

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

**July 19, 2008 – 9am
Meeting Minutes**

Board members in attendance: Lou Engle, Marie Henderson, Mark Hannahs, and Carol Ann Bianco

Lou Engle called the meeting to order 9 am in the Sales Office on the Island.

Day to Day Project Status:

Awnings

--Two more sections of the new Dominica awning were installed by the time of this board meeting; this still leaves at least one more section to be fabricated and installed.

--The new down rods will be installed on Hawaii once the Dominica awning is finished.

Painting:

OCREM advised all painting on all three buildings is now finished. They did a final inspection and assured us all work is satisfactory. Final payment has been authorized.

Misc. Painting:

Moore Painting is finishing painting the gas and electric meters now. Gas meters on the east side of Hawaii can not be painted due to bushes grown up against these meters. Inspection showed these meters look okay as is so no further action will be taken.

Mailboxes:

After multiple efforts to coordinate the personnel from the US Post Office maintenance team to be on-site with Jay/Accelerated, the two new pedestals were finally installed this past week.

Sinkholes:

OCREM advised Adam/Irrigation placed temporary fill material in two sinkholes near the docks. Permanent repairs to these, and the sinkholes on the parking lot areas, will be completed by Triangle in the fall. Note: an owner just discovered another sinkhole in the center parking lot section near the north end of Cayman building. It was added to the list.

South Pool:

Lou met with John Jarvis about the water seeping through (?) the foundation walls of the south pool. John said the pool itself is not leaking water. He said the deck joints should have been tighter when past work was done to the deck surface. He suggested a piece of pipe with holes in it could be forced in the wall, filled with stones and hopefully it would allow a path for the water to drain away from the surface. Or he suggested we could cover the SW walls with lattice, painted to match the foundation color. No decision was made at this time. Testing should be performed after the pool season is closed to owners.

Punch list:

Carol Ann and Barbara/OCREM updated the punch list items. Carol Ann will provide a revised spreadsheet to the board. It was decided to work the list, except for safety issues, on more of a project basis—with a cost estimate, start and end time defined. For example, all rotten wood on a building will be checked, estimated and repaired as one effort versus picking an issue here and there off the list.

Sprinkler System

Adam Dunning/Dunning Hardscapes has identified all valves, including the mystery valve for the Cayman building (located in the grass, not under the building as the rest of them are placed). All known problems have been repaired and he will now start his monthly inspection routine.

A bush was removed from rear of Bermuda as it obstructed the sprinkler head. Sprinkler heads were changed on Aruba, Bermuda and Cayman to assure water is reaching the new plantings. Those near the tennis court were also changed so as not to spray that surface.

OCREM advised several owners have made requests for landscape changes to the property. At this time, the monies in the landscape budget have been spent. Their suggestions will be considered when we re-start our planting efforts.

Marie commented on the lack of trimming of the bushes. Sposato was to do this type of work in June per their maintenance schedule. The board will request OCREM to insure this trimming is completed—as part of the basic contract price.

NOTE 1: Following the meeting, it was decided the board would purchase an electric hedge trimmer and long extension cord for our use. We will trim the bushes ourselves as time and need dictate. No action to OCREM/Sposato at this time.

NOTE 2: Marie purchased the above equipment; it will be stored in the guardhouse.

Address, Private Property, No Skateboarding signs

The alpha letter signs for each building have been installed. A few of the old wooden signs that are salvageable were stored in the gatehouse until a final decision on how/where to show the property address. This includes the one from the Islamorada which is the only sign showing the name of this building.

A new Private Property sign was installed at the front entrance area next to the guardhouse. The No Skateboarding sign has already been installed just past the Sales office building however it does not appear to be effective.

The board agreed to order letters/numbers to identify our property address. These will be mounted on the guardhouse cross beam. [Note: Carol Ann placed this order on 7/28/08.]

Sun shades:

At our prior meeting, we considered a request from an owner to install roll-up sun shades on their canal side deck to block the sun. No decision was made at that time. We've since learned several other owners (in Lanai) already have installed sun shades. We agreed not to make an issue of this now.

Vendor performance concerns:

---Lighting service

Marie advised the repair made by Atlantic Lighting to the bridge lights (following the vandalism) was sloppy. Gaskets are rotten or visible in the way the lights were re-attached. We decided to hold this payment until they re-did the work and OCREM re-inspects it for quality.

