

The Island at Hidden Harbour
Board of Directors Meeting

August 5, 2022 – 9 AM
Meeting Minutes

Board members Mark Hannahs, Tom Murrill, Rich Foard, Charlie Zellers, Martha Behrend, Carol Ann Bianco, with John Jensen (Mana-Jit) participated in this board meeting via Zoom. Alan Dietrich wasn't available to join. President Mark Hannahs called the meeting to order at 9:00 am.

Project status:

--Tennis Court: Following last month's meeting, the board unanimously accepted the Terra Firma tennis court proposal via email on 6/20. The contract was signed and the (Reserve) deposit check was mailed on 6/22 to assure our place on Terra Firma's work schedule. The scope of work includes a full surface overlay on the entire tennis court. Once the overlay cures, a 4-coat paint process will be applied for both the new tennis court and 2 new sets of pickle ball playing lines.

In today's meeting, we discussed our original expectation that the project would begin in 3-4 weeks with a subsequent delay to allow the new surface to cure before the paint would be applied. However that has not happened. John reported he has regularly followed-up with the contractor for a start date but they claim being held up waiting for the sub-contractor who will handle the 1st step in the process, i.e. replacing the concrete footers.

The board then discussed how we will handle taking down a section of the tennis court fence to allow the equipment needed access to that space. John advised he will handle that coordination. The board also asked John to obtain a design drawing for how the pickle ball courts will be placed in the newly painted area. Portable nets for pickle ball play were also briefly discussed. Finally, as fuel product pricing has declined since we signed the contract, John will inquire if any cost adjustment in our favor is possible.

--Sinkholes: After recent storms, a few sinkholes were found along the boardwalk near Aruba and Dominica. Brittingham has temporarily filled in those sinkholes; they will recheck the situation again in the Fall to determine if further action is needed. Also, cracks in the concrete band of the parking lot near the Maui dumpster have appeared. These are likely caused by the weight of the trash truck when it lifts that dumpster. John will have that area addressed this Fall.

--Landscaping: Tom shared he is still waiting for a quote from Brittingham to clear out the growth from the last / SE parking strip on the parking lot. They did remove poison ivy found in the rocks behind Maui. Their cost to clean up leaves and debris from the curb areas near the storm drains once or twice a month is still pending. A question of who is responsible for the rip-rap and the dead horse shoe crabs in the water near Hawaii was also raised. John will check.

--Kayak water access: John shared we're still waiting for a replacement ladder on the curve at Dominica; the cleats to secure kayaks near the new Bay-end ladders have been installed.

--Paint project work: John shared paint work continued on Dominica in June and July until the number of owners on site caused that work to stop. The plan is the painters will return to complete their work on the "old" wood and then move on to the new wood on Dominica, which should then be ready to accept paint, in the Fall. Rich then raised concerns for some touch up work still needed, including some new wood that's never been painted on Kauai and some areas where paint has peeled off. John will do a walk through and add those items, along with painting the new trim circles that Tyler's team installed in the Spring, to the painters work list.

--Tyler –misc. work list: Tyler’s punch list of items now consists of a few miscellaneous owner complaint items. John recently met with the Tyler crew to show them the spare supplies stored in 401-A that are available for their use. He expects this work to finish next week.

--Parking lot: Matt’s Management has approximately 6 parking spaces needing touch-up work. That work will be completed this Fall when car volume drops off to allow parking line painting.

--Fire Protective Services: At this time we don’t have a timeline for when our current cellular dialers will be replaced with Starlink units. Our understanding is the current 3G network Sunset is set for around Oct. ’22.

--Parking lot lights: Beacon Electric completed the age-related repairs needed on a few of parking lot lights that had not been working. Done.

--Dumpster replacements: Six new dumpsters have been placed on the Island. Done.

--Pool umbrellas: Mark shared shipping delays have kept the 4 spare pool umbrellas from arriving. He will follow-up on the order but for now we’re okay with the umbrellas we have.

Proposed Work:

--Kauai canopy awning: During a recent storm, one of the canopy entrance awnings on Kauai tore. John reached out to our awning supplier for a proposal to replace this canopy. [Immediately following the board meeting, the replacement proposal was received and accepted.]

