

The Island at Hidden Harbour
Board of Directors Meeting

November 10, 2018 – 10 AM
Meeting Minutes

Board members Tom Murrill, Caroline Pisano, Alan Siegfried, Charlie Zellers and Carol Ann Bianco, along with John Jensen (Mana-Jit), attended this board meeting in Mark's Ocean City office. Al Dietrich and Mark Hannahs joined via conference call. Having a quorum, President Mark Hannahs called the meeting to order at 10 am.

--Financial Report:

The September and October 2018 financial reports both now show expected negative monthly balances of (\$19,101) and (\$27,875) respectively. Year to date results similarly track with (\$6,520) and (\$34,396) respectively. Carol Ann reviewed some of the key factors attributing to these results. While not accounting for all of the negative trend, one significant hit to the budget occurred with the major wood repairs needed on Oahu during prep to paint that building. The Reserve Fund balance at the end of October stands at \$645,819 due to payments made on the Hawaii carpet project.

Carol Ann then shared a recommendation from Bob Moore regarding our Reserve fund accounts. Currently the associations Reserve money is held in multiple bank CD's; several of these CDs will mature in the near term. As an alternative, we can shift the funds into a master account arrangement. One benefit would be signature card signing would only be needed to establish the master account or when board officers changed, not for every new CD. Laddering the CDs in the new structure will give us flexibility to meet future needs. In the new structure, the money would continue to have FDIC insurance protection plus a fixed, higher rate of return on the monies invested. After discussion of planned or potential 2019 Reserve funded projects, the board agreed to migrate to this structure on a gradual basis with 60% liquid and 40% in fixed term funds to start. It is hoped that after 2019, we will be able to fund future Reserve projects with the yearly condo dues monies allocated to the Reserve accounts, thus on more of a pay as you go plan.

Project Status:

--Circle areas: The work on the front of Aruba and Cayman building is complete. Permits were obtained and multiple inspections made during this repair effort. The smaller decorative circle windows on the rear of A, B and C buildings still need to be re-sealed with silicone caulk; this will be done when time and weather permits.

--Painting-Oahu: Rotten wood repair to prepare for painting Oahu has been an extensive and expensive effort; it is expected to wrap up in the next week. The painters made good progress while working around the wood repair team with much of the front side of the building done. A lift was brought in to raise new full sections of railing in place on the rear of the building. The painters will then use the lift to reach peaks and other difficult to reach areas to complete their work. Sadly, weather is not cooperating so the finish date of this project is yet to be determined.

--Deck carpeting--In September, the board awarded the carpet project of the Hawaii building, using the new "Legend" / Dreft Blue (#111) carpet, to the vendor who recently completed the 2 test decks. Carpet installation work on the front of the building and the 1st floor rear decks is nearing completion. However, how to access the 2nd and 3rd floor rear decks hit a roadblock as the carpet installers will not use ladders to access those units for safety reasons. After several alternate installation options were considered, the board agreed the only way to finish this project is with access thru the owner unit. Of note, when we re-carpet Kauai and Lanai (2019?), access to those rear decks will be nearly / truly impossible except via entry thru the owner unit.

The plan is for John to first push the installers to complete the areas already underway. He will then request owner permission to enter the 13 unit owners involved. To control the project, Roger (wood contractor) will take the lead and manage the owner keys; for more control, they will work these decks in small batches, say 4 units at a time. The units will be inspected at the start and completion of the job to assure no damage occurred in an owner unit. The carpet installers will need to take precautions like laying paper floor covering, wearing shoe protection, etc. Once we have owner permission to access their unit, weather will be the final factor for when we can get this project completed.

--**Tennis court:** A contract has been signed to repair the tennis court cracks. This work is pending; John will follow-up on scheduling.

--**Parking lot light fixture(s):** We now have the parking lot pole light fixture down at Oahu and now one near the entrance bridge. Two replacement light heads have been ordered but they take longer to source due to our special paint color. This work is still pending.

--**Pools:** The trim tile of the North pool was not cleaned off during the season. The new pool furniture has now been put away in the pool storage rooms.

Future Plans / Decisions:

--**Insulation under Hawaii:** Recently the board received an unsolicited proposal to install spray foam under the Hawaii building. This project had been considered several times in prior years but due to the uniqueness of this building design and varied costs, it never moved forward. Once again, the board has concerns about the use of spray foam in that area as well as the R value product needed. After discussion, John was asked to engage an architect (Madd Engineering?) to obtain an expert recommendation; this topic is tabled for now.

