

**The Island at Hidden Harbour  
Board of Directors Meeting**

**May 1, 2010  
Meeting Minutes**

---

**Board members in attendance:** Wayne Keeler, Lou Engle, Marie Henderson, Mark Hannahs, Kitty O'Hara, Tom Murrill and Carol Ann Bianco.

At 9am, Marie introduced Dwight Taylor and Jason Schwartz of DM Taylor, Inc. to all the board members. They reviewed 4 topics with the board:

--Playground mulch

Dwight provided a proposal to re-mulch the playground with a new 1" to 1.5" layer of playground mulch and to rake out the existing material. [Later in the meeting the board voted to accept this proposal; Wayne signed it before the end of the meeting. The new playground mulch was installed the next week.]

--Snow Removal

Dwight informed the board his company writes snow plow contracts. They focus on snow removal and ice control on parking lot areas. For ice melt, Dwight said he makes the decision when to apply it based on current weather conditions and forecasts since his company assumes liability under this arrangement. They do not clear sidewalks, stairs.

--Future landscaping work/plantings

Dwight said he met with Marie about new plant materials in several areas on the property. Proposals will be sent to Marie shortly. [Marie forwarded planting proposals for the areas around the 4 east side dumpsters, the east side of the north pool area and at the Dominica building to the board the following week. They were approved via email vote.]

--Irrigation system:

Jason said they encountered quite a few challenges in the start-up of our irrigation system. The pipe from the Sales Office to the front of the property froze over the winter. They found several heads busted or blown out and those had to be repaired. Some heads would not come up due to sod grown over them, thus watering under the sod and causing the bad wet spots we've experienced in the past. He noted the north pool system is not turned on yet due to a water leak in the main water line there.

Jason said he discovered a few more costly irrigation problems including a bad time clock on the Hawaii system and a leaking underground valve on the Dominica system. They also see a need to relocate one head at Bermuda and one at Cayman. We then discussed changing from 360 degree heads to 180 degree heads at several locations on the property. The board agreed to move forward with the head changes after a brief discussion of costs involved. With the other repairs being more expensive, a cost quote will be sent for board approval before this work is completed. [Marie forwarded the irrigation contract proposal the following week; the board approved it via email vote.]

Jason also explained the irrigation system runs 4 days a week between 5:30am and 8:30am on a staggered schedule around the property. Each zone is on for 30-40 minutes at a time putting approximately 2" of water on each zone during the week. [Jason corrected a timing problem on the Bermuda system from an owner report immediately after he left the meeting.]

**Active/On-Going Project Status:**

**Stair tower repairs:**

-Dominica – all 3 towers

Carol Ann reported the final touch-up work is complete on the north stair tower with new scallop shingles being installed. Over the fall/winter, extensive exterior water damage issues were corrected on all 3 towers on this building. At the same time, the interior of each of these towers was exposed, repaired as needed and re-clad with new vinyl siding. This project was expensive but necessary.

-Hawaii-east tower

Carol Ann reported the exterior water damage problems found on this tower have been corrected. All repair work to this tower was finished before the end of 2009.

**Dominica carpet project:**

Carol Ann reported all old carpet has been removed from the Dominica building. Barbara, Tom and Marty/Triangle Builders inspected all the wood deck surfaces after the old carpet was taken up. Surprisingly the amount of wood decking to be replaced was less than we anticipated. The application of the deck coating material (UR1600) is being completed in stages as the carpet installation progresses around the building.

Prior to the actual wood repairs, Tom arranged for The Island to have an account established at Adkins Lumber. This will allow materials needed for repairs be obtained by the contractor via an OCREM purchase order authorization. The account will be direct billed to The Island and assures we will be billed at contractor rates.

The installation project for the new carpet started with the rear owner decks. Marie said scraps of the old carpet were found on the lawn causing an issue for the grass cutters. Tom then described several serious problems with the carpet installation on his rear deck as well as other issues with the sub-contractor performance. We reviewed his other concerns and agreed all areas touched thus far need to be inspected immediately. Carol Ann will alert Barbara first thing Monday morning for her to engage the vendor management personnel. Tom agreed to stay in town and join Barbara on site with the vendor meeting and inspection.

**Pool Compliance re VA Graeme Baker Pool and Spa Safety Act:**

Carol Ann reported both pools had an equalizer back plate and cover installed per the latest federal regulation for pool safety. We are fully compliant.