--Financial Report:

The June Operating fund report now shows a negative monthly balance of (\$1,650) with a year to date positive net balance of \$41,744. The Reserve Fund balance decreased to \$615,593 at the end of June after the deposit on the tennis court project was paid. Carol Ann then provided a brief summary of monies paid and expenses pending from both the Operating and Reserve accounts.

Master insurance policy renewal: The board held a special Zoom meeting last week when Mark shared the much higher than expected renewal cost for our Master insurance policy for the Island. He stated this is the toughest market he’s seen in 42 years in the business. Our Master policy cost increased 35%. Additionally, the Wind Buy-Back (WDBB) market completely changed their deductible methodology. Now, rather than a flat deductible amount, the standard is 5% of the insured value of each building, per occurrence. After discussion, the board agreed to buy down the 5% to a 3% deductible. The combined increases of both policies caused a \$63k increase in cost that impacts not only our current 2022 budget but also planning for our 2023 budget.

Reserve Study requirement: The board was recently made aware of a pending MD Legislative Action Committee (LAC) ruling to go into effect October 1, 2022. This new ruling, due in large part to the collapse of the condo structure in Florida last summer, will require any condo association whose Reserve Study has not been updated since Oct. 1, 2016 to be updated within a year; our last Reserve Study was completed in June, 2016. Further, condo associations must then update their studies at least every five years and fully fund their Reserve budget in the first budget cycle following the updated study. Carol Ann shared she’s reached out to Miller-Dodson, who performed our prior studies, for the new cost; the plan is to complete an updated study in 1Q’23.

2023 Budget plans: Carol Ann shared the 3rd version of the proposed Island’s Operating and Reserve budgets for 2023. With the above mentioned increased insurance cost and several other unplanned, but required large expenses, the condo dues for 2023 will need to increase. Given we just had a significant dues increase in 2021, the board agreed to announce a separate Special Assessment meeting, following the Owner Meeting, to allow a one-time dues contribution rather than increase the monthly condo dues. John will prepare the necessary meeting announcements.

--Owner Meeting agenda: The board then discussed the agenda for our Oct. 1st Owner meeting with the plan to slow down / space out some future work projects. This adjusted schedule will mostly affect the timing of paint projects for the remaining buildings in this paint cycle effort.

Work shifted to the Fall, 2022:

--ARK—sprinkler system: John stated the identified sprinkler repairs are being made now. The 5 and 20 year inspections required by the Fire Dept. will be done in the Fall as they require visual inspections in all owner units and sprinkler head testing in a sample of owner units. John said ARK has scheduled to do the onsite work Sept. 20-23.

--Paint Aruba building: During our budget discussion and owner meeting agenda planning, the board agreed to shift the Paint project for the Aruba building to the Spring, 2023.

--South pool – misc. repairs: The shallow skimmer in the south pool still needs to be addressed by Atlantic Pools. They will need the pool drained for this work effort. The South pool closes first / Labor Day weekend this year which will give them a good window to complete this task.

--Hawaii – rear gable window: With no current leak issue with the Hawaii bayside gable window, this repair has been deferred until the Fall.

--Insulation under the buildings –While discussing Clean Team’s continuing efforts to repair the insulation under some buildings, the quality and diligence of their regular cleaning / vacuuming work was raised. Comments were shared that no vacuuming work had been performed in several areas for a period of time. More inspection of their contracted cleaning work is needed to assure the services we’re paying for are actually being done.

--Islamorada wood repairs: During our budget discussions, the timing of when to inspect the wood status on Islamorada was considered. John’s analysis for the scope of work should still be done later in 2022 although the actual work project might be pushed to the start of 2023.

Placeholder items: The ongoing list of “placeholder” tasks remains the same. These include inspecting joist hangers on Oahu and other buildings, defining a viable, cost effective solution to the lattice skirt on several buildings, to finalize the wall gap repair on the south pool house and to develop a plan to maintain the common condensate lines functionality. Finally, whether to add Electric vehicle charging stations on the property is tabled for now.

--Owner issues: John shared two specific owner issues with the board that are recorded in closed meeting minutes.

All agenda items were covered in this meeting. The next board meeting is scheduled for **Friday, September 16th** starting at **9am** via Zoom.

This meeting adjourned at approximately 10:50 am.

Respectfully submitted,
Carol Ann Bianco, Treasurer / Secretary