

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

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## **Baywatch III Board of Directors Meeting September 29, 2012 Minutes**

**CALL TO ORDER** - The meeting was called to order by President of the Board - Jerry Quinn at 0800 in the HHIRA Center. A quorum was present. Attendees were as follows:

- President - Jerry Quinn
- Vice President - Al Ulmer
- Vice President - Bob Simpson
- Treasurer - Dennis Luchey
- Property Manager -Physical - Matt Shipley
- Property Manager - Accounting - Vonnie Baker

The minutes of the Board Meeting of May 26, 2012 were reviewed and approved. All open/action items were noted as completed.

### **Reports**

- Financial - Dennis Luchey:
  - Good Cash position - \$2.5k checking and \$54.6k in operating MM. Reserve balance totals \$75.7 consisting of \$43.4k in condo reserve and \$32.4k in boat dock reserve.
  - AR - all units have paid their 3Q assessments. Only amounts outstanding are two late fees totaling \$60.
  - 2012 actuals through August shows a deficit of revenue over expenses of \$2.4k. Full year forecast is showing \$2.6k excess of revenue over expenses due to seasonality. This money will be retained for future years use in the operating fund. All BOD members unanimously agreed.
  - 2013 Budget - Initial budget indicated a required increase in assessments of \$3,710, however after budget was discussed and contracts and quotes reviewed and budget modified (as noted below) it was unanimously approved to hold assessments flat to 2012 for both the Condominium and Boat Dock.
  - Insurance shows a 15% increase ~~ins~~ expenses for insurance other than flood, which is consistent with the 2012 increase and slightly above the expected industry increase mainly due to BWIII's claims history. Flood insurance assumes a 10% increase in expenses, which is what industry experts recommend to assume.
  - Increase use of the website could save some money. BOD will focus on getting everyone's email and keep this in mind.
  - Building repairs - The large item impacting this line item in the budget is the C building maintenance project.
    - Matt reviewed three quotes for the work - Allstates - \$35,250 (includes added identified repairs - schedule A), Shore Painting \$24,780(does not include Schedule A), and Moore Painting Services - \$32,800 (does not

include schedule A). The BOD discussed everyone's experience with Shore Painting and found that both Matt and Al have had positive dealings with Shore. The Board unanimously voted to accept Shore Management's bid with the follow caveats:

- Roll the paint on
- Use the appropriate Semi-Gloss paint
- Matt to determine if ceilings need paint and if not get removed from quote
- Get price on Schedule A - currently assumed to be \$2,220.
- Keenwick Carpet - Matt to get quote for November Board meeting. Carpet replacement for C is currently pegged to come from the reserve fund.
- Board discussed the need for additional projects
  - Sidewalk repairs - not needed in 2013
  - Insulation has been removed from C&D buildings
  - Matt to look at the concrete stairwell pads in C&D buildings and get quote to correct these if needed.
- Based on above discussion budget for repairs was lowered to \$39,000.
- Fire Protection - Panels are aging. Replacement of one panel was included in 2013 budget. No panel replacement was required in 2012.
- Janitorial - Contract is up for renewal, 5% increase is assumed in budget. Matt will get quotes - including Shore Management.
- Sposato Landscaping - Contract is up in December 2012. Matt to contact Sposato to get price for renewal.
- Utilities - Electric is increased mainly due to the change in the method of allocating the dock electric.
- Insurance
  - HO-6 Request letters were mailed last week.
  - There is a question as to whether the Association has to increase the insurance for the cost of the replacement of the foundations. Dennis will call Tina to discuss.
- HHIRA - Al Ulmer
  - New Management Company has been chosen and will be announced soon.
  - New Board is meeting 9/29/12 to select officers and other business. Results of children in diaper survey will be known then.
- Website - Up and running. Elaine handling quarterly updates. Need more emails to make mail obsolete.
  - Will send survey with budget to have owners opt into receiving email notices instead of hard copy notices via standard mail.

#### **OLD BUSINESS:**

- Rules and Regulations - A motion was made and accepted to adopt latest version of the rules and regulations that were mailed to the owners on June 11<sup>th</sup>. The Board unanimously adopted the rules and regulations including the addition of the rules requiring replacement of water heaters older than 10 years old and all water lines must be braided stainless steel. Also added was a rule disallowing carpeting on balconies unless the owner who installs new carpets takes responsibility for damage from "water wick-up".

- Water Heater Inventory - Matt provided a status of the water heater inventory following the focused emails and phone calls to non-compliant homeowners. Progress has been made since the focused effort, since the number of fully compliant owners has increased from 9 to 23. Matt will be sending certified letters to the owners that have not yet complied. The letters will indicate that the owners have 45 days to make their unit compliant or the Association will have it taken care of at the owner's expense.
- Owner Work Day - Owner work day was a huge success! The Board thanked Missie Capizzi for all of her effort! The day would not have been successful without her! The Board felt that since the day went so well, they would like to request Missie to coordinate a spring clean up day, where the owners will focus on landscaping. Dates suggested for the clean up day are May 4<sup>th</sup> or May 11<sup>th</sup>.

#### **NEW BUSINESS:**

- New Board Members - Pete Skilton has sold his unit, therefore there is an open position on the Board. Dennis and Al to contact a couple of owners who seemed to express interest.
- Summer Review - No major items to note other than owners need to remember no towels are allowed on the railings.
- Pit Bulls and Condo Associations - There is a new law based on judicial rule that potentially makes Association's responsible for an owner's Pit bull. This ruling will be reviewed further in the legislature. Will contact Jim Almand for further advisement.
- Payment to Unit Owner for Window Leak - Payment was approved to reimburse the owner for money paid to a contractor to diagnose a window leak, since it was determined that the leak was not related to the window, but the siding and caulking.

Next Board Meeting - November 10, 2012 - 8am in HHIRA clubhouse.

The meeting was adjourned at 9:45am.