--**Roofing Bid:** --Earlier in the year the board engaged an architect to aid in our first roof project. An RFP was distributed with 3 proposals received in September. John planned for the board to make a decision following the Sept. owner meeting but while speaking with the bidders first, John learned they include wind clauses in their contracts and would not guarantee a roof installation done in the Fall. Thus the board is now looking at March, 2019 to start roof work. Discussion then focused on the shingle manufacturer, aka is one better than another. One bidder, our current roofing contractor, stated his shingle preference was decided "since they don't come off". The board agreed that to get us back on schedule, we will need to replace both Bermuda and Aruba in 2019 with both of them being done at the same time. John was tasked to revisit the 3 bidders for an updated, combined project cost. We also want warranty items well defined and references, from work done years ago, so we can make a decision in our next board meeting.

--**Common Dryer Vents:** Following up on comments from the Owner Meeting, and with the planned roof replacements, the board tasked John to see if there was a solution to the Aruba, Bermuda and Cayman dryer vent sharing design. John stated our dryer vent contractor would be able to "separate the common joint" in the attic area and then individually extend the 2nd and 3rd floor dryer pipes to the outside of the building, exiting to a vent cut into the fascia board under the awning. The new extension lines will be aluminum, not flex piping. The board felt this solution met many of our and owner concerns; it will also eliminate all holes in the new roof. John was asked to get a specific cost bid so we can move forward. After this solution is implemented, each owner, in every building, will then be responsible for their own dryer vent cleaning.

--**Pools:** Following our earlier concern with the level of service Premier Pools was providing this year, a "cure notice" was sent to Premier Pools identifying our issues. An onsite meeting was then held to discuss the issues after which they again repeated the same mistakes. The board agreed to terminate this contract a year early for poor performance. John was asked to draft the cancellation notice to Premier Pools. He will soon begin a search for a replacement pool service company.

--**Emergency lights:** During a power outage it was observed the building emergency lighting failed throughout the property. Investigation determined the battery packs were dead. Our lighting contractor has ordered 30 new, replacement batteries and will install them shortly.

--**Common Area Condensate lines**—John updated the Board with a proactive solution to minimize/prevent blocked common condensate lines in the future. We will work with a plumber to clean the 183 stacks of common lines and to modify the outflow design allowing for easier access if a blockage does occur in the future. This will require access to 3rd floor attic areas as well as under the building. John will get a cost estimate on this project for the board.

--**Landscaping** –Tom shared there are no big landscaping plans for 2019. With the major work done at the North pool this year, now that several tree stumps have been removed, that area might need a bit more planting to fill in gaps. The left over pile of rocks in the parking lot needs to be put back into the planting beds. Other areas to address are some side planting beds on a few buildings that still have original shrubs. We also need to augment the rip rap in places. Alan then shared his investigation with the City about the dead trees at the entrance bridge. No one admits to spraying them; Charlie commented this same type of tree in Northside Park is in the same dead condition. Alan is waiting to hear if those trees “belong” to us or the town.

--**Boardwalk replacement plan:** After reviewing our prior years approach to boardwalk board replacement efforts and the increased quantity we completed this year, we took up the concern shared in the Owner Meeting to step up the replacement pace even faster. In order to make an informed decision to decide if we can truly consider this effort, we need contractor proposals. The board agreed to concentrate upcoming efforts on the boardwalk run from Dominica to the Bay, including the walkout bridge from Hawaii to the boardwalk. Charlie and John agreed to count the boards. John will then obtain cost estimates for the board to consider.

To-Do's for 2019:

--Sinkholes have been found on the dockside of Dominica and Aruba. John suggested when filling them in to leave the fill material in the bag to block the space rather than letting it run out.

--Painting to paint the south pool foundation wall and touch-up painting on the north pool foundation wall remains to be completed.

--A suggestion was made to add extra door openings in the wooden skirt area on the bay side of Maui to allow for kayak storage.

--North pool tot lot—upgrade the wood decking with a composite type of material

--Add last support brace to the fence post at the south pool; the custom fabricated brace has already been paid for to Roger.

Items from the floor:

--Alan recommended we develop a document of standard contract requirements for future bids. Carol Ann agreed to check old files for what was used in earlier years.

--Alan suggested the volleyball area needed more sand next year.

--Charlie shared the work the City was doing on water lines that run though our property. Their investigation effort is what caused the core sample hole at the south end of Cayman recently.

--Carol Ann will draft the Winter Newsletter soon and update the website board only section.

With all business addressed, this meeting adjourned at 1:15pm. The next board meeting was tentatively scheduled for January 26, 2019. If an item needs attention prior to the next meeting, the board will address it either by email or conference call. **NOTE:** the next meeting date is now scheduled for January 5th in Mark's Lutherville office.

Respectfully submitted,
Carol Ann Bianco, Treasurer / Secretary