

The Island at Hidden Harbour
Board of Directors Meeting

January 29, 2021 – 9 AM
Meeting Minutes

Board members Mark Hannahs, Alan Dietrich, Richard Foard, Tom Murrill, Caroline Pisano, Charlie Zellers, and Carol Ann Bianco along with John Jensen (Mana-Jit) participated in this board meeting via Zoom. President Mark Hannahs called the meeting to order at 9:00 am.

Project status:

--Lanai wood replacement (rear / water side): Work is underway on the project to replace all the wood on the rear of Lanai. John and Charlie both shared there were minor speedbump start-up items but all were quickly resolved. Tyler's team is attentive to details, responsive to suggestions and doing a good job with on-site maintenance of the owners decks and Island property.

John then shared when Tyler's crew went to re-attach the new railing sections into the existing side / "wing wall", they found bad wood there. Pursuing that discovery further, they traced the rot to the closet door wall also. It was found mostly on the 2nd floor decks due to improper placement of flashing and building wrap materials (from a prior project?).

John and Charlie then met with Tyler's lead contractor to discuss the repair options / solutions specific to the closet wall as in some cases it has impacted the owners closet door. Obviously the rotten wood (mostly sheathing) will be replaced and all agreed T&M cost was a logical plan.

The board next discussed how to handle owner closet doors, which per the By-Laws and MD Condo Act, are the owners responsibility. At this point, 2 owner's closet doors were identified as needing to be replaced; several other closet doors are candidates for replacement based on the owners choice. The board agreed to continue to follow our standard procedure in this situation, similar to an owner deck carpet replacement (owner pay) and bad underlayment wood found (association paid). Thus in this case, the owner is responsible for the cost of their new pre-hung, replacement closet door and they will be billed to reimburse the association for that item. The association will cover the labor and related material costs to repair the damaged wood.

During this project (only), owners whose doors are suspect, but not necessarily in need of replacement now, will be given the option to join in this same replacement effort while the Tyler crew is onsite under the same cost arrangements. Thus owners will still own their closet doors, with no warranty from the association. John will send a memo to the affected owners alerting them to their situation and necessary steps to follow.

Landscape Updates: Tom shared DM Taylor's work to clear the over-grown shrubs from Lanai completed prior to Tyler's crew starting their work, thus giving them better access to the building. Charlie shared in many cases, DM Taylor was able to just pull the stumps out rather than needing to use a grinder. Tom shared he is waiting for suggestions on future landscape work from the volunteer owner (Paul). He also said DM Taylor is doing the winter cut backs now.

--Tropical Storm Isaias: John and Mark reviewed the recent insurance claim push back on our initial wind claim was due to us only having estimated cost factors at that time. These include the siding repairs as well as the replacement of the damaged 3rd floor awnings on Lanai, Bermuda, Oahu and 401-A's canopy Now that firm costs are known, Mark plans to re-engage on the proof of loss claim. Mark also shared a major insurance carrier is pulling out of wind contracts covering the Easter Shore; while it doesn't affect us now, he continues to look for alternatives.

Continuing the awning discussion, earlier John had shared the more detailed cost quote from our regular awning contractor. In this meeting, he reviewed an alternate quote finally received this morning after several follow-up efforts were made to obtain it. With the 2nd, alternate quote now in hand, the board found their cost estimate was 20% higher compared to the regular contractor's quote. The board then agreed to have the awning replacements done, weather permitting, by our "regular" contractor. Finally, John shared the Oahu awning has been pulled out of the marsh.

--Lanai & Maui Painting status: John stated these items should be placeholders on the agenda until weather conditions allow exterior painting work to restart. He did note that Moore Painting still needs to paint a few top rails to complete the painting work on the front of Lanai and the new wood on the rear of Lanai will need to age / dry out for several months before it can safely be painted. The painting of the front / parking lot side of Maui is complete. Other warranty paint efforts to be addressed include touch up work on Kauai and Oahu as well as Bermuda hand rails.

--Heat checks: John advised he planned to do the 1st winter heat check of all owners units next week based on the current weather forecast. The board agreed, if necessary to gain access to a unit due to no working key, that John could engage a locksmith.

--Financial Report:

The December year end Operating fund financial report ended with a negative monthly amount of (\$15,399) but a positive year-end amount of \$87,489. Having excess funds is due to many building repairs funded from the Reserve account, paint projects delayed and other misc. tasks not incurred (no heat check / snow removal, no power washing,) plus the LED cost savings. The Reserve Fund balance decreased to \$608,484 at the end of December; overall it ended the year negatively... down \$12,444 from the start of 2020. The board agreed to move the Excess Operating funds of \$87,489 to the Reserve Account as agreed by the owners in our annual meeting. This additional funding will help cover some of the unexpected costs on Lanai.

Year-to-date savings from our LED lighting conversion provided a 20.5% decrease in our Electric cost in 2020 versus 2019. We haven't recovered all our upfront costs yet but are getting there.

Our increased property appraisal valuation increased our total insurance costs by just over \$10k; this additional premium will cover us through the end of our current policy term.

