fund to comply with the PHA Covenants. This fund was established and founded in 2021 in order to separate the funds from operating for the used of future major repairs and replacement of the common property and emergency/disaster situation. As approved by the BOD, a \$1,000,000 is reserve and designated to cover any emergency or disaster in the community. Also has, \$134k destined to the Coral Reef project. General Projects includes the walking trail project. Also, the Association has contemplated depends on the funds available continuing with:

1. Completion on asphalt of all Palmas Street and golf carts paths.
2. Renovation and upgrades of all signs.
3. Gardens, trees, palms and flora upgrade.



PHA will continue to manage its resources very carefully and within strict compliance of its budget. Management will continue to take advantage of any opportunities that will help improve the community and PHA's overall financial position.

VI. PRESENTATION OF NEW DIRECTORS

Class B Directors

- District 7: Mr. José Vizcarrondo from Plaza del Puerto
- District 4: Mr. José R. Vázquez from Palmas Plantation
- District 2: Mrs. Marie Muntaner from Fairlakes Village
- District 5: Mrs. Mariel Figueroa López from Sunrise
- District 2: Mr. Jason Maddox from Ridgetop

Class A Directors

- Mr. José de Jesús
- Mr. Brad Cohen

VI. SPECIAL RECOGNITION OF SECURITY OFFICERS

Mr. Jose A. Quiñones recognized the excellent work of a group of PHA security officers that have gone above and beyond their call of duty. He also recognized the exceptional job being performed by Mr. Miguel Velázquez as PHA Security Director. The Security officers being recognized were:

Tamara Acosta - Access Control
Jorge Luis Santiago – Supervisor
Julio Armando Rivera – Patrol Officer
Luis Gabriel Hernandez – Tactic Officer
Marcos A. Mendez – Beach Patrol
Mrs. Desiree Carmona – Dispatch Officer.

VII. OTHER BUSINESS /OPEN FORUM

After the formal business part of the meeting, the Assembly adjourned for a short recess period. Following the recess, the President called the meeting to order again and opened the floor for members to bring forth any items they may wish to address before the Assembly. The President reminded the Assembly that, as established by the General Assembly, presenters were limited to no more than two (2) minutes and that only members in good standing were entitled to address the Assembly. The following significant items were brought up by the membership.

OPEN SESSION WITH RESIDENTS

Mr. José Balcells – The Views 12 – Mr. Balcells, President of the The Views Homeowners Association stated that on February 16, 2023 the Views had submitted a petition for admittance into the PHA Community as a neighborhood association. Unfortunately, due to inaccurate and irrelevant information provided by Mr. Miguel Santiago, a Sunrise resident and past PHA board member the petition was not accepted. On June 2023, The Views Homeowners Association had to file a lawsuit against Sunrise and Pelican Property Management to protect themselves from both of these organizations. On February 20, 2024, The Views submitted a second petition to the PHA board which met all the criteria stated in the PHA By laws for The Views acceptance as a neighborhood association. However, the Board decided to remain neutral on the matter. As per Mr. Balcells by remaining neutral the Board favors Sunrise and penalizes The Views. He then appealed to the spirit of goodness and justice of the PHA Board to accept The Views and let the court decide on the dispute. Mr. Balcells report will be attached to the Minutes.

Mrs. Mariel Figueroa, PHA Secretary, assured Mr. Balcells that his report had been received and that it will be discussed again at the next Board of Directors meeting. The PHA Board will get back to The Views representatives accordingly.

Mr. Ricardo Villalobos – San Marcos Island 24 - Mr. Villalobos expressed his deep concern with two issues on the Inner Harbour. One was the sargassum problem which requires an investment of \$300,000 per year from the Slipowners Association for its recollection. The second concern is the dredging of sedimentation required in the Inner Harbour which hasn't been done for the last 10 years. When originally designed the Marina had 10 feet of depth and now it hardly has any. According to Mr. Villalobos the sediment draining into the Marina comes from PHA roads which is why he is requesting a meeting with the Board of Directors to discuss ways PHA and SOA can work on this issue together.

Mr. Enrique Alejandro explained that he and Mr. Jose Quiñones had met with Mr. Carly Rodríguez and were waiting for information on plans and numbers in order to discuss it with the Board.

Mr. Carly Rodriguez – Plaza del Puerto B09 – Mr. Rodríguez thanked the PHA Board for the \$150K allocation to the Shipyard Slip owners Association.

Mrs. Michelle Widen - Crescent Cove 67 – Mrs. Widen expressed her concerns about the insurance costs for the individual regimes because they have substantially increased. She requested the intervention of PHA to address this issue.

