

The Island at Hidden Harbour
Board of Directors Meeting

February 23, 2019 – 10 AM
Meeting Minutes

Board members Mark Hannahs, Al Dietrich, Tom Murrill, Alan Siegfried and Carol Ann Bianco, attended this board meeting in Mark's Lutherville office. Caroline Pisano and John Jensen (Mana-Jit), joined via conference call; Charlie Zellers did not participate in this meeting. Having a quorum, President Mark Hannahs called the meeting to order at 10:15 am.

Project status:

--Repair of smaller circle windows on canal side of several buildings: These repairs were to start by the end of last week. John did not know his expectation of the scope of this project was far different than the approach Roger /contractor planned to take. After John learned the cost of Roger's plan, John pulled the scope back to our original needs. Note: John does not receive the actual invoices for the building materials / supplies the contractor orders ahead of time for a project. Now only the two windows with known leaks will be repaired with the new siding. The rest of the canal side windows will be sealed with caulk to prevent future leaks from occurring.

The board then questioned why the need for new siding, recalling many past projects where the old siding was removed, a leak was corrected and that same original siding was re-installed. After some discussion, the board also agreed an open time and materials approach is not sustainable. Instead contractors need to provide a cost estimate to John upfront for approval on work tasked to them. If the project work exceeds the cost estimate / ceiling, then the contractor must regroup with John explaining the reasons why and obtain approval to exceed that amount. John will discuss both of the above items with Roger and reset expectations going forward.

--Status of carpeting / wood repair on Hawaii: John shared that all carpet has been installed on the Hawaii building. However, some areas need warmer weather to complete the punch list items. Thus a partial "final" payment was made to the carpet contractor with sufficient money held back until a satisfactory inspection walk through, with a board member participating, is done.

--Status of replacement of parking lot light – Oahu and Aruba areas: This work is complete.

--Replace batteries to Emergency lights on buildings; replace some hallway lights: Per John, the emergency light batteries have all been replaced. They expect to finish replacing the exit signs in the next 2 weeks. No recent complaints of lighting outages have been reported.

--Heat check inspection #1---key / access status: Three Mana-Jit Property Managers completed the first heat check of the season on January 16, 2019. The results were only minimally better than the prior year's inspection. They found 14 owner units that could not be accessed due to key or combo lock code issues. Of the remaining units inspected, 4 units were found with the heat OFF, 13 additional units had the heat set below 55 degrees (our insurance company requires the 55 degree minimum temperature setting) and 7 other units still had the water ON.

With a bitter cold temperature and high wind event forecasted for the upcoming weekend, the board declared access to the remaining units was an emergency and authorized Mana-Jit to engage a locksmith. Owners with combo lock codes were contacted for an updated code and the locksmith performed his work on the missing key issues. By the end of next day all owner units, except 2, were finally accessed and checked. With board's concurrence, John sent deficiency notices to those owners who failed to adhere to the Island Rules and Regulations; included in this notice was the application of the violation fine they now owed to the association. Carol Ann shared only a few fines have been paid at this time.

--Modification of common dryer vent design in Aruba, Bermuda & Cayman buildings: The contract for this project has been signed; work is scheduled for March 4th – March 8th. Owners in these 3 buildings have been notified.

--Status of repair to tennis court crack(s): Repair is scheduled for the 1st week of April.

--Financial Report:

The January, 2019 financial report shows an unexpected negative amount (\$13,015) spent for the first month of the year in the Operating budget. A small portion of this can be attributed to over spending in the Lighting categories due to the unforeseen necessary Emergency and Exit light replacements as well as the replacement of two parking lot light fixtures, both holdover projects from 2018. The positive news for this month is the Reserve Fund balance increased to \$675,500.

However, the major cause of the negative January balance was due to an overrun in the Building Repair budget category. Some of this was due to leak repair efforts that never seemed to conclude. However, most of it was caused by the small circle window repair efforts outlined in the Project Status notes above. While steps to prevent building repair material costs from getting out of control are now being put in place to prevent a future overrun, the damage has been done.

