

BAY WATCH III CONDO ASSOCIATION BOARD OF DIRECTORS

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Baywatch III Board of Directors Meeting January 13, 2018 Minutes

CALL TO ORDER - The meeting was called to order by President of the Board - Al Ulmer at 9:30am at the Bank of Delmarva - 12505 Coastal Hwy, Ocean City, MD 21842. A quorum was present. Attendees were as follows:

- President - Al Ulmer
- Vice President - Peter Grieff
- Secretary - Charlie Schulz
- Treasurer - Diane Stafford
- Jack Berry - HHIRA Representative
- Property Manager - Accounting - Vonnie Baker
- Property Manager - Connor Braniff - Newly hired property manager who began on Oct 1.

Reading of November 18, 2017 Minutes

Diane Stafford made a motion to approve the minutes without reading because they were emailed after the meeting. Peter Grieff seconded. All approved.

All Committee Reports were skipped, so that discussions could begin on the Dock Wiring.

Dock Wiring

- The presentation that was made is incorporated as part of the minutes. The following represents additional discussion/comments made throughout the presentation.
- 53 slips with 41/42 that have boat lifts
- Now is the time to redo the wiring due to safety concerns. Electricians do not want to continue to do repairs because wiring is not adequate.
- Breaker boxes/Breakers are not consistently or clearly labeled, so if there was a problem it is not easy to find the proper breaker to flip
- Some of the new lifts are wired directly to the boxes, so they are not easily stopped if there is a problem.
- Wires are chaffing and rubbing directly against the dock boards
- Junction boxes have sunk over the years. There is one that is almost resting on the ground. Given the new flood levels, this is not good.
- Discussion occurred about how the future allocation of maintenance costs and electricity between the condo association and the dock association would change given the new power pedestals. The Board committed to reviewing the allocation. Currently only about \$200 of the \$2,000 of the dock electric bills are allocated to the dock association. Given the new led lighting and expected efficiency, the association expects that the cost of lighting the boardwalk (condo responsibility) will be significantly less.

Proposal from RC Electric	\$ 117,000	
Add 5% Contingency	5,850	
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	\$ 122,850	
Less: Cost of Lighting	(10,000)	from condo reserve
Less: Dock Assoc Reserve	(15,000)	
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	\$ 97,850	
Normal dock operations	3,975	
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	<u>\$ 101,825</u>	

To be paid:

January 15, 2018	\$ 500
April 15, 2018	475
July 15, 2018	475
October 15, 2018	475
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Total per slip	<u>\$ 1,925</u>

- Charlie Schulz made a motion to move forward with the proposal. Peter Grieff seconded. All approved, however Diane Stafford feels that less than \$10k should be taken from the condo association reserve fund.
- Jerry Quinn asked about process of payments and whether the payments were being issued as a special assessment. Discussion ensued over whether the dock wiring could be included in the dock budget (as proposed) or whether it must be a special assessment.
 - Subsequent to the meeting, BWIII contacted their attorney Jim Almand who indicated that the Board was handling the project properly by including the project as part of the budgeted operating expenses. Issuing a special assessment would also be allowed, so either way works.
- The Board unanimously approved a modified version of the 2018 dock association budget that was originally mailed to the owners on 12/6/17. The repairs and maintenance - electrical line item was reduced from \$115,000 to \$97,850 which then reduced the annual dues from \$2,230 to \$1,925 per slip.

OLD BUSINESS:

- **Water Heater Inventory** - Inventory was redone by Connor Braniff on 11/17/17 along with the winter check. 4 Units are non-compliant and will be sent a letter.
- **Sprinkler Inspection** - Included inspection of the heads in all units. Inspection was completed after keys to enter all units were received.
- **C Building Contract** - A contract with Shore Painting and Restoration was signed for the C Building. The contract totaled \$46,260. It included new downspouts and gutters, underground drain pipes, replacement of rotten wood, new fiberglass storage doors and brick molding and painting of the balconies, hallway and walkway ceiling. \$39,660 is part of the operating budget, which will leave approximately \$5.4k for discretionary R&M items for 2018. \$6.6k of the contract will come out of the condo reserve.

- All balconies were inspected as part of the C building walkthrough.
 - Side gutters are going through the curbs to the parking lot
 - Note: gutters do overflow with heavy rainfalls.
 - Diane Stafford made a motion to approve/sign the C Building contract. Peter Grieff seconded. All BOD unanimously approved.
- **Window & Door Replacements** - Dealing with water intrusion issues in a few of the units in D Building. D 103 - windows need to be replaced due to age. D 204 & 304 - sliders/slider flashing is leaking. Owners were notified to replace.
- Hire an engineer to investigate the slope of the deck on D 204. The owner was concerned that the slider wasn't the problem but the slope of the deck.
 - Subsequent to the meeting the engineer determined that the deck slope was not an issue.
 - Architectural control forms are now being used for the approval of the windows and doors.
 - Owner asked if a particular window / door has been approved by the BOD. At this point, goal is that the window/door meets code and looks similar to existing aesthetic.
 - Discussion ensued that given the age of the windows, the owners may want to look at replacing all windows as a group in order to take advantage of group discounts, as well as protect common elements.
- **D Building Roof** - Roof replacement recently completed. Damage to D 303 from roof is repaired.
- **Gas Lines** - Gas lines were shut off at each meter because there were two recent gas line leaks that were noted. In one case, the owner noticed a very high gas bill and in another case a leak was noted during a home inspection. Due to safety, all owners with fire places were as to get their lines inspected prior to turning their gas back on. Since the gas lines are dedicated to only one unit, they are the unit owner's responsibility to maintain.
- Sandpiper Energy is in the process of installing natural gas lines. They are working on the lower numbered streets in OC. It will likely take years to get to 120th street. The lines will need to be inspected when you convert to natural gas, so any repairs done now would not need to be done again when converting.

NEW BUSINESS:

- **B Building Downspout** - Owner informed the BOD that there is still one downspout in B Building that is still flowing to the ground area near the B Building. The BOD will investigate.
- **Kayak Storage**- Owner inquired about storage for kayaks. BOD explained that the by-laws state that no storage is allowed in common areas. BOD will investigate further.
- **HHIRA Rec Center** -
- There was a pipe break in the men's room which flooded the 1st floor of the center.
 - The carpet and some of the plywood will need to be replaced. The tile is fine. No mold/mildew was found. The indoor pool is OK.
 - Repairs will take 4 to 6 weeks.
 - The cause of the freeze was that the newly installed HVAC was not done properly. The HVAC flipped a breaker and then never turned back on. The company that installed the HVAC is taking responsibility.

Next Board Meetings Scheduled at HHIRA clubhouse.

- Saturday, January 13, 2018 -9 AM Dock Association Budget Adoption
- Saturday, April 7, 2018 - 9AM (downstairs) 2017 Results
- Saturday, May 26, 2018 - 9AM (downstairs) - Annual HOA meeting. Board to meet at 8AM.

- Saturday, September 22, 2018- 9AM - 2019 Draft Budget
- Saturday, November 17, 2018 - 9AM - 2019 Budget Adoption

The meeting was adjourned at 11:30 am.