Mr. Jose Quiñones explained that PHA has been leading efforts with government officials and other communities in Puerto Rico to work with this situation.

Mr. Jose A. Silva Cofresi – San Miguel Island 28 – Mr. Silva showed a picture of Palmas del Mar where the Marina was one of the key attractions of the community. He then restated the sedimentation problem caused by the discharge of Palmas pluvial sewage into the marina. He requested a meeting with the PHA Board of Directors to address the issue. Note: The issue has been addressed before and will be discussed again in a future meeting of the PHA Board of Directors.

Mr. Frank Earle - Beach Village 98 – Mr. Earl expressed his concern with the sargassum problem and its pickup which is not being done diligently in front of Beach Village, He requested improvements be made.

Mrs. Caridad Earle – Beach Village 98 – Mrs. Earle expressed her concern for the lack of security at the beach where parties are being held during the night.

Mr. Quiñones explained that there is a nighttime watch and patrol has been extended.

Mr. Peter Wojtkun – Beach Village 94 - Mr. Wojtkun explained that the issue with security is that people walk to the beach from other areas and there should be an increase of security within the beach itself.

According to Mr. Quiñones any special requests for added security should be made directly to PHA and it would be worked on immediately.

Mr. Jeff Ricketts – Marbella 412 – Mr. Ricketts expressed that there are a number of rumors going around the Palmas Athletic Club (PAC). Mr. Fernando Sosa acknowledged the presence of Mr. Joe Vizcarrondo, President of Palmas Athletic Club who proceeded to make a report.

Mr. Jorge Alvarez – Palmas Plantation 147 – Mr. Alvarez exposed three issues affecting his area. One was the noise, obscene language and loud music being heard along Academy Drive. He requested the help of PHA by finding out who is committing these violations to make the person(s) accountable. Second, he stated that there are several abandoned vehicles within Palmas Plantation that have no tags and are in poor condition. He stated that their administrator has requested the help of Security with this issue. Third, Mr. Alvarez exposed that some solar mounted systems are ARB approved and others are not. Therefore, he requested that “pull tests” be performed to ensure solar panels safety. He also mentioned that many houses are in need of roof repairs and the issue should be addressed too.

Mr. Jose Quiñones explained that Palmas security is actively working on the issues presented and acknowledged that response and actions should be much quicker. He also stated that PHA is requesting the help of the Puerto Rico Police Department to assist with this matter. Mr. Jose R. Vazquez explained that the Palmas Plantation Board has been sending notices to owners requesting them to have the vehicles removed as soon as possible.

Regarding the “pull test” Mr. Quiñones stated that the ARB will be notified and that since there are no standards on this matter they will need to be created.

Mrs. Susan Richmand – Sunrise – Mrs. Richmand brought up to the attention of the PHA Board that some boulders installed near the beach at Solarea area have slid off and might become a serious security issue.

Mr. Quiñones explained that the owners of Solarea are Encanto Group and PHA has currently has 4 lawsuits against them. However, Encanto Group has the permits to install these boulders, but they will need to hire a biologist to move boulders or install more. Mr. Quiñones will communicate these concerns to the Army Corps of Engineers and Fish & Wildlife Service.

Mrs. Lexy Sanchez - Crescent Cove – Mrs Sánchez thanked the members of the Board and the property owners attending the meeting. She also asked why the full amount of money budgeted for the pickup of sargassum was not fully used. Mr. Alejandro explained that the Budget remains the same even if the full amount was not being used.

As per Mr. Quiñones there was a portion of the budget was allocated to purchase new equipment for the sargassum collection but it was not feasible for Palmas del Mar beaches. He expressed that the issue will be addressed this year and that the full amount will be used in 2024. He also added that disposal of sargassum is the biggest expense right now and that the issue will be addressed with a team knowledgeable on the subject.

Mr. Jose A. Silva Cofresí – San Miguel Island – Mr. Cofresi remarked that the sargassum issue represents a health hazard to the community.

Mr. Ricardo Villalobos – San Marcos Island 24– Mr. Villalobos explained that the sargassum problem is one extremely difficult to solve. He said that PHA is spearheading the sargassum pickup efforts, in such a way that the DRNA in Puerto Rico called him to ask what is being done in Palmas to address the issue. He believes that we are headed in the right direction, but more money has to be allocated for this purpose. He thanked the PHA Board of Directors for the \$150k investment into the SOA sargassum efforts and hopes that it is a recurring investment.

Mr. Enrique Alejandro explained that for it to be a recurring investment the PHA Board needs to receive a work plan from SOA.

