

The Island at Hidden Harbour  
Board of Directors Meeting

March 21, 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:**

**--Dryer vent cleaning**

Access to one unit in Bermuda is still an issue. The contractor will try to coordinate cleaning that dryer vent when they install new fire dampers in 2 Cayman units (delayed waiting on parts).

**--Maui painting**

Painting continues as weather permits on Maui. The board feels the lack of verifiable progress is due to poor onsite supervision directing the painter's actions. Per the contract, the second coat of paint is not to be applied until OCREM has been notified to inspect the first coat of paint results.

**--Lanai painting**

The contract for Moore Painting to paint the Lanai building this spring has been signed. The first step, power washing the building, is complete.

**--Rear wall of Kauai**

Repair work is nearly finished on the rear walls of the Kauai building; a small portion of the north end of the building still needs to be painted. This work should complete in the coming week.

**--Maui carpet replacement**

This carpet project was approved earlier, the contract has been signed and all Maui owners were notified of the project to place new carpet on all Maui decks. The board then reviewed some owner's concerns with this project. It was noted the board must comply with the Association By-Laws to maintain the appearance of The Island; projects such as painting and carpeting are done on a per building basis, not per unit. All affected owner decks will be re-carpeted as planned.

**--Aruba units damaged**

The remediation work on the six Aruba units affected by the broken water pipe in January is complete. Earlier the association received some insurance funds to cover the remediation work. After some discussion, the board agreed to pay the amount cited in the Emergency Work Authorization contract (not the invoiced amount). It was further agreed that no general association Operating Fund monies would be used to pay for any insurance covered projects; payment of all invoices related to insurance work will only be paid from the funds provided by the insurance carrier.

At the time of this meeting, Mark had just received the restoration contract for the Aruba units. He shared the insurance adjuster on this incident feels the restoration cost estimate is fair and after some discussion the board agreed to sign the restoration contract. Noting that the area where the water pipe cracked did not appear to be properly insulated, the board requested that additional insulation be installed in that area during the restoration work; Mark will communicate this to United Restoration.

### **--Maui and Kauai units damaged**

Mid February, just a few days apart, sprinkler heads failed in an outside storage closet in Maui and also a storage closet in Kauai. The resulting water damage affected the outside and/or inside of 6 owner units in Maui and 2 in Kauai. These are being handled as 2 (more) separate insurance claims; a different claims adjuster was assigned to these incidents, not the adjuster handling the Aruba incident. The emergency remediation work has been completed but paperwork for the restoration effort is slow in coming for these units; Mark is pursuing this. A concern Mark shared with the board is the ability of local companies to handle all the restoration work; due to the past severe winter, these types of problems and projects are widespread now in Ocean City. Mark is checking our options and will update the board, as more information is known.

### **Bids for Decision:**

#### **--Insulation under Hawaii**

A decision to replace the insulation under Hawaii was tabled until the Fall.

#### **--Parking lot:**

Wayne completed his investigate of the 2 bidders to repair, re-coat, re-strip the parking lot and replace the existing temporary speed humps with standard ones. Wayne recommended the local area contractor, Matt's Management, be awarded the job. Marie made a motion to accept the contract from Matt's Mgmt., which Mark seconded; the board unanimously agreed. Wayne will send the final contract to Lou for signature. He is also working to set up an on-site meeting with the Matt's project manager to discuss the location of the five new speed bumps. Tom and Charlie agreed to assist in that meeting. It is planned that the work will be done in stages over the course of 3 days. The parking lot area for Islamorada is a limited common element and thus the cost of it's maintenance is the sole responsibility the Islamorada owners. Thus, the same as private deck carpeting, the Islamorada owners will be notified of the upcoming project and their cost share for it once the contract has been signed.

A recommendation was made to consider having all the concrete curbs and gutters power washed around the same time as the parking lot resurfacing project. The board agreed to investigate the cost of such a project; it was recommended we engage the contractor who power washed the buildings a few years ago. Tom will ask Shanika to obtain a quote for this.

### **Financials:**

**--Financial Report:** February 2015 ended with a Reserve Fund balance of \$510,277. This increased fund balance includes \$53,907 excess 2014 funds that were transferred into the Reserve Funds as voted on in the Owner meeting. The February Operating Fund balance was \$335,177 giving us a positive cash flow of \$5,014 year to date. With the final excess revenue amount now known, the board will shortly start to re-examine the budget and the Reserve Funding to decide if a future condo dues increase is warranted.

The most recent water bill invoice for the Islamorada building showed an unusually high volume of water being used during December, January and February time period. It is believed to have come from the irrigation water line under the sole control of unit 158. A request will be made, via Moore & Co, for that owner to reimburse the association for this water invoice amount.

Additionally, during the Maui sprinkler head incident, the main water service to Maui had to be shut off. Without any water to feed the sprinkler system, a 24-hour fire watch service was required to be engaged in case of a fire during that time period. The association paid the contractor but the board requested this cost be submitted for reimbursement to the association as part of the insurance claim. Mark will forward the invoice to the claims adjuster.

### **Landscaping:**

Tom outlined the 3 landscaping proposals received from DM Taylor for action this spring. One bid includes significant improvements to the entrance (guardhouse area). This included removing the juniper ground cover and installing 2 crape myrtle and some low maintenance plants. After discussion, the board suggested 2 more crape myrtle be planted in this area over what was included in the initial proposal. With these revisions, the board agreed to implement this plan.

The second proposal was for the Aruba building area. Marie requested the holly tree in front of her unit be left in place versus removing it as recommended in the proposal. She also suggested rather than adding flowering plants /shrubs, that more sod / grass be planted to save costs. As with all recent landscape proposals, removing the (dying) inkberry shrubs along the front wall was included. Tom will get the Aruba proposal updated and share it with Marie.

The third proposal Tom reviewed was for the previously untouched areas at Oahu. At the Oahu corner near the driveway, the proposal includes removing the juniper ground cover and installing crape myrtle and sod to mimic the adjacent corner area on the north pool side of that driveway area. It also called for removing the inkberry bushes closer to the Oahu building. The board agreed to move forward with this plan.

Finally, the board discussed verifying that DM Taylor re-graded the back area of Maui (near Islamorada) as this area slopes down toward the building, not away from the building. Similarly, the south side of Maui, between Lanai, is a constant wet area; we need to determine why.

### **Items from the floor:**

--Newsletter: Carol Ann will draft an April Newsletter to update the owners on recent activities and plans. Also to be included in the Newsletter is

-- a reminder of the 7-day rental requirement; after discussion it was decided not to send individual letters to owners we think are violating this rule but rather take action once it has been determined that they did so

--a reminder of the critical need for keys / access to owner units in case of emergency

--a reminder of the Fire Safety rules; no open flames, including candles; no cooking grills can be used on the decks, including electric type (Forman grills)

### **The board then went into closed session to discuss contract issues.**

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

Respectfully submitted,  
Carol Ann Bianco, Secretary