

**EMERGENCY BOARD OF DIRECTORS MEETING
OCTOBER 8, 2005
The Cayman Building Water Damage Claim**

Ed Heinemann called an emergency meeting to discuss problems with the insurance claim for the frozen pipes and resulting damage in the units in the Cayman Building.

Ed Heinemann, President called the meeting to order at 10:00 A.M.

The following Officers were present: Marlin Newell, Sam Wright, Mark Hannahs, and Marie Henderson.

Also present: Robert Moore, CPA and Chris Woodley, The Island's attorney.

Mr. Moore suggested we write a letter to the Insurance Company requesting them to verify the amount allowed Century Carpet.

Century Carpet, a sub contractor, has not been paid by Dynamic for the work they performed in Cayman Building in January and threatened to place a lien on The Island.

Ken Ford of Dynamic acknowledged to Bob Moore that Dynamic had been paid, but Dynamic chose not to pay Century because of a dispute with them.

Mr. Heinemann met with Mr. Greenbaum of Century, who agreed to accept payment of \$16,000. Century claimed to be due \$34,000 but will accept \$16,000. We will ask for a release.

The Board will attempt to contact all known subcontractors, to determine if they have been paid by Dynamic and if so ask for a release after they receive payment from The Island. Marlin Newell proposed and Sam Wright seconded the motion that we pay all subs what is due them and ask Dynamic for a release stating we are authorized to pay the sub contractors.

Ed Heinemann will be speaking with Mark Jacobs (Dynamic) to discuss a payment of approximately \$21,000. This amount is the remainder after deducting the \$16,000 that will be paid directly to Century Carpet.

Ed will ask for written permission to pay Dynamic sub-contractors directly.

Dynamic has refused to provide our Accountant, Mr. Moore on three different occasions, with an accounting of the work done.

Mark Hannahs suggested that Dynamic and all subs provide The Island with Certificates of Insurance and he will review for coverages.

On 10/14/05 Ed Heinemann, Marlin Newell and Jeff Hughney will inspect the units where leaks have been reported. Ed of Maintenance Connection has been authorized to remove the necessary siding from selected units where leaks occurred.

Maintenance Connection has been requested to provide us with a recommended schedule of maintenance.

O.C. Kitchens requested payment of \$48,000 for cabinets and appliances prior to ordering cabinets. Tom Creager stated that he already requested invoices from O.C. Kitchens before payment will be made.

Board agreed to pay O.C. Kitchens after a breakdown of costs of upgrades by owners was deducted. Motion made by Mark Hannahs and seconded by Sam Wright and approved by all to have Tom Creager take check to Ocean City Cabinets and the Board will notify each unit owner of the cost of their upgrade.

Motion made by Sam Wright and Seconded by Marlin Newell to pay Home Depot for carpet . We will ask for an invoice in the name of The Island at Hidden Harbour and request it be stamped "Paid."

**The meeting was adjourned at 1:00 P.M.
Respectfully submitted**

**Marie Henderson
Secretary**