

The Island at Hidden Harbour
Board of Directors Meeting

January 17, 2015 -- 10 AM
Meeting Minutes

Board members Lou Engle, Mark Hannahs, Wayne Keeler, Tom Murrill, Charlie Zellers and Carol Ann Bianco were present in the Harford General Insurance office (Timonium, MD) conference room. Marie Henderson participated in this meeting via conference call. Having a quorum, Lou called the meeting to order at 10am.

Project status:

--Heat check inspections

The January heat check inspections were done as scheduled on January 12th and 13th.

--Dryer vent cleaning

The common dryer vents in Aruba, Bermuda and Cayman were cleaned at the end of last year. Keys were not available for 4 units. These units will be re-visited in February when the contractor comes back to install new fire dampers in 2 units found to be totally clogged.

--South Pool—Re-coat deck and entrance steps:

The new deck coating has been applied to the south pool deck and entrance steps. During her inspection, Shanika (OCREM) found deficiencies with the work done. Recently Tom, Mark and Lou were also able to do an onsite visual inspection; they too found imperfections. Mark has already been in touch with ProCoat who agreed to go back the job site next week.

--Maui painting

Shanika recently received a request from Moore Painting for an additional payment to be made. Again through recent onsite inspections made by Tom, Mark and Lou, they found the painting work to be less than 50% complete. One issue is the painters appear to be jumping around as weather allows thus making it almost impossible to determine exactly which areas have been painted thus far. All of the board members agreed this request for payment is not justified now. OCREM needs to develop an inspection routine with Moore Painting to know what painting work has been done going forward, although weather / temperatures are a limiting factor now as well.

--Rear wall of Kauai

Work has begun to repair the rear walls of the Kauai building. This building has suffered severe rot due to lack of, or improper, flashing installation work during the initial construction.

--Aruba units damaged

Six owner units in Aruba suffered various amounts of damage due to a cracked water line in a 3rd floor end unit; that main water line had not been shut off, a drastic temperature drop occurred and the water line on the outside wall cracked and released water down into the units below and adjacent. OCREM was notified and a remediation company brought in. The board will monitor the repairs and corrective actions taken throughout this effort in conjunction with the remediation company and the insurance adjuster. One owner called in during this board meeting to discuss concerns specific to his unit's restoration.

Bids for Decision:

--Insulation under Hawaii

The board reviewed 3 bids to replace the insulation under the Hawaii building. After discussion on the different types (spray foam or fiberglass) of insulation and the price variations, a decision was deferred on this project pending more information.

--Maui carpet replacement

After reviewing 2 bids to replace the exterior carpet on Maui, the board agreed to award the contract to Carpet Renovations. However, before the actual contract is finalized, we need a per unit cost breakdown as well as a seam placement layout. All Maui owners will be notified prior to the start of this project what their cost share amount will be to replace their private deck carpet.

New / 2015 contract needs:

--Pool contracts

The board agreed to renew the Premier Pool service contracts for 2015. Again this year, the annual cost and services to be provided will be the same as past years. Lou signed both contracts. The south pool will be opened through September this year.

--Building cleaning

The board also agreed to continue with Clean Team for the building cleaning service. Shanika will be advised to obtain a 2015-2016-renewal contract from them; this contract should include updated language regarding the cleaning services necessary for the townhouses.

--Termite inspections

The board recently received the annual renewal contract for the termite inspections. All agreed to continue this service.

--Painting:

The board agreed earlier to paint the Lanai building in the Spring; a second building, probably Dominica, will be painted in the Fall. After discussion, the board will request Shanika obtain new painting bids from Moore Painting, Shore Painting and 1 or 2 other companies for Lanai now.

--Parking lot:

After discussion, the board decided to have Shanika obtain an updated parking lot re-surfacing and re-striping proposal from Matt's Management (they provided a budgetary quote last Fall) as well as a bid from another source if possible. Wayne offered to investigate if a non-local contractor would be interested in bidding. The board agreed in this project to replace the temporary speed bumps with 5 appropriately placed, regulation speed bumps.

Financials:

--Insurance: Mark shared due to owners mortgage requirements, the flood insurance coverage levels for many of our buildings has been increased. Further, Mark shared based on a recent government analysis, flooding is no longer a high concern on the ocean side of OC but rather on the bay side. Thus the premiums for bay side property like The Island will likely see flood premium increases. Finally, while we have been in compliance with our By-Laws, in order to adhere to MD Condo Act requirements, the association recently increased the Fidelity Bond coverage levels, again resulting in a higher premium.

--Financial Report: December 2014 ended with a Reserve Fund balance of \$449,756. This is an overall increase of over \$55k over the 2013 ending balance. The December Operating Fund balance was \$323,924. This represents an overall increase in the Operating funds of nearly \$8000 over the 2013 ending Operating fund balance. Once the final excess revenue amount to be transferred to the Reserve Funds is known, the board will re-examine the Reserve Funding to decide if a future condo dues increase is warranted.

Items from the floor:

--Liaison change: Due to personal time constraints, Carol Ann will shift the Liaison responsibilities to Tom Murrill effective immediately. She will continue her responsibilities as Secretary and Treasurer.

--7-day rental requirement: While the notice re the associations By-Laws dictating a 7-day minimum stay for unit rentals was sent to all owners, other efforts to enforce this ruling were discussed. It was decided to send letters directly to those owners who we believe are in violation of this policy. The letters would be sent registered, return receipt to assure they receive them.

--Kauai support posts rusting: Tom shared a recent concern for the amount of rust shown on the metal support junctions to the Kauai building pilings. He will ask Shanika to investigate our options to remedy this situation.

--Boardwalk wood replacements: Charlie shared that some of the 2 x 12 boards on the boardwalk need to be replaced. Tom will include these in the 2015 inspection.

With all business addressed, Mark made a motion to adjourn the meeting at 1:05pm. Wayne seconded the motion and all participants agreed.

Respectfully submitted,
Carol Ann Bianco, Secretary