

**BAY WATCH III
P.O. Box 5429
CONDO ASSOCIATION
BOARD OF DIRECTORS**

Ocean City, MD 21843
410-723-9495

**Bay Watch III Annual Owner's Meeting
May 26, 2018
Minutes**

CALL TO ORDER - The meeting was called to order by President of the Board - Al Ulmer at approximately 0900 in the HHIRA Center.

- A quorum was present. Representatives from 26 units were present with 5 units represented by proxy. Total owners represented - 31 or 64.6%.
- Proof of Meeting Notices was presented by Al Ulmer
- Al Ulmer introduced the Board of Directors (Al Ulmer, President; Peter Grief, Vice President; Charles Schulz, Secretary & Diane Stafford, Treasurer) and representatives of Management -Vonnice Baker (Baker & Associates -financial management) and Connor Braniff (Braniff Property Management).
- A motion was made to waive the reading of and accept the May 27, 2017 minutes, which had been posted to the website. The motion was unanimously accepted by the membership.

Committee Reports

- Financial - Vonnice Baker
 - 2017 Compiled Financials - were posted on the web. Focus was placed on the budget vs actual information and the fact that the Association finished the year approx \$6k excess of revenue over expenses consisting of \$5.8k in the operating fund and \$195 in the boat slip fund. \$36.3k was spent from the reserve fund for B Building gutters and storage door and D Building Roof.
 - 2018 financials -
 - Cash position is strong - \$283.5k in total cash - \$41.3k operating, \$156k condo reserve and \$86.3k in boat slip reserve. These balances take into account that \$5.1k is owed from the operating fund to the boat slip fund and that the full 2018 reserve contribution has been made.
 - Accounts receivable - Two units are delinquent on the 1Q18 boat slip assessments.
 - Trend vs Budget through May to date 2018 - \$5k of discretionary funds remaining. The budget is very tight.
 - Reserve expenses in 2018 - \$4.8k was spent to change the parking lot lights to LED. The C Building gutters will also come from the reserve.
 - A list of who (vendors) has been paid what was also provided.
- HHIRA - Jack Berry
 - Early in 2018, the clubhouse was flooded and did \$50k worth of damage.
 - Trees were trimmed
 - Landscaping in the front of the building was done using water tolerant plants
 - The Boardwalk was replaced around the facility
 - The ladies room was redone
 - Light pole at the tennis courts was replaced.
 - The office will be open now from 10-4 every day. Tom and Sandra are in the on-site office again this year.
 - The indoor pool was acid washed
 - Over \$500k of improvements were made in the last 6 years
 - Dues have remained the same for the last 10 years

➤ Insurance - Vonnie Baker

- Policies renew in July. The agent is already working hard to potentially save some money.
- To request a certificate of insurance, go to www.imgoc.com.

President's Report - Al Ulmer

- C Building Maintenance has been started. The work is behind given the weather. They are targeting completion by June 1st.
 - Owner mentioned that the Azek looks sloppy
 - Owner asked if C Building doors will be painted. Al explained that this is owner responsibility. Sherwin Williams at 120th street has the BWIII colors logged.
- Owners were reminded of the new Architectural Request Form. This form must be submitted to the Board prior to making any changes to the exterior of your unit.
- Deck Maintenance - Owners need to continue to check their decks for sponginess and repair if found. Have noted some decks that have deteriorated to the point where water is pouring in.
 - Owner's are responsible for maintenance.
 - Condo is responsible for items that are structural in nature.
 - Al pointed out that he has his deck recoated every three years.
 - Connor mentioned the dura deck material has been approved for decks. This material does not require recoating.
 - Owner of 204 C asked if there was any way to extend the roof or gutters because the end unit decks get pounded during rain storms. Unit B 202 mentioned that he had this same problem.
 - Owner of 104 A mentioned that the deck pitching may be a problem, so if decks are getting resurfaced, make sure that the contractor checks the pitching.
 - Al & Connor pointed out that the threshold between the deck and the doors may not always allow this approach.
 - The Association may not be able to address these problems without spending a lot of money.
- One owner asked if a list of "good contractors" could be listed on the website.
- Dock Electric
 - The project will begin this winter
 - Every dock/pier will be wired for a lift - both 120v & 240v
 - Future boat lift installs will require a permit, an electrical inspection and the BOD must be notified. If any changes are made to the existing electrical, the owner will be held responsible for the repairs.
- D Building - Will try to get an early start on D Building. Walkthrough will have to take place in the spring to have bids in time for Sept BOD meeting. D Building owners let BOD know if you have issues.
 - Owner mentioned that the D Building lights are staying on and dock lights are not on
 - Al Ulmer asked owners to replace the dock lightbulbs if they are out.
- Owner mentioned that the grass looks good, however the shrub need to be trimmed more often
 - Contract with Sposato includes shrub trimming 3x per year.
 - In the fall, the BOD plans to hire someone to cut back all of the large trees - this is \$500 per cut
 - Although budget is tight, will consider including shrub replacement in next year's budget.
 - Weed killer is needed on the parking lots!