Mr. Jorge Blay – Bahia del Sur 19 – Mr. Blay asked what is being done regarding the noise pollution caused by Chincho’s Restaurant. Mr. Jose Quiñones stated that residents are being instructed to call security when this happens.

Mr. Myrna Rios – Sunrise G05 – Ms. Ríos thanked all the people who had made donations to the Palmas Animal Welfare (PAW) entity and requested the community to continue helping the organization.

Mr. Vince Sharkey – Crescent Cove 99 – Mr. Sharkey asked about the status of the Town Center to which Mr. Hurwitz replied that it is a third-party contractor that has all the DRNA permits and is working on getting lease contracts in order to make the project feasible. He explained that there are 40% of leases already contracted.

Mrs. Catherine Markle – Aquabella 8 – Mrs. Markle told a story about the help she received from PHA’s Executive Director not knowing who he was She explained that he had gone beyond and above the call of duty in her hour of need.

Mr. Joe Tusinkiewicz – Beach Village 71- Mr. Tusinkiewicz thanked the PHA Board for their efforts in beach cleanup, abandoned cars and additional security during Holy Week. However, he stated that Beach Village has five (5) regimes with five (5) Presidents that are not collaborating with each other. He made a call for unity and collaboration between the neighbors to collectively get better results.

Mr. Jose Lezcano – Maralago 323– Mr. Lezcano expressed there is a telecommunications issue and there was a big shortage during past week. He acknowledged the efforts being made but requested that it be done from a different perspective. He suggested PHA should own the infrastructure instead of contracting a third party to do so. He also suggested the PHA Board should own the fiber optic infrastructure.

Mr. Quiñones assured Mr. Lezcano that the issue will be discussed at a future PHA Board meeting and reminded the community that Palmas del Mar Homeowner’s Association is a non-for-profit organization and that this fact must be considered when making this type of decisions. He made a small summary of the lawsuit PHA filed against the corporation

working with the 5G network and the efforts being made towards the improvement of internet access in Palmas del Mar.

Mrs. Joyce Sharkey – Crescent Cove 99 – Mrs. Sharkey explained that there are safety concerns about young people abusing alcohol and jumping into the ocean. Palmas del Mar Security explained that the Humacao Police is the one that can work with this issue. Mr. Quiñones assured the resident that the issue is being attended.

Mr. Raul Candelario – Casillas de Palmas – Mr. Candelario expressed his concerns about nighttime security. He said that there was an incident with a security guard that “blew” their entrance gate and no one had followed up on this incident. He said he believes that rangers should be held accountable for this type of incidents. He added that had it not been for their cameras they would have not known what had happened. He also said that more than statistic information people want accountability and better reports to the community.

Regarding Mr. Candelario’s issue, Mr. José Quiñones expressed that PHA would be willing to pay for the damaged caused to the gate, but that a quote would be required to do so. He also asked Mr. Candelario to meet with Mr. Miguel Velázquez, PHA Security Director to provide further information.

Mrs. Madeline Perez – Harboulakes 16B- Mrs. Pérez thanked Mr. José Quiñones for helping Harboulakes administration with their administrative problems.

Mr. Eric Grafals- Shell Castle Club 50 - stated that developments are being built above the heights permitted Mr. Quiñones expressed that the issue is currently under litigation. Mr. Grafals also expressed that trash from constructions is not being picked up in Shell Castle Club and requested help on this matter. Mr. Quiñones stated that he will address the issue and that he will speak to Chris Pennock about the trash.

Mrs. Barbara Kershaw – Marbella Club – Mrs. Kershaw asked if the Beach Bohio is ever coming back. Mr. David Hurwitz explained that there is a group working with that right now. Mr. Jason Maddox added that the Beach Bohio parcel has been purchased and the company is working with building permits in accordance with ARB guidelines and FEMA approval to start construction promptly.

IV. ADJOURN

The PHA Annual Meeting 2024 was adjourned at 11:15am.

Respectfully submitted.

Mariel Figueroa López
Secretary

April 13, 2024

José Quiñones, Esq., Executive Director
Board of Directors
Palmas del Mar Homeowners Association
P.O. Box 2020
Humacao, PR 00791

Dear Executive Director and Board Members:

The Board of Directors of The Views HOA submits this letter to the PHA Board for a reconsideration for acceptance of The Views HOA as a Neighborhood Association per the PHA By Laws. As you know, we submitted the initial petition on February 16, 2023 which is included below as **Exhibit 1**. After his careful due diligence, José Quiñones supported our acceptance and submitted the petition to the PHA Board for voting as stated in a letter dated February 21, 2023 which is included below as **Exhibit 2**. The Views HOA met the acceptance criteria as stated in the PHA By Laws. We did not receive a written notification of the Board decision to our petition. As stated in the February 16, 2023 petition, The Views HOA is now responsible for caring for the common areas such as the main entry, building of future mailboxes, and other pertinent responsibilities to maintain the well being of the residents and their dwellings. For 2024, The Views HOA has approved an HOA fee of \$600 per year.

