

The Island at Hidden Harbour
Board of Directors Meeting

July 26, 2014 -- 10 AM
Meeting Minutes

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

Major project updates were accepted as stated on the agenda; briefly they included:

- Guardhouse repairs (both) ---interior rotted wood repairs; install vinyl siding-**Completed**
- North pool house ---repair interior rotted wood; install vinyl siding; replace doors-**Completed**
- North pool—water leak onto sidewalk

The original plan for Premier Pools to re-pipe a line from the backwash pit is on hold as no water leaks have been observed thus far. If water does appear on the sidewalk, Premier will re-pipe the line; then if leak stops we'll know this solved the problem.

- Kauai—Paint building and foundation—**Completed**
- Maui & Lanai—foundation walls repaired and painted-**Completed**
- Dumpsters (9) replaced-**Delivered**
- Rain sensor installation—**Completed** this past week

Bids for Consideration:

- **Unit 326-D deck repair....salt treat wood**

After the April board meeting, a registered, professional engineer inspected the integrity of unit 326's rear deck. After inspecting it from below (via unit 226), he cited one corner of the deck was in very bad condition and approved a temporary repair be made from underneath. This work was completed making the deck usable for the summer with the recommendation to replace the entire deck in September. The board agrees we have to do this work and accepted the revised bid from Triangle Builders using salt treat plywood for the project. The owner then requested that the work not start until after October 1st. Barbara will coordinate a firm start date with all parties.

Old Business:

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

An email was sent to ProCoat requesting a start date after the south pool closes for this season as well as their expected completion date. More information will follow at a later time.

--Damaged Hawaii carpet

No contact has been made with the owner whose child caused the carpet damage on the 1st floor of Hawaii. It was then noted that children in other buildings have been observed riding / skidding bikes on the 1st floor of other buildings. After a brief discussion, it was agreed that Barbara would send an email to all owners reminding them that no bikes, skateboards or scooters are to be used on the common hallways.

--Dryer Vent Cleaning:

The common 2nd & 3rd floor dryer vents on Aruba, Bermuda and Cayman were not cleaned this past Spring as planned due to the unavailability of the contractor. Barbara will get new bids for this work to be done in the Fall. It was noted access to all these units is required and the work is labor intensive, especially to access the vents for the 3rd floor units.

Financials:

--**Insurance:** The master insurance policy renewal for The Island was approved by email vote prior to this meeting. Mark shared the goal is to shift all policy renewals back to a consistent date next year. Of note, The Island was claim free last year keeping our premium increase low.

In a flood insurance seminar held earlier this year, it was learned the area for flooding concerns is no longer on the ocean side of OC but rather on the bay side. Thus the premiums for ocean side property went down while those (like us) on the bay side are seeing flood premium increases.

--**Financial Report:** June 2014 ended with a Reserve Fund balance of \$441,622. This is down from the prior month due to the replacement of 6 (to date) dumpsters, and the second payment on the guardhouse project. The Operating Fund ended June with net negative income of \$20,106 although year to date we are still in the black by \$13,865. The Operating Fund balance was \$289,413 at the end of June. Significant projects impacting the Operating Fund were expenses for the building painting and landscape improvements.

During this discussion, a recommendation was made to have the trim around the weathervane on the top of the guardhouse painted black. Barbara was asked to engage Moore Painting for his recommendation and cost estimate.

--2015 Proposed Budget:

The proposed 2015 Operating and Reserve Fund budgets emailed earlier were reviewed. A few cost categories were tweaked based on past trends with the main adjustment to the Operating budget being a significant proposed increase in the painting category to better cover the cost for 2 buildings to be painted in 2015. Specific building needs were then discussed noting that Kauai was painted in this past Spring and we plan to paint Maui this Fall. At this time, Lanai appears to be the next building needing painting (Spring of 2105) and the second building to be painted (Fall of 2015) will be determined at a later time based on conditions.

Carpet conditions were then discussed noting that Maui's carpet is in very bad shape now. The board decided to get proposals to re-carpet the common areas of Maui this Fall after the painting is done. The cost to re-carpet the private rear decks on Maui will be included in the master quotes although each owner will need to decide whether to install new private area deck carpet since they are personally responsible for that cost. Again, other buildings carpet needs were briefly discussed as well as the option to have the carpets professionally cleaned again. Specific decisions on those options will be made later.

A suggestion to raise the condo dues for 2015 was made. After some discussion, Wayne made a motion that the Board of Directors recommend increasing the condo dues by \$10 in 2015; Mark seconded that motion. However, in a floor vote the motion failed with Mark and Wayne accepting it and Marie, Tom and Carol Ann voting no, not at this time. [Note: Charlie had dropped off the conference bridge by this point in the meeting.] The board then agreed to accept the proposed budgets as presented. They will be copied and included in the mailing of the owner meeting materials to be sent out in August.

The board next requested Barbara obtains budgetary proposals to help us determine if and when an adjustment might be called for in future condo dues. The budgetary bids are to include a roof replacement, carpet replacement for Maui, replacing the boardwalk and resurfacing, re-stripping the parking lot. It was agreed to hold a conference call on **August 25 at 7pm** to review these bids prior to the September 20th owner meeting.

Lou reminded the board that in any voting items raised during the owner meeting, assigned proxies must be taken into account as well as the votes of those owners present in the meeting. Barbara will adjust her tracking spreadsheet to show proxy assignments in case this need arises.

--Owner Meeting—Proposed Agenda:

The board suggested a few modifications to the proposed Owner Meeting agenda. Carol Ann will incorporate those changes and provide the final agenda to Barbara for copying and inclusion in the owner meeting materials being sent out in August.

Items from the floor:

Recently the owner of Oahu 361 requested the association repair a leaking window problem on his unit. The board agreed we must follow The Island By-Laws as well as the MD Condo Act that states doors and windows are the owner responsibility.

With all business addressed, Wayne made a motion to adjourn the meeting at 11:45am. Marie seconded the motion and all present agreed.

Respectfully submitted,
Carol Ann Bianco, Secretary