Irrigation system activation/water main leak:

In addition to the irrigation system problems cited by Jason/DM Taylor at the start of the meeting, a leak in the main water line at the north pool was found when the water lines were turned back on for the season. This water line impacts both the pool and irrigation system. They then discovered a water meter was never installed on this line, nor on the water line at the south pool. We need to apply for a meter and provide a deposit check to OC Water Dept. for this to be installed. Wayne volunteered to contact the Public Works Dept. to confirm the actions we need to take and the upfront expense to the association. [Barbara and Wayne completed the paperwork process and paid the required deposit; both water meters were installed by mid May.]

Light repairs needed:

Carol Ann reported the top circle lights are now working on all buildings except Lanai and Maui. Those need electrical repair work, not just a new light bulb. Due to budget concerns, this repair was tabled for now.

One parking lot light fixture totally blew off during one of the winter storms. Several other parking lot lights are not working and many walk path lights along the sidewalk areas are coming on and going off at random. The electrical contractor tasked to repair these problems has not completed the work in a timely manner and it is now deemed a safety concern. Marie recommended we use someone else and suggested Tomey Electric who did the initial light installations. His rate is slightly higher but results are key now. Carol Ann will tell OCREM to engage Tomey Electric to repair these issues right away. [Tomey Electric is now working on these light issues; they understand our expectation is to complete all repairs by Memorial Day.]

Handicap handrail repairs:

Carol Ann showed everyone a sample of the salt treat wood handrail material we will now use for any exposed handrail repairs. It is a more durable material for our weather conditions, at a better cost to the association.

**Bids for consideration:**

Dryer vent cleaning/repairs:

The board reviewed another estimate for dryer vent cleaning and repairs to the common/joined 2<sup>nd</sup> and 3<sup>rd</sup> floor vent pipes in Aruba, Bermuda and Cayman. After some discussion, Slate Contracting's bid was accepted. Carol Ann will work with OCREM to have this project completed. [Dryer vent work began week of 5/17 with plan to finish by Memorial Day.]

Insulation under the buildings:

Continuing our effort to address the concern re the condition of the insulation under the buildings, the board reviewed a third/new estimate. Several board members posed follow-up questions, which Carol Ann will take back to OCREM. No decision was made on this project at this time.

#### Boardwalk power washing; deck board repairs:

The board reviewed 2 vendor proposals to power wash the boardwalk deck boards. Wayne suggested we get a third bid also while the board felt this would be for budget purposes only at this time. However any boards that are safety hazards do need to be replaced right away. Now that we have an account at Adkins for the material needed, the vendors need to re-bid based on their labor cost only. Carol Ann will work with OCREM so we can make a decision and quickly start this effort. [Bid for just the board repair work was received and accepted from Shore Power Washing. Tom and Barbara identified 55 bad boards. Repair work to start immediately after Memorial Day.]

#### Power wash pool entrance steps/related areas:

Following up on an owner request, the board reviewed 2 vendor proposals to power wash the steps at the pool entrance as well as the handicap ramps. After discussion the board decided to only power wash the concrete steps at the south pool entrance area at this time. [Triangle/Marty power washed the south pool steps—work done—NO charge to Island.]

#### Comcast Service Agreement

Comcast recently sent a “Service Agreement” for the board to sign. It was a “grant of easement” to the property however the document they sent goes way beyond that scope. They also shared a “Bulk Rate Addendum”. This addendum would require all owners to participate for only a minimal cost reduction to the owner’s cable TV rate while exposing the association to a huge liability. The board agreed not to sign either document.

#### **New Business:**

##### Snow removal guidelines for future:

This past winters snow events caused the association to incur a significant expense for snow removal. Discussion followed on the criteria necessary, i.e. whether the Fire Dept. or Ocean City has regulations we must follow such as anything over x inches or clear with Y timeframe. It was decided the board would have OCREM verify what, if any, regulations existed before we pursue this further. If there are no set requirements, we could then continue on a case-by-case decision via email in the future.

##### Sewer Line protection

Due to a blockage caused by material in the sewer line at Hawaii and the severe wind and cold temperatures, the sewer line froze. The blockage was cleared and the board agreed no further action is necessary.