We also questioned the re-lighting effort that will take place when their contract renews in November. We use CFL bulbs now. They are supposed to last longer so why arbitrarily do a wholesale replacement. Further we feel lights are burning out more often than expected. Finally we have no set inspection plan in place to determine which/when lights need to be fixed.

Note: Carol Ann inspected the entire property the weekend of the meeting and found 25 locations where lights are not working. This list was sent to OCREM to forward on to Atlantic Lighting.

---Cleaning service performance

OCREM had conversations with Resort to US-cleaning following the boards concerns expressed in the June board meeting. The vendor refuses to vacuum the hallways. Other specific concerns expressed to her; she said these would be addressed to her team.

The board continues to feel the services rendered are not in keeping with the money spent. Our recommendation is to cancel this contract in the fall and not have regular cleaning service during the winter months due to low volume of people on the Island.

FYI—the issue of the geese has been eliminated at the Dominica building. An owner applied a spray to the grass which the geese do not like. They have since moved on to another property (on the opposite shore).

---Pool Cleaning Performance:

We continue to have consistency issues with Resort to Us-pool service. A recent incident between the pool rep and a board member was discussed at length. The end result was a consensus that we not use this vendor again for our pool maintenance after this season.

Carol Ann advised the gate lock on the north pool still does not latch properly. [OCREM was told to re-engage Accelerated for repair.]

--Maintenance vendor:

As discussed above, we need OCREM to bulk work into projects for our general maintenance personnel rather than having them come on an almost daily basis. We need to establish a completion time on their work and whenever possible obtain a cost estimate ahead of time.

Owner Issues:

328-Dominica: A minor leak just surfaced in unit 228D below so it was decided to have Triangle install the recommended soffit around the exterior of this unit. Installation is scheduled for 7/21.

228-Dominica: Slate Contracting completed the interior sheet rock repair as well as the ceiling and wall painting authorized to make this unit whole.

310-Bermuda: The carpet patch repair is complete. .

112-Bermuda: OCREM engaged Jay/Accelerated to determine the source of the goo leaking onto the siding of this owner's deck and recommend a fix. His investigation did not reveal an easy solution and he suggested we seek another opinion. [Following the meeting, OCREM was contacted to bring in another contractor for a second opinion.]

348-Lanai: The carpet patch repair is complete.

319-Cayman: OCREM engaged Slate Contracting to make the electric outlet and related interior unit damage repairs. The date for this effort is being negotiated with the owner.

July 4th storm leaks:

A strong weather event occurred on July 4th evening. Several unit owners reported water leaks. These include units: Hawaii 333, Lanai 248, 346 and 348, Maui 350 and Oahu 366.

OCREM immediately engaged Marty Miller/Triangle Builders to examine the situation and make a recommendation on the first three units reported (350M, 348L and 366O). Mike McDonald/Classic Exteriors was also engaged to determine the source of the water leaks and advise us if these repair efforts would be covered under our warranty. Mike examined all of these units and advised the board none of them were warranty work. He further indicated most of the issues were "product failure and/or maintenance issues".

During this board meeting, we felt we needed to review the paperwork covering our initial project and its warranty details before making a decision on how to proceed. Wayne had committed to provide this information but at the last minute was ill and not able to attend this meeting. [Note: at this time, the board still needs the warranty details to determine our plan of action.]

New business:

BOD nomination forms—Annual Owner Meeting:

Carol Ann advised that the approved cover letter and the nomination form was sent to all owners. The deadline to submit a nomination for next year's board is August 11. Over the next few weeks, Carol Ann will work with Barbara/OCREM/Moore & Co. to develop the rest of the Annual Meeting package and define our meeting procedures.

Clean carpet on 3rd floor-Dominica?

The Dominica 3rd floor carpet has rust stains from when Canvas Experts took down the old awning and support structure. Some rusty water also ran down and stained the siding. It was decided no action should be taken until the new awning installation is finished.

July 4th procedures—recommendations for next year:

Steve and Marie shared that things went well on this past July 4th holiday.