Totaling all of the January and February contractor and building materials invoices, \$30k has already been spent in this cost category; this is 44% of the total planned Building Repair budget.

To get the Operating budget back to “net zero”, the board agreed to defer painting the Lanai building this year. Lanai was last painted 4 years ago so re-painting it now would actually be ahead of our normal every 5 years routine. Eliminating the cost to paint that building and do the associated wood repairs should fully compensate for the current Building Repair overrun.

Future Plans / Decisions:

--**Roofing Bid**: --After our January board meeting, updated proposals were obtained on the 2 remaining bids and shared with the board via email. Through email discussions, the board chose Chesapeake Roofing, our current roof contractor, to replace the Aruba and Bermuda roofs using GAF shingles. With the final details of the negotiations complete, Mark signed these contracts. John will work with Chesapeake to get us on their Spring work schedule.

--**Insulation under Hawaii**: Similar to the roof project, the remaining questions on the Hawaii insulation project were addressed via email. In this meeting, the board accepted the proposal from Delmarva Insulation to complete this project as soon as weather permits. Mark signed this contract in the meeting. John will coordinate the date for this work and will notify those owners.

--**Boardwalk replacement plan**: Following last month’s board meeting, John obtained 2 more proposals from licensed marine contractors to replace most of the boardwalk span from Dominica to the Bay including the walkout bridge from Hawaii to the boardwalk. During this meeting, Alan and Charlie’s calculations on the cost included in the lowest bid showed they were valid cost numbers. The board then agreed to accept the Hi-Tide proposal; Mark signed this contract. John will work with Hi-Tide to get this project on their upcoming work schedule.

2019 Paint Projects: John provided the proposal from Moore Painting to paint the Kauai building this Spring. The board accepted this proposal; Mark also signed this contract. As noted earlier, the plan to paint Lanai in the Fall has now been postponed until 2020.

2019 Carpet projects: John shared the cost estimate from Sea Floors to install new carpeting on the Lanai building this Spring. The board suggested several items to be included in the actual contract and asked John to work with them on the final document. The plan remains to carpet the Kauai building in the Fall; at this time, no cost information is known on the Kauai project.

--**Pools:** At the boards request, John sent an RFP for a new pool management provider for the Island. At the time of this meeting, he had only received one bid which the board discussed and rejected as written. John was asked to negotiate a better proposal package from the one bidder and to seek out at least one more bid for us to review before we make a final decision

--**Landscaping** --Tom shared there are no major landscaping projects planned for 2019. He plans to have a landscape meeting with Patric (DM Taylor), Charlie and himself in a few weeks to evaluate our needs this year. Known areas being considered are updating the north pool area landscaping including removing a few more stumps in that area. Cutting down dead trees at the entrance bridge, adding more red rock to some landscape beds are also on the target list. A suggestion was made that the sod strips at the parking lot curb area are in bad shape and should be checked.

To-Do's for 2019:

- Oahu building---some parking is needed and then the foundation of Oahu need painting.
- Paint the south pool foundation wall
- 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; budget conditions will be factor for proceeding with this effort.
- Alan suggested the volleyball area needed more sand next year.
- 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. Roger expects to complete this in the next few weeks.-DONE
- Alan is developing a document of standard contract requirements for future bids. Carol Ann provided what was used in earlier years. Mark will provide a dummy insurance proposal document with our insurance requirements to include in future bids.
- John was tasked to obtain the insurance certificates for all the contractors working on the Island and provide them to Mark for evaluation.

With all business addressed, this meeting adjourned at 12pm. The next board meeting is scheduled for March 30, 2019 starting at 10am in Mark's Ocean City office.

Respectfully submitted,
Carol Ann Bianco, Treasurer / Secretary