Election of Directors

- Two open positions
- Al Ulmer was nominated to run prior to the meeting
- Jerry Quinn volunteered from the floor
- Both were unanimously voted in for a 3-year term

Old Business

- 1 Building per year - D Building will be tackled in 2019. As buildings age, more money is needed for repairs. The Association follows a 1 building per year maintenance cycle with no maintenance in the 5th year in order to contribute extra money to the reserve fund. This means that no building will be painted in 2020 and the extra money is contributed to the reserve.
 - The gutters in the back of the building are being replaced as part of the cycle and the water is being moved exit through the downspouts on the ends of the building and then funneled away from the building. French drains would have been a more expensive option and would have pierced the bulkhead.
 - Storage door replacements are also part of this cycles maintenance
 - Any repairs to other building not deemed hazardous are done during that building's maintenance cycle
 - Any rotted wood on the building is also replaced prior to painting.
 - BOD is also checking for spongy decks, as part of the building walkthrough.
 - Owner mentioned that the front drains for B building were not dug underground. Al explained that just the sides and not the front is underground.
 - Another owner mentioned that there is a French drain in the front of the B Building. BWIII should check to make sure it is working.
 - the back drain on B on the west (bay) side has not been drained to the parking lot, even on a temporary (above ground pipe) basis. It carries a lot of water and floods our back yard and walk.
 - Owner mentioned that the parking lot lines are the D Building have deteriorated. Al mentioned that the parking lots are on the Board's radar.
 - D building carpet in the front of the building should be inspected for replacement
 - Please email the BOD with any concerns. Pictures also help!
- Owners were reminded that their heat pumps (if original) are nearing the end of their useful life. Owners should consider keeping their units at a steady temperature to avoid large fluctuations in temperature which can cause moisture problems.
- Review of Summer & Winter Seasons - No major problems. Please be proactive.
 - Noise issues - call the police. If the police are involved and there are repeat offenders, then the rental permit may be rescinded by the Town.
 - Have a 3rd dumpster being delivered in June for D building. Pete will try to stencil
- Water Heater Survey - Connor Braniff mentioned that the water heater survey was double checked in Nov. There were only 3 non-compliant heaters and corrections have been made.
 - Owner asked if non-compliant owners were fined. Al reminded everyone that BWIII does not have a fining system in place.
 - Discussion ensued about whether everyone was required to have a drain pan. A Building not piped for it. BOD thinks it is a good idea to have one installed, however it will not be mandated.
- Dock Electrical - Peter Grieff
 - Work will begin right after Labor Day.
 - Electric was checked as much as possible to ensure it could be used this season. All lifts were checked, except those that were locked
 - Pedestals will be ordered in July. There is an 8 week wait
 - Per Electrician - One building will be done at a time. BOD will determine the best order.

- All boat need to be removed
 - All boat lifts need to be unlocked. If not unlocked the lock with be cut off.
- Please ensure the BOD has an accurate email because that will be main form of communication during project.
- Discussion ensued over whether owners are able to cut the pilings in order to have a lift installed. The answer is No. The existing pilings are "owned" by the dock association and should not be cut. Owners should have their own pilings installed if needed. Going forward BOD will try to prevent this from happening and make any owners take responsibility to fix
 - If any owner currently has an issue, BOD recommends finding out if the lift was properly permitted (Town of OC and Army Corp of Engineers). If it was, then owner and Assoc would have been notified.

New Business

- Water Intrusion Issues -
 - Most issues are D Building related in the 3 and 4 stack, however there are some inherent problems due to the construction.
 - Have solved one of the two problems noted. Contacting another Chesapeake Roofing to continue to work towards getting the problem resolved and ensure window was flashed.
 - Windows and Slider maintenance was one problem
 - Nearing end of useful life
 - Builders grade quality was installed. New sliders/windows are better quality with higher wind rating
 - Caulking and lack of flashing issues have also been noted.
 - Owners need to be proactive to identify problems/replace as needed.
 - Decks are also a problem. Failed sealant on decks allows water to enter unit below.
 - Connor should be notified of any issues
 - Reminder - If your lack of maintenance causes issues in another unit, you are responsible for the repairs.
 - Since windows are nearing their useful life, we may look into a group rate to replace them.
- City Scape network - no longer works. Antennas can be taken down.
- Future Meeting Dates:
 - Saturday, September 22, 2018- 9AM (downstairs)- Review of summer season
 - Saturday, November 17, 2018 - 9AM (downstairs) - 2018 Budget
 - Saturday, May 25, 2019 - 9AM (downstairs) - Annual Meeting

A motion was made and seconded to close the meeting. All voted in favor. The meeting was adjourned at 10:30am.

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Bay Watch III
Organizational Meeting of the New Board Scheduled Immediately in Accordance with the By-Laws
May 26, 2018
Minutes

- Board was established with the following positions

Bay Watch III
Board of Directors
May 26, 2018

<u>Position</u>	<u>Last Filled</u>	<u>Term Expires</u>	<u>Person Holding</u> <u>Position</u>	<u>Role on Board</u>
1	May, 2016	May, 2019	Charlie Schulz	Secretary
2	May, 2018	May, 2021	Jerry Quinn	
3	May, 2018	May, 2021	Al Ulmer	President
4	May, 2016	May, 2019	Peter Grieff	Vice President/Braniff Liaison
5	May, 2016	May, 2019	Diane Stafford	Treasurer
HHIRA	May, 2017	May, 2019	Jack Berry	HHIRA