

Club Ocean Villas

General Meeting Minutes

Saturday April 22, 2023, Art League of Ocean City

Roll Call taken & quorum was Not met.

Meeting Called to order at 10:30am and President John Bobel welcomed everyone in attendance.

New owners in Unit #49 & Unit #9 were recognized and welcomed at this time.

General Meeting minutes from October 22, 2022, could not be approved due to not having a quorum.

Report from Chris Woodley, COV attorney

Chris Woodley reviewed with all unit owners, the Fiduciary responsibility the Board of Directors has – stating that the Board is responsible for the upkeep of property, including major construction projects – (this is per the By-Laws of Club Ocean Villas 1). Mr. Woodley reminded all unit owners of a new Maryland state law effective October 2023. This law states that all Associations are required to conduct a Reserve Study by a licensed engineering firm. Our last Reserve Study for COV 1 was completed in 2020. It was found at that time that funding was needed to address amenities in the complex including a new parking lot (which has now been completed), and new siding on the buildings. By law the funding for these projects must be a part of the budget process. Therefore, the Board is responsible to address the funding needed per the Reserve Study

Management Report from Connor Braniff:

Please confirm with Braniff Management that your unit has a key on file with them. Water lines should be turned off from your unit if you are away for more than 2 weeks. HVAC should be serviced annually & condensation lines should be cleaned. If you smell a fish odor, check your electrical panel box. Make sure your insurance coverage is up to date.

The crawl space project is planned to be completed by December 2023 by Marlin restoration.

The pool will be open on May 27, 2023, and it will close September 17, 2023.

Unit 65 expressed concerns about the venting issues. There continues to be an issue of odors. The Board will investigate the possibility of addressing the issue when the siding project starts.

President's Report: John Bobel

Jon asked for unit owners to volunteer and become involved by joining a committee. Jon thanked Steven Van Rees for his years of service to COV as Vice President. Jon then asked each of the Board members to introduce themselves.

Election of Board Members: Conner Braniff announced the Board members who are up for election. Shirley Gorwick, Mike Serekis and Paul Richter. Connor then asked for other nominations to the Board. He also introduced Vito Tinelli – Unit #30 as a candidate for the Board, having no nominations from the floor. The slate of Board members was presented and approved by the unit owners – for a term of 3 years.

Budget Review

The Board of Directors approved the budget at the February 18, 2023, meeting. Jim Explained the 2 major increases were for general insurance and repairs and maintenance. Our insurance costs are estimated to be increased by about 30% and our repairs and maintenance increase was due to the continuing issues of the siding decaying. The dues will be \$780 per quarter. Long range dues will be \$345 per quarter & boat slip costs are \$100 per year. The meeting expenses include the rental of the meeting space and mileage reimbursement for the Board members.

Siding / Envelope project – committee members are Perry Causer, Chris Bowersox & Jim Russell

Perry proceeded to present a PowerPoint presentation. He reviewed the projects that the Association had already completed.

- Painting all buildings
- New roofs on all buildings
- Bulkhead replacement
- Parking lot paving
- Pool recoating and resurfacing.

Kirk Parson from E.C.T. spoke of the Maryland code issue which states that a weather barrier must be wrapped around the whole building. Kirk stated that a request to bid for the siding project should go out to a list of contractors in 3-4 weeks. The challenge is that some contractors are anywhere from 6 months to 1 year booked up before they could begin any

work. The project also includes adding new sliders, windows and doors. Choosing a siding color needs to be done ASAP due to delays in the supply chain.

Kirk mentioned that as the project progresses, each building will be reviewed in detail for any structural damage. Other concerns include: Full-time Renters, Full-time residents, sheds, fence damage and structural damage that may cause a unit to be uninhabitable.

A question was presented in the meeting of what would be determining factors in choosing a contractor? Things that will be considered during the selection process:

- A full review of each contractor's scope of work.
- Referrals presented.
- Insurance certificate in good standing
- Recommendations from E.T.C.
- The Board of Directors will make the final decision on the selection of the Contractor.

Nail pops are excluded in the warranty or damage from the contractor. E.T.C. recommends that each unit owner photograph both the inside and outside of their unit prior to work commencing. The Board is also to investigate the Roof warranty.

E.T.C. also stated that prior to awarding the contract, a final count must be taken of how many new windows, doors and sliders are needed from each unit owner.

Funding Options

Jim Russell presented the funding options for the Siding project. Hopefully, we can obtain a 10-year term bank loan at an interest rate of 7.5%. Note: this loan will have no personal guarantees. Once we have a signed contract and a resolution signed by each Board member we can send out a package requesting a loan to 3-4 banks. Currently we have estimates Only on what the banks are willing to provide. Possibly a 10-year or 7-year term at 7.5 interest rate.

For a 10-year term: The loan amount would be \$2.4 million (@7.5 interest rate). Each unit would pay \$4273 per year or \$1068. per quarter (Please note that the Long range / Reserve fund will continue to be collected).

For a 7-year term: The loan amount would be \$2.4 million (@7.5 interest rate) Each unit would pay \$5520 per year or \$1380 per quarter. (Please note that the Long range / Reserve fund will continue to be collected).

Discussion of owner's concerns:

A few unit owners expressed concerns over the lack of professionalism coming from the Management company. Another concern raised regarded the lack of compliance with issues such as Dogs being walked without a leash & a lack of follow-up regarding reported water

leaks within owners units. President Jon Bobel stated that the Board will formally look into these concerns.

A question was presented about outstanding lawsuits. Jon Bobel replied that since these cases have not formally settled, he could not comment on them at this time. Attorneys for Nationwide Insurance, who is the Association's insurance provider are representing Club Ocean Villas.

Meeting was adjourned.

Next General Meeting is Saturday October 21, 2023 - 10:30 – 12:30

Next Board Meeting is Saturday October 21, 2023 - 8am – 10:30

Respectfully Submitted,

James Russell - Secretary/ Treasurer