In January, owner ACH withdrawals were pulled twice from each owner's bank. As soon as the error was identified, PKS took immediate steps to have the bank reverse the second draw. PKS then drafted a letter, sent via email and USPS, to the affected owners apologizing for the mistake. The letter spelled out that going forward a two-step authorization process would be implemented to prevent a repeat event. PKS also agreed to make whole any owner who was impacted by a bank overcharge fee. Finally, the planned re-alignment of PKS staff supporting the Island was implemented immediately versus waiting until the end of January.

John shared the Cayman repairs from the clogged condensate line are not finished. Once this occurs, then final invoices will be processed. This will likely result in some monies coming back to the association since we initially paid out more than our policy deductible (\$5,000)

Future Plans/decisions/proposals:

--Aruba carpet: John's completed owner poll identified one Aruba owner who is opting-out of replacing their private deck carpet. Also in the polling effort, some owners cited concerns with the condition of their deck; those decks will be inspected and addressed as the decks are prepared for the new carpet. The board accepted the revised carpet contract; Carol Ann will coordinate getting the deposit sent so carpet can be ordered. The carpet company will handle the deck prep work including any subfloor repairs, installing blue skin wrap on the 3rd floor decks, etc.

--South Pool: The board re-reviewed the proposal to re-plaster the south pool after John had their proposal revised to include all details in the scope of work, e.g. replacing tiles, and the contractor warranty. John will now finalize this contract so we can get on the Spring schedule. He expects some prep work to start soon.

--Maui—wood replacement project: John shared while accessing the Maui units during his heat check inspections, he would also review the condition of the wood railings, etc. on those rear decks. This will help him identify the scope of wood replacement work needed on Maui. Our goal is for the Tyler team to shift over to Mail once they complete Lanai. Caroline noted her 2nd floor upper balcony wood is in very poor condition and she expects it's the same on the other 2-story 3rd floor units. John agreed they should all be replaced (except 352 that was done earlier).

Note: Paint and wood replacement work on Dominica will likely be addressed in the Fall.

--Condensate lines: Charlie and Richard spent time prior to this meeting discussing the issues surrounding the common condensate lines. Richard, with his prior HVAC experience, stated we do not need plumbers engaged in this effort but instead need HVAC techs. A discussion followed on the ins and outs of such an effort, complicated by the fact the design of the buildings is not consistent. The end result is that we'll need to identify a target building to investigate our options; we will also need to select an HVAC company to partner with us. One concern is whether we can inspect via the crawl space or if we'll need to examine the common condensate line via the 1st floor unit. Once these tasks are complete, we can establish a game plan for all the common lines.

Further discussion focused on owner maintenance action items. It was agreed the Maintenance memo John developed, and shared with the owners in Nov. 2019, needs to be resent to all owners on a regular basis. The best time to resend it now will be with the Spring Newsletter.

--Speed Bumps: The board agreed additional speed bumps are needed on the North and West side of the Island. John shared an overhead photo with the proposed additional locations at Oahu, Maui and Lanai. [Note: Immediately after this meeting, the board agreed on the 3 locations cited; John obtained a proposal from our contractor which was then accepted via email. The 3 new speed bumps will be installed as soon as weather permits.]

--LED lights: Charlie shared the final LED lights to be replaced are on the list but not done yet.

--Tennis Court: A concern was raised for the condition of the tennis court. John was tasked to get updated quotes for repair & repaint OR a full resurface project. Ideally if we decide to tackle this project, we'd like the work completed soon so owners will be able to use the court in the Spring.

Owner topics:

--Owner deck concerns: Two specific cases of owner concerns for their Dominica decks were reviewed. After thorough review of each situation including prior actions taken to address their concern, the board agreed the decks are structurally sound now. John will respond back to these owners.

--Boat Slips / lifts: John completed a review of the owner slips and lift and has identified a number of them to recommend owners take action. Charlie agreed to re-check those cited. Then John will send a memo to those owners reminding them to maintain their property.

--Kayak storage: The board agreed, other than storing a kayak under the building, there is no good place for a "central" storage rack. Other liability concerns were also discussed.

--Power washing: The board briefly discussed power washing some elements of the Island. An inspection is needed to determine which areas need to be addressed. We would like to re-engage the same contractor we used in recent years for this effort.

--Owner contact directory: The board briefly discussed whether to undertake a full updated owner opt-in contact directory; the consensus was not to pursue this effort.

--Islamorada decking: No updates on this at this time

Reminders / To-Do's for 2021:

--Tot lot – north area: John was tasked to find a contractor to address the bad deck boards and rusted paint on the north tot lot structure.

--Guard house doors: The doors on both guard / gate house structures are in poor condition. The board asked John to have Tyler add this work onto their Island efforts.

--Under the building insulation: Recognizing that in some cases the batt insulation under a few buildings is falling down, it was agreed to inspect and address this during the common condensate line inspection effort.

--Picnic tables: The board agreed to replace some of the Island picnic tables. John and Charlie agreed to check some local and online resources to see what is available this year. We may need to switch to a non-wood product this time.

--Flags: John and Charlie will coordinate efforts to purchase replacement USA, MD and OC flags. We normally purchase 2 each every year. This year the flag pole rope needs to be replaced also.

All agenda items were covered in this meeting. The next Island board meeting was scheduled for 9am on March 5, 2021 via Zoom.

This meeting adjourned at 11:20 am.

Respectfully submitted,
Carol Ann Bianco, Treasurer / Secretary