**The Highlands at Ocean Point Condominium Trust**

**Board of Trustees Meeting**

**Monday, May 22, 2017**

**Pool Clubhouse**

**Attendance:** Lesley Pitts (Chair), Helen Jones (Secretary), Gary Gersten (Treasurer), Pam Claughton, Emily Gallup. Onsite Property Manager Tony Baldwin, with Shannon Swift and Natalie McCann from Baldwin Realty Group.

**Observers:** Patt Steiner, Elaine Bean, Barry Brodil, Rita Potocsky, Carol Gregorio, Marie and Tom Young; Dan Lane and Bill Nolan arrived during the course of the meeting.

At a regular meeting of the Highlands at Ocean Point Board of Trustees, held in the pool clubhouse on Monday evening, May 22, 2017, the Chair called the meeting to order at 6:03 p.m.

***Summary of Board Actions Taken in the Meeting:***

The Board agreed informally to BRG’s request to cut back the updating and posting of the maintenance log to monthly.

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The Chair opened the meeting with a brief reminder that the acoustics in the clubhouse are poor, and to please ensure that only one person is speaking at a time. The Chair also announced that, since the Trustees had a number of planning issues to discuss in Executive Session, that the regular portion of the meeting would be limited to one hour.

1. REPORTS
   1. TREASURERS REPORT

The first order of business was the Treasurer’s Report. The Treasurer reported that the Association’s total assets are currently $212,670. Reserves are approximately $149,000. To date, Association income is down by $8,222 from budgeted. He also reported that the Board has borrowed $15,930 from reserves to “make everyone whole” from the February 2016 sprinkler breaks, but that we still have over $40,000 in invoices to submit to the insurance company on this claim, so we should get that back. Once Arbella determines the final payout on this claim, we will know the actual effect on Association finances.

**No Board action taken.**

* 1. UPDATE ON INSURANCE CLAIMS

The next order of business was an update on the insurance claims. The Treasurer reported that he is still working through the four insurance claims:

* *February 2016, 3 sprinkler breaks*: The Association will end up paying $34,000 for the public adjuster’s fee
* *May 2016, building 4 basement flooding.*
* *December 2016, building 25:* The Association will manage this claim; everyone should be “made whole”; no cost to the Association.
* *March 2017, building 29 sprinkler break*: Because of the damage to the common areas, the Association will have to pay the $10,000 deductible on this claim.

**No Board action taken.**

The Chair allowed a few questions on the Treasurer’s financial and insurance reports.

Q: Why are we spending over budget in Administrative and Professional?

A: Because our insurance premium, which came in much higher than budgeted this year, is reported under the Admin and Professional line. We budgeted $53,000, and the actual cost of the premium came in at $69,000. The overage in Admin and Professional spending reflects payments to date.

Q: In the Treasurer’s Report, what is the $17,750 payment to Eaton?

A: Deck staining.

Q: Why will the Association end up paying for the public adjuster’s fee?

A: Because we can’t submit that cost to the insurance company to pay.

Q: How much are we behind in total?

A: Currently $115,000; part of this is insurance payments still due us.

Q: After the insurance payments come in, how far behind will we be?

A: About $40,000 to date.

Q: Who decides what special projects will be done and their frequency?

A: The Board decides, in consultation with the property manager.

* 1. MAINTENANCE REPORT AND FOLLOW UPS

The next order of business was the Onsite Property Manager’s maintenance report.

*Building 25 roof replacement:* Scheduled for the end of July or first week in August. The vents can be assessed at that time. Shannon contacted Bill Brissette for more information about his vents, or soffits, what the problem was and the solution.

The Chair noted that we need to assess the same issues in the other buildings.

*Davitt Assessment (insulation assessment):* Shannon met with Brian Thalmann of Davitt, who is the contractor recommended by Hilb, and a representative from Anchor Insulation.  Shannon and Earle accompanied Davitt and Anchor on a walk through all the buildings to assess all of the common areas. Their areas of concentration were in hallway scuttle holes, where they could access the inside of roof areas, and basements/hallways, to assess any potential issues we could face with backflow preventers. They were unable to complete the common areas as their thermal camera was not working properly; Davitt may return a day next week to see if he can get any reads on the exteriors of the buildings that would indicate areas that lack insulation.  It is preferable to perform this service when it is cooler outside.  They asked a few questions about previous water losses HOP has dealt with, and inquired about the policy for seasonal owners and how their units are handled while they are away. They will review their findings with Matthew Sweet (the Association’s new insurance broker), and if necessary they will plan a return visit.  This visit may require them to see a sampling of units in each building, or access to all units depending on what the broker recommends.

*Shoreline Fence:* There are 3 fencing projects:

* The hill fence, 21 sections just under $4,000. The Treasurer noted that this is a capital expense, and does not need to impact the annual operating budget.
* Repairs to the street fence have been made; Earle will paint when the weather is dry.
* Building 29 posts: we are awaiting a quote.

*Plantings:* We budgeted $2,000 for plantings. If we just want to split existing plantings, Egan will charge us his regular hourly rate of $120 per hour for labor. Marie Young volunteered to help with watering at the entry sign, but we have to figure out how to get water down there. It’s too far to carry water. She would like to get a group of volunteers to help. The Chair offered to put out a notice to that effect.