We submitted a second petition to the PHA Board on February 20, 2024 which is included below as **Exhibit 3**. Again, we continue to meet all of the criteria as stated in the PHA By-laws to be accepted as a Neighborhood Association. We have not received written communication detailing the reason for our denial. By not accepting The Views HOA as a Neighborhood Association, the PHA Board is violating its own regulations and By Laws.

We would like to ask the PHA Board to consider that its decision of acceptance should be solely based on The Views HOA meeting the criteria as stated in the PHA By-Laws. The Views HOA does that, as stated by Director Quiñones.

We respectfully request that the PHA Board place our petition on the agenda for the April 2024 Board meeting. We appreciate and are hopeful that the Board would be able to accept our petition in this Board meeting.

Respectfully,

The Views HOA Board of Directors



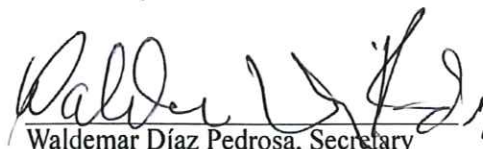
José E. Balcells, President



Rafael Sanabria, Treasurer



Martín López, Vice-President



Waldemar Díaz Pedrosa, Secretary



**PALMAS DEL MAR HOMEOWNERS ASSOCIATION, INC. BOARD OF DIRECTORS
ORGANIZATIONAL MEETING MINUTES
APRIL 6, 2024**

Following the Annual Meeting the PHA Board of Directors convened at the Palmas del Mar Homeowners Association (PHA) at 11:45 a.m. to elect the PHA Officers and the PHA Executive Committee members for 2024 and to ratify terms for the PHA Board “Class B” Directors.

I. Members Present:

Class A

David Hurwitz
Brad Cohen
Robert Lowry

Class B

Marie Muntaner
Jorge Manrique
Ricardo Casillas
Fernando Sosa
Enrique Alejandro
Jason Madox
Joe Vizcarrondo
Mariel Figueroa
Jose R Vazquez

Members Excused:

Mr. José De Jesús

Others Present

José A Quiñones
PHA Executive Director

II. Election of PHA Officers

In accordance with the PHA Covenants and the procedures established by the PHA Board of Directors, members of the Board as well as newly elected Directors were consulted about their intent to run for the election of an Officer position within the PHA Board. The officers (President, Vice-President, Treasurer and Secretary) are elected by the members of the Board at the organization meeting that takes place immediately after the Annual Meeting.

MFJ

As such, the PHA Board of Directors undertook an election process to select their PHA BOD Officers. Upon completion of the election process and due notification to Board of Directors of selected members, and upon a motion by Mr. Ricardo Casillas and seconded by Mr. Jose R.

Vazquez, the PHA Board of Directors ratified the election process of the following selected officers for 2024:

- | | | |
|----|----------------|--------------------------------------|
| 1. | President | Enrique Alejandro |
| 2. | Vice-President | Mariel Figueroa |
| 3. | Secretary | [Vacant] Acting Mrs. Mariel Figueroa |
| 4. | Treasurer | Marie Muntaner |

III. Designation of PHA Board of Directors Executive Committee

In accordance with Article 61 of the PHA By-Laws upon a motion by XXX and XXX the PHA Board of Directors passed a resolution ratifying the election of following Directors as members of the PHA Executive Committee. The designated Executive Committee shall have and may exercise the powers of the Board of Directors, under emergency situations when convening the entire PHA Board of Directors is not feasible. Such decision must then be ratified by the entire PHA Board of Directors, who remains as the overall entity providing for the management and oversight of the Association's affairs.


The following Board of Director members compose the PHA Executive Committee for 2024, as follows

- | | | |
|----|----------------|--------------------------------------|
| 1. | President | Enrique Alejandro |
| 2. | Vice-President | Mariel Figueroa |
| 3. | Secretary | [Vacant] Acting Mrs. Mariel Figueroa |
| 4. | Treasurer | Marie Muntaner |
| 5. | Class A Member | David Hurwitz |

IV. Adjourn

The PHA Board of Directors organizational meeting adjourned at 12:30 p.m.

Respectfully submitted on April 9, 2024.


Mariel Figueroa
Secretary