DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION DIVISION OF FLORIDA CONDOMINIUMS, TIMESHARES AND MOBILE HOMES

CONDOMINIUM / COOPERATIVE COMPLAINT

INSTRUCTIONS: To expedite your complaint, it is helpful if this form is typewritten or legibly printed, and each question answered fully. If available, attach supporting or clarifying documents and items pertaining to the issues listed in this complaint.

| NamePaul R. St. Clair, LCAM | |
|---|-------------------|
| Mailing Address275 Palm Ave | |
| Unit No. <u>D-207</u> | |
| City <u>Jupiter</u> County <u>Palm Beach</u> State <u>FL</u> | Zip33477 |
| Home telephone number <u>(561) 575-9424</u> | |
| Cell phone number <u>(585) 730-2612</u> | |
| E-mail address Paul.St.Clair@Comcast.net | |
| Complaint filed against: DEVELOPER X ASSOCIATION | |
| Name _Jupiter Bay Condominium Association | |
| If Developer list principal officer | |
| If Association list President <u>James Kalec, President</u> | |
| Mailing address 275 Palm Ave Apt D-105 | |
| City <u>Jupiter</u> County <u>Palm Beach</u> State <u>FL</u> | Zip <u>33477</u> |
| Business telephone number (<u>561)</u> 746-5857 | |
| Has the above been notified of the issues in this complaint? X | YESNO |
| If yes, what was the method of notification? Attorney letter sent Ma | y 16, 2025 |
| Date declaration of condominium was recorded in public records: | |
| 11 / 18 / 1988 County <u>Palm Beach</u> | |
| If a cooperative, date articles of incorporation were filed with the Sec | cretary of State: |
| | |
| Have purchaser unit owners elected a majority of the members to th Administration? X YES NO | e Board of |

| If you have retained legal counsel regarding the issues listed in this complaint, do you want the division to contact your attorney? <u>X</u> YES NO |
|---|
| If yes, please provide the following information: |
| Name of Counsel <u>Michael J. Posner, Partner, Lippes Mathias Attorneys at Law</u> |
| Mailing address 4420 Beacon Circle |
| City <u>West Palm Beach</u> County <u>Palm Beach</u> State <u>FL</u> Zip <u>33407</u> |
| Business telephone number (561) 842-3000 ext. 1596 |
| a) Has court action been filed regarding any of the allegations in this complaint? |
| YES <u>X</u> NO If yes, attach a copy of each complaint filed in court and any subsequent court pleadings. |
| b) Has a petition for a Declaratory Statement been filed with the division regarding |
| any of the allegations in this complaint? YES <u>X</u> NO |
| c) Has a petition for Mandatory Nonbinding Arbitration been filed with the division regarding and of the allegations in this complaint? YES _X_ NO |
| List each issue. If possible, specify the provisions in the condominium act, or the cooperative act if applicable, which you allege have been violated. Attach additional pages, as needed. |
| This complaint is an extension of my April 21, 2025, complaint regarding the Board's |

This complaint is an extension of my April 21, 2025, complaint regarding the Board's actions and approval of a \$6.86 million concrete restoration project. I am alleging that Jupiter Bay's Board of Directors violated the following Florida statutes in their initiation of this major project:

- 1. 553.899(7)(b) Phase two inspections are required if Phase one finds "substantial structural deterioration".
- 2. 718.112(2)(c)3. -- If an agenda item relates to approval of a contract, the contract must be provided with the notice.
- 3. 718.112(2)(c)1. A 14-day notice is required for meetings where special assessments are being considered.
- 4. 718.3026(1) Competitive bids are required for contracts exceeding 5% of the association's annual budget.
- 5. 718.111(12)(a)11e Bids are considered official records and must be maintained for at least one year. A book containing all board meeting minutes must be permanently maintained.

- 6. 718.111(12)(g)2.e The association's website must contain a list of bids received within the past year and board meeting documents.
- 7. 617.0830(1) A director shall discharge his or her duties as a director in good faith, with the care an ordinary prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the best interest of the association.