*Maintenance log:* BRG is finding it very labor intensive to cut and paste all the maintenance request emails into the log, and requested that we cut the updating and posting back to monthly. In the meantime, Shannon will continue to look for quotes for an online interactive option.

*Underdecking:* Two underdecks remain: units 2414 (Nolan) and 408 (LaCasse). There is a third one (2413, Santos) that Chris Murphy started but didn’t finish. Tony Baldwin took pictures of the one at 2414. Two decks may be damaged due to trapped moisture (the back hangers hold moisture in) and possible lack of flashing. The Association is responsible for maintaining decks. The Board has to decide how to address the remaining underdecking.

It was proposed that, when we have an engineer assess the whole property, we ask him to address this situation in his report.

*Wet cleaning:* Shannon is expecting a quote.

**The Board agreed informally to BRG’s cutting back the updating and posting of the maintenance log to monthly.**

* 1. SECRETARY’S REPORT

The next order of business was the Secretary’s report on the status of the minutes, website, correspondence, and newsletter.

* *Status of minutes:*April 24 done and posted; executive session done (not posted). Next to do will be May 22. Edits requested to November and October 2016 are still pending.
* *Website:  Financial page:*The financial info page is outdated.  The Balance Sheet and Income/Expense Statement (3 pages) from January through April have not yet been posted. Also, the Secretary has not yet received from Lorell the end-of-year financial report that was due to us in April. *Maintenance Log:*  The most current Maintenance Log posted is from April 25, which is the latest one received from BRG.
* *Correspondence:* None in the pipeline at present. Notice to owners of open Board positions was featured in the newsletter and highlighted in the newsletter email.
* *Newsletter:* Spring issue posted May 11 and emailed May 20.  Notice to owners of open Board positions included and highlighted in email.

**No Board action taken.**

1. OBSERVER QUESTIONS AND ANSWERS

At this point, the Chair opened the floor to questions and comments from observers.

C: The trim on building 30 needs attention.

A: That will be included in the strategic capital plan. We are aware of all the trim work that’s needed, on all the buildings, but we don’t have the budget this year.

Q: It’s been over a year. Can I pay to have it done myself?

A: We will discuss it and get back to you on that.

C: The doorbell intercoms on building 25 don’t work.

A: Again, we don’t have the budget to address this now. Earle suggested that, for $15, owners can buy their own.

Q: Will owners be allowed to read the insulation assessment and the strategic capital plan?

A: The plan is to present the strategic capital plan to owners at the annual Owners Meeting. The insulation assessment should be done in the winter, when it’s cold.

Q: Can an owner request to see the insulation assessment report?

A: Yes.

Q: The Board was looking at a maintenance plan last year. What’s the status of that, is it on hold?

A: Yes, due to the tight budget.

Q: The Board has no money to fix leaks, but can afford to hold a party on the beach. Can’t we cut back on landscaping and use the money for other purposes?

A: First, the party on the beach was an Ocean Point Activities Committee event, not a Highlands event. Second, it was not paid for by OPMT Association dues, Highland dues, or any dues. The Activities Committee raised funds from local business and some of its members to pay for that event.

Third, repairing leaks is not part of a long-range capital plan, and are not on hold. Leaks in pipes, roofs, or anywhere are dealt through the annual operating maintenance budget. If there is a leak that causes insurable damage that exceeds the deductible amount, insurance proceeds are used. If there is an urgent problem that cannot wait, and we do not have the funds, we can borrow from reserves if we have to. We do not borrow from reserves for intercoms, and not necessarily for trim. We have to set priorities for how to use the resources we have.

C: So many units have had frozen pipes.

A: There have been various reasons. The sprinkler leaks in February 2016 were caused by the coldest night in 50 years, followed by too rapid warming. There were leaks all over the state that weekend. Some leaks are caused by owner negligence; for example, leaving a condo vacant in the winter with the heat turned down or off. Sometimes, accidents just happen that are no one’s fault. It is important for every owner to know where their water shutoff is, and take responsibility for shutting it off when going away. The condo rules cover such things; every owner is responsible for knowing what the rules and regulations say and following them.

Q: Overflowing trash in the building 24 dumpster is a problem. Can the Association put up a sign that says, “Please put trash in the back of the dumpster first.”?

C: As neighborhood summer residents are returning, there appears to be an increase in non-residents using our dumpsters.

Q: Has the Board decided yet about gas grills?

A: No.

C: If we had to get rid of grills, it might be nice to have a common grill area.

Q: I had a flood and called the BRG emergency number, but it seemed I was on my own. In other situations, BRG called ServPro right away. Why did they tell me I had to call them and pay for the service myself?

A: We have to realize that we don’t have a 24/7 emergency management company. You need to think like a homeowner. If you owned a house, what would you do? You’d call the fire department, a flood company, whoever you needed to call to handle the emergency.

At 7:00 p.m., the Chair announced that the Board would go into executive session and the observers left the meeting.

The business of the Executive Session having been completed, the Chair adjourned the meeting at 9:55 p.m.

Respectfully submitted, Helen Jones, Secretary, August 3, 2017

Approved, Lesley Pitts, Chair, August 6, 2017