

**BAY WATCH III  
CONDO ASSOCIATION  
BOARD OF DIRECTORS**

P. O. Box 5429  
Ocean City, MD 21843  
410-723-9495

Baywatch III Board of Directors Meeting  
April 11, 2015  
Minutes

**CALL TO ORDER** - The meeting was called to order by President of the Board - Jerry Quinn at 9am in the HHIRA Center. A quorum was present. Attendees were as follows:

- President - Jerry Quinn (via phone)
- Vice President - Al Ulmer
- Secretary - Diane Stafford
- Treasurer - Dennis Luchey (via phone)
- Bob Simpson - Member
- Jack Berry - HHIRA Representative
- Property Manager - Accounting - Vonnie Baker
- Property Manager - Physical - Matt Shipley

**A Building Water Leak - 204 & 104**

- There was a water leak in the water line of Unit 204 A that leads into the laundry room. The pipe froze and did substantial damage to the unit below because the water was left on in the unit and the owner was not present when the leak began.
- The owners of Units 104A, 204A & 304A are obtained a quote to move the water lines located on the outside side wall to the interior of the condominium to minimize possible future freezing. The owners are asking the Association to cover this expense.
- Dennis Luchey informed the Board that the Association's legal council was contacted to determine whether these lines are owner responsibility or common area.
- Dennis expects to hear from council within a few days. Once he does, he will script the Board's response for review prior to sending to these owners. (Subsequent to the meeting, the attorney's opinion concluded that the pipes are indeed owner responsibility.)
- The status of the insurance claim to repair unit 104 A is that the contract for \$22k is in the hands of the adjuster.

**Minutes - November 8, 2014**

The reading of the minutes of the Board Meeting on November 8, 2014 were waived A motion to that effect was made by Dennis Luchey and Seconded by Al Ulmer. The minutes unanimously approved.

**Reports**

- Financial - Dennis:
  - 2015
    - Cash position remains strong -\$195.6k total. \$3.2k checking, \$89k operating, condo reserve - \$70.9k and boat dock reserve - \$32.1k. This is the strongest position that BWIII has been in. Cash on hand is higher than

it normally is at this time of year because they did not have the major \$30-\$40k rotating building repair expense because BWIII is waiting 1 year before beginning the next round of repairs.

- Given the status of BWIII's cash position, quarterly reserve fund transfers of \$12.5k will be done at the beginning of the quarter instead of the end.
  - AR - One owner has not paid the boat slip fee. They are in bankruptcy, so we are just waiting for opportunity to initiate collection process.
  - YTD through March - \$18.7k discretionary funds remaining for the year. \$9k left in building repairs and \$1.3k dock repairs. We are watching flood insurance because there were additional surcharges added in 2015, we may be over budget by \$1.5k.
- HHIRA - Jack Berry
- reserve is funded thru 2017, \$75K in checking and debt down to \$124K
  - new shrubs in process for the front planter boxes
  - replacing electrical junction boxes in pool area and on 120th street island
  - the repair to the indoor pool humidity/vent systems seems to be a success. No more moisture on windows or outside wall and no mold. Wall is totally dry. Plan is to do whole wall with product that is impervious to water - possibly do early next year
  - new pool lounges/chairs ordered 125 lounges, 125 chairs for indoor and outdoor pool
  - contract set to replace 2 HVAC systems in amenity bldg
  - will replace ceiling tiles in fitness room and install another circuit as breaker will trip when all machines are on
  - will reseed area destroyed by boardwalk installation
  - installing security motion lights in outdoor pool areas
  - New TV in gym & meeting room
  - Happy with new cleaning outfit
  - Theresa will begin her new summer hours soon. She will be on-site from 10am - 4pm.
  - Dennis pointed out that there were floor tiles near the pool entrance closest to the "bird sanctuary" that need to be reset. The HHIRA will correct these.
- Insurance - Dennis Luchey
- Request to update HO-6 information was emailed to all owners. Have 46 out of 48 emails.
  - We will ask that all owners ask their insurance companies to automatically notify ISG of their policy at renewal.
  - Vonnie informed the Board that the insurance appraisal is in and has been completed. Replacement values are not significantly different than existing. Values increased from \$11.150MM to 11.461MM.

#### **OLD BUSINESS:**

- Water Heater Inventory - 3 Units remain with potentially out dated water heaters. Certified letters to be mailed again to owners regarding water heater age and water lines.
- Grass seed - It is too early to tell if the grass seed germinated. Will reevaluate in May.
- Landscape replacement - Jack Berry will contact Bob Lemon to determine possible dates for a work party and determine the best time to plant/replace the 26 to 32 trees/bushes identified for replacement.
- City to repave all HHI streets in 2015 - Work timing likely pushed back due to the harsh winter. Al Ulmer will walk the sidewalks near the street to determine if any should be added to the

Town's list for replacement. Jack will also make sure that paving company is aware of the large puddle that forms in front of C Building.

- Unit keys - Matt will check the inside units for keys and send letters to any that are missing. If BWIII does not have a key and the Board must enter the unit for an emergency, the owner will pay any fees for a locksmith.

### **NEW BUSINESS:**

- Status of Water Leak - Building C 304 - No issue. Damage was minimal and to be handled by owner.
- Building B downspout needs replacement and a dryer vent cage on unit 304C is missing. Matt will handle the replacement.
- Snow removal - Instead of having just the sidewalks shoveled and the entrances plowed, if snow will be significant, BWIII will also have 3 to 4 spots per building plowed. Matt will notify Shore Management of this decision.
- 2014 Transfer of excess funds to reserve done - \$1,794.
- Building D & C mailbox replacement - The condition of these buildings' mailboxes are considerably worse than A&B. A&B mailboxes appear to be aluminum vs steel on C & D. Matt will get a quote to replace these boxes.
- Dock Water - Will be turned on this week.
- Board Positions - 2 Open positions. Al will run again. Bob Simpson is no longer running. No interest from membership expressed so far.

Next Board Meetings Scheduled at HHIRA clubhouse.

Friday May 22, 2015 at 9am. (Meeting was changed from April 4, 2014)

Saturday May 23, 2015 9am - Owners' Meeting

The meeting was adjourned at 10:10am.