

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

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**Baywatch III Board of Directors Meeting  
September 22, 2018  
Minutes**

**CALL TO ORDER** - The meeting was called to order by President of the Board -Al Ulmer at 9:00am in the HHIRA Center. 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 - Connor Braniff
- Property Manager - Accounting - Vonnie Baker

Jerry Quinn resigned from the Board due to the potential sale of his unit.

**Reading of May 26, 2018 Minutes**

A motion was made and seconded to approve the minutes without reading because they were emailed after the meeting. All approved.

**Reports**

- Financial - Vonnie Baker
  - Operating Cash is \$18,647 (net of \$4.2k owed to boat funds).
  - Condo Reserve is \$140,368, (net of the \$4.5k owed to other funds) this includes the full budgeted reserve contribution of \$26k.
  - Dock Association balance is \$67,071. The dock balance should be \$75.8. (Some of the dock assessments were paid to the BOC and deposited in the operating account).
  - AR - Everyone is up to date, except for 1 unit owner who still owes \$435 for the dock. On owner also owes the Association \$5.4k for repairs caused by their unit. Reminder statements have been sent for the past couple months. A certified reminder statement will be sent. If no response attorney action may be taken.
  - 2018 is forecasted to end essentially flat to budget. This includes \$2.5k for misc. repairs including D building flashing repairs and B & C roof surveys.
- HHIRA - Jack Berry
  - Dues are expected to remain the same for 2019
  - The HHIRA expects to pay off the mortgage in 2019. Any extra funds as a result will be contributed to the reserve fund.
  - The HHIRA is ahead of the reserve fund projects.
- Insurance - Policies renewed in July. Houston flooding / Florence will likely impact rates.

## **OLD BUSINESS:**

### ➤ Dock Wiring -

- Project scheduled to start October 1, 2018.
- When pedestals were ordered, Roy Case found that the prices increased. The contingency built into the project cost is expected to cover the increase in cost. Roy is also sharing in the increase.
- A \$35k deposit was paid in August when the pedestal order was placed.
- Owners need to be reminded that the lift control boxes need to remain unlocked and that there will be no lighting while the pedestals are being installed.

### ➤ Management Report

- No damage done during Florence.
- A Building Roof Replacement is scheduled for late fall.
  - Like was done with D building, any saturated insulation will be replaced.
- B & C Building Roofs will also be evaluated, and repairs done, as needed.
- A 301 - Two leaks. Vent boots were repaired. This corrected only one of the leaks. Will continue to monitor after the A Building roof is replaced.
- D 203 leaking to 103 - D 203 replaced their window. Connor checked the units after the 3 nor'easters. Found a small area of water in 103 after the last nor'easter. The problem was determined to be caulk that had failed on the window that was just replaced. Go Glass was called to repair/recaulk. Hoping that the problem is now corrected. Will continue to monitor.
- D Building 104 stack leaks have been resolved now that 304 decking was repaired.
- D Building 103 - Two leaks - one on north-side and other on South-side.
  - Windows on both sides were re-flashed. This corrected the Southside leak.
  - Chesapeake Roofing believes that the remaining leak is caused by no flashing on the decking above. Chesapeake will be hired to replace the flashing from the stairwell to stairwell above 102 & 103.

### ➤ Water Heater Inventory - All of the water heaters are currently up to date. 90% of the water lines have been properly changed to braided stainless steel. Another survey will be done with the winterization checks in Nov.

### ➤ HVAC Electrical Lines - The owner of B 201 asked if the Association was responsible for correct the HVAC electric lines that were mistakenly switched with B102.

- Based on the condominium documents, these are considered limited common elements and therefore owner responsibility.
- Just as a point to note, Roy Case will be handling.

### ➤ Grills - The issue of gas/charcoal grills was also raised. Per OC town code, gas grills can not be used within 20 feet of the building. The owners of B101 and A104 will be reminded of this regulation.

## **NEW BUSINESS:**

### ➤ Building D Maintenance - Discussion ensued regarding the scheduling of a walkthrough and whether it was needed. It was decided that the Board would handle inspection of the areas immediately following this meeting and that Connor and Peter Griefff would handle inspection of the areas that require access to units and owner notice.

- The items included on the Board list will be part of the bided scope. The unit specific items will be supplemental to the quoted scope and paid as time & material.

- It is noted that there should be tighter coordination between the power washing and painting.
- D Building second floor carpet needs replacement. Discussion ensued over whether carpet should be used or whether a new type of flooring should be tested. Connor will seek a professional recommendation and if positive will obtain a quote.
- Future Building Maintenance - After D Building is completed, will consider changing bid/inspection process. Additionally, will evaluate whether full paint job is needed every 5 years or whether it can be pushed.
- Building Landings - The landings on all the Buildings need to be checked for soft spots.
- 2019 Budget - Condo -
  - Budget includes increases in multiple categories: 5% in insurance, 10% in flood insurance, 3% increase in physical management (contracted), 5% in landscaping (up for renewal), 5% in electric and water.
  - Repair and maintenance - \$55k will be spent in 2018 of which \$5k will be recovered from a unit owner. Given increases in materials prices, BOD believes a budget of \$54k is needed. Only \$45k is available if dues remain flat.
  - An additional \$9k is needed in revenue, which means a 5.04% increase is needed.
  - 3 of the 4 Board members approved the increase.
  - Connor and his crew have been working out well and doing good work with positive comments from owners. Will continue to use his crew.
- 2019 Budget - Docks - A budget of \$130 per slip allows for a \$3k reserve contribution, and R&M of \$2.5k. Dock Assoc will have caught up with reserve study by 2022. The piling caps need to be replaced, as well as dock numbers.

The meeting was adjourned at 11:40 am.