

Club Ocean Villas

Board Meeting Minutes

Saturday October 23, 2021 (Carousel Hotel)

Officers and Directors Present: Mike Graves, Steve VanRees, Jim Russell, Keith Ludka
Joey Camacho, Paul Richter, Shirley Gorwick.

Not Present: Perry Clauser, Mike Sereikis, John Bobel

Board of Directors Approved the Minutes from September 11, 2021 meeting.

Management Report from Braniff Management presented by Connor Braniff

In general, the summer season was quiet with the exception of a few owners concerns. Connor expressed concerns over owners hiring non-licensed & non-insured contractors to work on their units. This could lead to having future issues involving the structural integrity of the buildings. An example of this would be the incorrect installation of sliders by Unit 49. As a consequence, Unit 42 reported water leaks.

Units 9 & 10: A truss is needed either to be repaired/replaced. Waiting on a final quote. This is expected to be completed within a couple of weeks.

Unit 53: Have reported concerns about their concrete dividing wall.

Pool repairs are on schedule to be completed before pool opening in May of 2022. Also the pool area is in need of new chase lounge chairs. Joey and Jim to handle this by spring of 2022.

Entrance lights need to be replaced, this will be handled by Braniff Mgmt.

Financial Report: Jim Russell

| | | |
|------------------------|---|---------------------|
| As of October 22, 2021 | Total cash available from Operating account | \$ 61,320.00 |
| | Reserve Account | \$131,072.00 |
| | Boat Slip Account | \$ 10,376.00 |
| | Total | \$202,768.00 |

Financial Report cont.:

The Operating budget is currently on track. Joey pointed out that the utilities expense of \$9,640.0 is trending higher compared to its budgeted amount. Jim & Baker & Associates will review this issue.

Keith Ludka mentioned a potential Insurance company, (Cincinnati Insurance), to obtain a quote for our next renewal. Jim R to follow up with Staples Insurance or another broker to secure other quotes when renewal is upon us.

Recap of Unit 10 – meeting from 9-11-2021:

Unit 10 was offered \$15,000. From the Insurance company. Unit 10 stated that the insurance adjuster failed to take into consideration replacing their tile floor which would cost \$6,000. Jim Russell reported that a request was made to the Insurance Company to increase the settlement to \$21,000. Notes, the claim started around May of 2019. The west bedroom was demoed by the owners and it was stated that the tile floor is an upgrade.

Unit 10 door leak – the owners believe that they have an active leak that is coming from Unit 9. Recap: Chief City Inspector did inspect the work performed by United Restoration.

The Board made a motion and approved to make a final and best offer of \$15,000 or \$21,000 subject to approval from the Insurance Company, (including the additional \$6,000). The board also will request a maximum 5-day deadline to hear a response.

Claim #2 – Hose bib leak into Unit 10 –and damage to wood floors. Unit 10's insurance company paid something for the loss, however unit 10 filed against Marlin Restoration but claim was denied. Note: All unit owners are responsible for disconnecting their hose from the hose bib and this was not done.

The Board requested a review of the cut truss that was supporting the bathtub in Unit 9. This cut truss was discovered by Unit 10 during their remodeling. A meeting was held with the owners of units 9 & 10. Also in attendance was Unit 9's contractor, Harry Howe Engineering and Ocean City inspectors. Unit 9's position is that the truss was cut by a previous owner. Unit 9's contractor is also stating that he did NOT cut the truss. The burden of proof is on COV Association. Braniff Mgmt. is working with a contractor to secure a firm quote to replace the truss. Work should start by November 11, 2021. The scope of work includes needing a 24 ft. truss, & the need to demo Unit 9's deck to bring in and install the truss. Estimated cost of repair is \$10,000.

Mike Graves had a conversation with Unit 9, Sandy Martin on the estimates to repair the truss. The engineers report for this is being paid for by COV. The work is to be completed in two weeks. As to who will pay the contractor, is undetermined at this time. Possibly a split between Unit 9 and COV association.

Crawl Space Project:

Paul Richter and Braniff Mgmt. presented a proposal concerning this project. (Copy attached). The decision was to start with Building #4 because it was determined that it was in the worst condition, needing insulation and securing the piers that support the trusses. LED lights will be installed so that contractors can see and provide a safe entry. The crawl space entrance will be widened to allow easier access. It was noted that 9 trusses need to be repaired or replaced. This project should start within 7 to 10 days with an estimated cost of between \$11,000 and \$15,000. The project will be paid by the Reserve account.

Mike Graves gave an overview of the next big project, the need for new siding for all buildings. Per the Reserve study, the estimated cost for this entire project for all buildings would be between \$400,000 & \$500,000 at a cost of between \$5,000 and \$6,250 per unit owner. Projected start date for this would be between 3-4 years. Quotes from multiple contractors would be obtained prior to starting. A major concern would include the structural integrity of the major support beams and truss systems. Funding options for this project include:

1. Bank Loan
2. Special assessment
3. Combination of a loan, special assessment & increase the dues with the funds designated to the Reserve Fund

Next Meetings:

Saturday, April 23, 2022 @8am

Saturday, October 22, 2022 @ 8am (Location to be determined)

Respectfully Submitted,

James Russell - Secretary/ Treasurer

