

The Island at Hidden Harbour
Board of Directors Meeting

April 19, 2014 -- 10 AM
Meeting Minutes

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

Project updates:

- Guardhouse repairs (both) ---interior rotted wood repairs; install vinyl siding
Project started in March but stopped when termite damage was discovered necessitating a permit due to the structural damage found. Weather permitting this project will still complete before Memorial Day

- North pool house ---interior rotted wood repairs; install vinyl siding; replace both doors
Due to weather delays, this project is now approximately 60% complete

- North pool
In an effort to prevent water leaking onto the sidewalk at the north pool step area in the future, Premier Pools will install an overflow water line from the backwash pit. New VGB drain covers will also be installed to comply with current government regulations.

- South pool---
The planned sequence of work at the south pool was reviewed. Repairing the crack in the south pool has been completed but re-plastering the pool walls was delayed due to cold nighttime temperatures. New VGB drain covers, required by current government regulations, have been installed. Re-coating the south pool deck and entrance steps must wait until the new plaster is applied and cured. Today the board was made aware of a backlog of work by ProCoat that could impact the completion of the deck/steps recoating work. After discussion, the board requested that Barbara notify ProCoat that their workload problems should not delay completion of The Island's work committed to last Fall.

- Kauai—Paint building and foundation—sequence of work....
The front of Kauai has been inspected for rotten wood; the rear deck rotten wood inspection is in progress. Power washing the building was expected to start the week of 4/14 but has been delayed due to weather thus delaying the start of the actual paint project. The goal is still to complete painting this building before Memorial Day, weather permitting.

The rotten wood and poor paint condition on Maui was noted. Some rotten wood has been observed; additional inspections are planned for next week. Painting Maui is tentatively planned for this Fall.

- Maui & Lanai—foundation walls to be repaired and painted;
It is expected this work will start in the next 2 weeks; a different paint company crew does the repair work so this project work will not impact the Kauai building painting effort.

- Mailbox replacements
Two new mailboxes with new pedestals, to support Aruba and Bermuda, have been installed; DONE

- Islamorada repairs
The deck support beam and soffit repairs are now complete on Islamorada units 155, 157; at the owner's request, the same work on unit 156 was postponed until the week of 4/21. Unit 158 has been alerted to this deck support and soffit condition however, that owner advised he'd handle it with his own personnel. After some discussion, it was decided Lou should consult with counsel to determine if an owner can operate outside of the association.

Bids for Consideration:

--Security for July 4th

A verbal quote from Abco Security was discussed. The board accepted the rate quote from this firm and after a brief discussion agreed to keep security coverage hours the same as in the past.

--Islamorada – no name on building:

A brief email was reviewed from Phillips Sign to install an aluminum sign on the side of the Islamorada building. This sign will be shaped to look like the awnings on the other buildings, with the full building name along with the 911 letter "I" designation. The board requested a more complete proposal, with design / sketch, be provided. The board will review and decide via email.

Old Business:

--Damaged Hawaii carpet

After consulting with several carpet companies, we have been advised there is no value left in the current carpet on Hawaii—3 years is the life of outdoor carpet. Charlie was asked to determine the square footage and cost of the carpet on Hawaii that was damaged by an owner's child as this is beyond normal wear and tear. It was then noted that on several buildings the prior carpet installation was not done well. The board requested Barbara inspect all the buildings and provide a priority list of which buildings to re-carpet for future planning.

--Dryer Vent Cleaning:

Barbara advised the most recent quote to clean the combined dryer vents on Aruba, Bermuda and Cayman has increased; it is a very labor-intensive project. Cost increase aside, the board feels this work needs to be done. Barbara was asked to try to negotiate for the old per unit cost but regardless, start the project and get it done.

Financials:

--Financial Report: March 2014 ended with a Reserve Fund balance of \$460,443. The Operating Fund ended March with net income of \$11,234; year to date we are in the black by \$39,202. The Operating Fund balance was \$326,329 at the end of March. Reserve Fund deposit payments have now been made on several major Spring projects as well as deposits paid from the Operating Fund for the building painting and pool repairs. It was noted the total 2014 planned Reserve Fund expenses are less than the 2013 excess fund amount transferred into the Reserve Fund earlier this year; thus we do not anticipate these projects negatively impacting the Reserve Fund balances. Carol Ann also shared that two of our Reserve Fund CD's matured last month. They were rolled over into new 60 month CDs @ 2% interest while keeping our option to withdraw cash without a penalty.

Recent repairs to the Fire Protective systems have been adding up due to the age of the current installed system. The board requested Barbara investigate our options to see if there is a more cost effective system available.

Finally, the Associations Master insurance policy renewal was briefly discussed. The renewal date on that policy was moved out to the end of July last year. Mark was asked to begin discovery on this years insurance renewal costs for our next meeting.

General Business:

--Insurance:

Lou informed the board of a recent frozen water pipe leak that occurred during the winter months. Careful review of our By-Laws (Section 6, page 11), our Declaration (page 3 last paragraph) and the MD Condo Law (2012 version—page 36) proved the owner was liable for all damages in this case. Any future incidents will be similarly investigated against these legal guidelines.

--Picnic Tables:

Charlie noted we now have 7 outdoor barbeque grills but only 4 picnic tables. The board agreed to purchase 1 new picnic table for use at the south end of the property. Further, it was decided the picnic tables should be stored in 401-A in the off-season to extend the life of these assets.

Items from the Floor:

--Pool furniture:

Charlie investigated an option to have the stained pool lounge chairs re-strapped. Another condo property recently had done this successfully. The vendor will pick-up and return the lounge chairs we identify; they provide a 5-year warranty. The board agreed to have Charlie pick out 30-35 of the most stained lounge chairs and work with Barbara to coordinate this re-strapping effort.

---Landscaping:

Tom shared due to the termite issue found at the guardhouse area, the juniper beds in that area had to be cut back 2 feet clear of the building to meet code. This now provides an opportunity to improve the landscaping in that area. However, new plantings need irrigation, which we do not believe currently exist there—more cost. Also, consideration is underway if we should add termite bait traps in those planting beds even though no active termites were found. A termite proposal to add several traps has been received but the additional annual inspection fee included in the proposal needs to be re-negotiated. After discussion, the board decided we need more defined options and associated cost laid out before a comprehensive decision can be made.

Owner Items:

--Deck on unit 326-Dominica

Last Fall, the board received a Maintenance Request from unit 326-D citing in part that some of “the wooden flooring on the rear deck was failing” and there was “water ponding” in places. This owner would not allow management or the bidding contractors to inspect his deck until he was present. After several attempts to coordinate a mutual date, the inspection meeting was finally held at the end of March 2014.

Today the board reviewed the two repair bids received following the March inspection. Of note, the price on both bids is similar and both contractors stated they could not make their suggested repairs before Memorial Day due to other already committed to projects. Both bidders also agreed there is no space to add a pitch to the deck to eliminate the ponding; a suggestion that installing a few new floor joists will level those areas to eliminate most of the ponding was offered. The board questioned why the bids included marine grade plywood; that is not the association standard decking material, as it has not been proven to be cost effective. After discussion the board agreed to ask Triangle Builders to revise his bid using double-sided salt treat plywood, which since 2010 is our improved, standard decking material. The owner’s concern that the deck would not be repaired until after Sunfest / Owner Meeting weekend was briefly discussed. When clarification that this owner needs to pay for the new rear deck carpet, as all owners do, the owner left the meeting stating he refused to pay for the new carpet. At this point, the board needs to evaluate our options to address this matter.

The meeting concluded at 11:45am.

Respectfully submitted,
Carol Ann Bianco, Secretary