##### Stair Towers—future repairs:

During one of the winter storms, the east stair tower awning canopy on Oahu blew off the building. It was not damaged and we were able to make a temporary repair and re-attach it. However this strongly suggests we need to investigate and repair the stair towers at Oahu. We put these towers on the list to do in the Fall ‘10. Signs of possible water infiltration issues were also found on both Kauai and Lanai stair towers and in the south tower of Aruba; there were minor stains on the rear of Bermuda also. The board will continue to monitor these and take action as needed. [In order to be sure we are seeing

new versus old water stains, Kitty recommended the concrete bases of the repaired stair towers be repainted. The board agreed via email this was a good plan. We requested a cost quote from Moore Painting to paint the concrete bases of the 3 Dominica and 2 Hawaii stair towers.]

#### Maui—rear of building

Inspection reports show the lattice panels around the lower rear section of Maui might need to be replaced. We will wait for cost estimates before proceeding.

#### Roof inspections:

The board decided to continue to repair roof issues as we encounter them rather than spend the money to do a full inspection of all buildings; it is only a snapshot at that exact time. The next storm might change the condition and we'd need to start over again.

#### Trex decking versus carpet

An owner suggested the board consider replacing the decks with a “Trex” like material rather than continue with carpeting. Engineering concerns would need to be investigated as well as other design impacts to the buildings. The board feels this would be too costly.

#### Aruba awning:

An owner reported via OCREM a concern for the condition of the awning on Aruba. Marie said the professional awning contractor who recently inspected all the awnings said they are fine, only showing normal wear and no action is needed now.

#### Tennis Court lock codes:

Carol Ann said she would draft a new memo with the 2010 tennis court gate lock access codes for board approval. It will be mailed out with the May Newsletter to owners.

#### Recycle bin enclosure:

With Ocean City's decision to end recycling, we will turn our bins back in for a rebate. Marie noted some bins stored near the sales office are killing the grass and/or sitting on a sprinkler head. Carol Ann will refer this to OCREM. Now that the recycle bin enclosure is no longer needed, it was suggested we could use it for bike rack storage. [OCREM submitted the rebate request paperwork; OC Sanitation has removed the 5 recycle bins.]

#### Pool Party:

Marie said she's received good response to her flyer for an owner pool party on July 10<sup>th</sup>. She shared current menu options and prices from the caterer she successfully used in the past. The board discussed how to price the cost to each owner for this event so we break even on expenses. Marie will prepare a new flyer for owner commitment to be included with the newsletter. [Marie later advised this flyer would be sent in a separate mailing.]

#### Owner Directory:

Carol Ann reported many owners provided their contact information to be shared in an Island Owner Directory. The board reviewed several sample formats she provided and

also discussed how to distribute the document. [The directory will be mailed along with the May Newsletter.]

May Newsletter:

Carol Ann said she plans to write another newsletter for distribution in May. The draft will be shared with the board for approval prior to mailing.

Future Board Meeting Dates:

The board selected June 26<sup>th</sup> and July 24<sup>th</sup> for our next board meetings. August 21<sup>st</sup> was also picked although a request for an afternoon start time was not finalized. This will take us to the Owner Meeting on Sept. 25<sup>th</sup>.

**Finances:**

Mark shared a financial status report Bob Moore prepared. The four unplanned stair tower repairs completed at the end of 2009 and early in 2010 were expensive and we are now over our building repair budget. He also mentioned the wood deck repairs needed on the Dominica building as another unbudgeted cost item. Lou said that expense should be taken from the Reserve Fund as it was done in connection with the carpet replacement project. The Oahu stair tower repairs will be a further burden on this year's budget. Bottom line, Mark said we are doing okay now but we need to be aware of our expenses for the next few months. Necessary expenses should be fine but we need to watch discretionary items.

We then discussed other future major expense items such as roof replacement, parking lot and other stair tower problems. Right now we are okay since this was an off year for our paint rotation cycle. If weather does not change it, our paint plan is a 5 year rotation with 2 buildings done each year. The first buildings painted in this rotation were done in 2007. Lou reiterated we must make sure expenses are paid out of the right budget, either Operating or Reserve.

Re-doing the reserve fund study was discussed as an option but with all the maintenance projects we've recently completed, we feel we are on top of those items. Wayne said he would spend some time increasing the reserve fund line items and report back to the board at our next meeting.

Items from the floor:

None

With no more business, Marie made a motion to adjourn the meeting at 12:05pm.

Respectfully submitted,  
Carol Ann Bianco, Secretary