Bid Status:

Bid for building painting in 2009:

OCREM shared the quote from Moore Painting to paint the three remaining buildings in the rotation. These include Bermuda, Cayman and Lanai. Following some discussion, the board felt expecting Ed Moore to do three buildings in a compressed spring time frame is too challenging. We examined the current budget and decided to paint one more building (Bermuda) this year—in the late September and October time frame. This will leave Cayman and Lanai to be done next spring.

It was also decided to have the buildings checked before painting starts to determine where rotten/bad wood exists. This will allow a cost estimate to be approved and that repair work completed prior to the actual painting started, thus eliminate the overlap of efforts between the two vendors.

We also felt separate bids should be provided for each building. Thus when a building project is started, we will make the first payment on that building versus a deposit on the overall project. [OCREM was notified following the meeting to alert Moore Painting to the modified schedule and need for separate contract documents.].

Bid for re-carpet in 2009:

OCREM obtained quotes on all three buildings still having the old carpet style (Aruba, Cayman and Dominica) from Keenwik and Donaway. However the bids received had a strong cost variance so we will ask OCREM to seek a third bid. We also felt it best to go back to all vendors to assure their bid factor in the same procedure and obtain references.

After further discussion it was decided the carpet replacement on Aruba could wait another year. Dominica also falls in this same category (allowing for concern to owners to have to pay for private deck re-carpeting out of pocket).

Bid for Stair Tower repairs:

Following our discussion at the June meeting, Carol Ann worked with OCREM to refine our stair tower bid spec document. This was done for Cayman-south, Hawaii-east and Oahu-east. Bid requests were sent to multiple vendors with the responses due back on July 28. This vendor decision will be made in the August meeting.

Tennis court:

OCREM obtained bids to replace/re-surface the tennis court from two vendors—P&A Paving and Matts Management. Again we received bids with significant cost variances. Marie advised she has been in contact with Mid-Atlantic Sports, a recognized vendor of tennis courts. They agreed to provide a cost estimate following an on-site examination of our existing court. This will be completed in the next 2-3 weeks.

It was then discussed that our tennis court is being used by people who are not owners or active renters of our units. It appears Coldwell Banker rental agency is giving out the lock access code to non-IHH renters. We decided the best way to curb this now is for OCREM to change the number access code starting on August 2 and then every two weeks following through September. [Note: OCREM was notified, procedures were defined and a letter was written, approved and mailed to all owners by the following Friday. Further Coldwell Banker denies they provide the code to non authorized renters]

Finances:

At the beginning of the meeting, Mark shared a letter from a Baltimore law firm. It discussed steps the board of directors should take in light of the recent court ruling on the master condo insurance coverage. Marie made a motion that we should send a memo to our insurance company (Harford General) stating we expect to have single entity coverage for our master insurance policy. Lou seconded the motion and all present voted in favor. It was decided Carol Ann would write the recommended memo. [Note: Carol Ann prepared this memo on Monday 7/21 and Lou signed it as Vice-President. It was then given to our insurance agent (Mark).]

Mark shared the proposed budget for 2009 with the board. After some discussion, Lou made a motion to accept the proposed budget. Marie seconded it and all present voted in favor. This budget will keep our monthly dues the same as this year while still allowing us to complete the planned projects and maintain our Reserve Fund contributions. Carol Ann will work with Mark and Moore & Co prepare this document so it can be distributed to our owners are part of the annual meeting package.

Items from the floor:

Electric outlets on the hallways of Aruba and Bermuda are not working. Past efforts to identify the trouble have failed. It was recommended OCREM engage a master electrician to investigate and repair this condition on these buildings as well as check the others in the complex. [Carol Ann informed OCREM on 7/21 and suggested either Frick or Tumi Electric be contacted.]

Our recycle containers are overflowing due to the positive response from the owners. Ocean City currently makes only one pick-up a week of recycle material. Carol Ann will ask OCREM to seek an additional pickup during the week from OC. [Request was made to OCREM.]

Marie shared a request from an owner that a US Post Office mail drop box be installed on/near the Island property. Carol Ann will ask OCREM for investigate our options.

Mark advised he has a personal conflict for our next scheduled meeting (August 16). The board agreed to change the date of our next meeting to the following day—Sunday, August 17. [Note: all board members and OCREM were advised of this date change; the IHH website was also updated to reflect the new date.]

Lou closed the meeting at 11:55am.

Respectfully submitted,
Carol Ann Bianco, Secretary