First BOD Meeting

With only 48 hours' notice, a Board of Directors meeting was held on April 3, 2025, to discuss a Concrete Remediation Project. See the attached meeting agenda which was included with the notice. The Board President opened the meeting saying that "the meeting was being held to explain next steps for a concrete remediation project for the rest of the property". He then said that seven (7) bids for the work were received, and that his committee selected one of the contractors, the least expensive one, to do the work. The board members then voted unanimously to approve the selected contractor, Custom Group, for the project.

No information was provided on any of the bids ahead of the meeting, and the Custom Group contract was not included with the meeting notice. In fact, the Custom Group contract was not posted on the Association's website until April 28, 2025, and information on the other bids was posted on May 1st.

Second Board Meeting

A second Board of Directors meeting was noticed (see attached agenda) on April 28th and held on May 6, 2025, to "Consider Approval of the Custom Group Contract". At this meeting the Board voted to approve the \$6.86 million contract that was selected at the prior meeting. Members were told that funding for this project would mostly be through special owner assessments of \$15,000 to \$20,000. Although special assessments were discussed, a 14-day notice was not provided.

The Board has provided no evidence or documentation to the association members supporting the need for this project. Recently completed Milestone Inspections showed all nine (9) buildings three stories and above to be reasonably structurally safe. No Phase 2 follow-up inspections were required or performed, and no concrete repair was mandated by Florida law or the local (Town of Jupiter) enforcement agency. The project was not voted on or approved by the Jupiter Bay members. Despite this, the Board continued with the project.

Supporting Information

As of the date of this complaint, minutes for the May 6th meeting have not been published. Only one signed bid was posted on the association's website, and it was for one of the vendors that was not selected. Engineer-prepared cost estimate spreadsheets were posted for the other five (5) vendors. No Business Case or Request for Proposal were provided explaining the projects scope, objectives, requirements, timeframe, quality

standards, vendor selection criteria, et cetera. Lack of clarity caused several vendors to include estimates for concrete restoration of additional 2-story association buildings not related to the Milestone Inspections.

Conclusions

In conclusion, the Board has not adhered to the Florida statutes listed above, and they have not done due diligence in their request for bids or in the bid posting, evaluation, and selection processes. Communication with owners was lacking, and owners were excluded from participating via open board meetings in project justification, project requirements, vendor evaluations, and vendor selection. The Board has not acted in a fiduciary manner that is in the best interests of the community. The same engineering firm is being used for milestone inspections, bid review, and project inspections and construction oversight causing concern over a possible conflict of interest. If this project is necessary, which it doesn't appear to be, then the entire process needs to be revisited and redone properly.

I hereby request the Division of Florida Condominiums, Timeshares and Mobile Homes to review the violation(s) herein alleged. I understand that the division may act on this complaint pursuant to the provisions of Section 718.501, or as applicable Section 719.501, Florida Statutes. I further understand that the division does not represent me or my private interests, and that any action taken by the division will be on behalf of the State of Florida. My signature below certifies the authenticity of this complaint.

| Paul R St. Clair | Jupiter Bay Condominium Association |
|--------------------------|-------------------------------------|
| Signature of Complainant | Name of Condominium / Cooperative |
| 5/26/2025 | Jupiter Bay Condominium Association |
| Date | Name of Association |

JUPITER BAY CONDOMINIUM ASSOCIATION, INC. 275 PALM AVE., D-105, JUPITER, FL 33477

BOARD OF DIRECTORS MEETING
THURSDAY, APRIL 3, 2025
353 US Hwy 1 Jupiter, FL 33477
10:00 AM
TWISTED TUNA (UPSTAIRS)

AGENDA

- 1. Call to Order
- 2. Determine a Quorum
- 3. Approval of Minutes from November 13, 2024 Meeting
- 4. Concrete Remediation Project
- 5. Adjournment

JUPITER BAY CONDOMINIUM ASSOCIATION, INC. 275 PALM AVE., D-105, JUPITER, FL 33477

SPECIAL BOARD OF DIRECTORS MEETING

TUESDAY, MAY 6, 2025

353 US Hwy 1 Jupiter, FL 33477

10:00 AM

TWISTED TUNA (UPSTAIRS)

AGENDA

- 1. Call to Order
- 2. Determine a Ouorum
- 3. Approval of Minutes from April 17, 2025 Meeting
- 4. Consideration of Approval of the Custom Group Contract
- 5. Adjournment