**Highlands at Ocean Point Condominium Association**

**Board of Trustees Meeting**

**June 27, 2017**

**Pool Clubhouse**

**Attendance:** Lesley Pitts (Chair), Helen Jones (Secretary), Gary Gersten (Treasurer), Pam Claughton, Emily Gallup. Onsite Property Manager BRG’s Shannon Swift. Tony Baldwin joined the meeting in progress.

**Observers:** Andrea Swart, Nancy Carini, Lou and Mary D’Ambrosio, Elaine Bean, Dan Lane, Carol Gregorio, Bill Nolan, Rita Potocsky, Jim and Donna Franke, Marie and Tom Young, Fran Drolette.

No Board actions were taken at this meeting.

At a regular meeting of the Highlands at Ocean Point Board of Trustees, held in the Pool Clubhouse on Monday evening, June 27, 2017, the Chair called the meeting to order at 6:00 p.m.

The Chair opened the meeting with a brief reminder that the acoustics in the clubhouse are poor, and requested that observers refrain from side conversations during the meeting, and hold questions until the portion of the meeting designated for observer questions and comments.

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 $133,974, and it has $89,170 in reserves. To date, Association income is down by $14,629, approximately $7,000 of which is due to late payments of condo fees. He also reported that administrative expenses are higher than budgeted, primarily due to the increase in our insurance premium, which we budgeted at $52,594, but which came in at about $69,000. Maintenance and utility expenses are also coming in higher than budgeted. Major capital projects pending are the roof replacement on building 25, estimated at around $70,000, and the regrading behind building 4 (no estimate on this job yet). He reported that we have not yet made any 2017 reserves contributions, but that we have a plan to bring contributions up to date as required by law. Due to the sharp increase in the insurance premium and other unanticipated expenses, particularly in buildings 29 and 4, we currently have an overall budget shortfall of $66,843.

The Chair commented that the Board is currently working on a plan to address the financial shortfall. When the plan has all the necessary information, including cost estimates on outstanding work, it will be presented to Owners at the annual Owners meeting in July, and this general meeting will be followed by individual meetings with each building shortly thereafter.

**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*: we have a supplemental claim for $46,000 pending; balance on this claim is $15,930 unfavorable.
* *May 2016, building 4 basement flooding:* completed; net is zero.
* *December 2016*: current balance on this claim is $13,822 favorable.
* *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.**

*Note: BRG’s Tony Baldwin joined the meeting.*

* 1. MAINTENANCE REPORT

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

The Chair noted that Shannon Swift’s weekly reports are working well.

*Unit 404 leak; foundation and exterior*: Awaiting scope of work and price.

*Building 30 frontage:* Awaiting a bid.

*Building 29 roof repairs (2903, Carmichael):* No water; no leaks; no evidence of a problem. The Chair noted that we need to monitor this.

*Building 4 tiling:* The basement is done; the tile just came in for the main floor. There is extensive work needed to the floor below. BRG doesn’t recommend ripping up the lobby floor in the middle of the summer; thought needs to be given as to the best time to do this.

*Cleaning of building 29 common areas following March sprinkler leak:* Construction cleaning is not in the scope of work. There are companies that can be hired to do this. BRG will work with ServPro to get a construction cleanup done.

*Building 25 roof replacement:* Scheduled for the end of July or first week in August.

*Insulation assessment:* Shannon has not yet heard back.

*Shoreline Fence:* Shannon is waiting.

*New plantings:* New plantings have not been done because Egan said it was too late in the growing season and the best time is the fall. Trustees noted that they had asked for this to be done when we were discussing the contract, and would rather have it done now.

*Maintenance log:* Shannon will send tonight or tomorrow morning.

*Routine cleaning:* The Chair requested information on routine cleaning from other cleaning companies for the common areas. She asked for information on their standard plan/checklist for cleaning such areas before we discuss price.

**No Board action taken.**

* 1. SECRETARYS REPORT

The next order of business was the Secretary’s report.

The Secretary reported that the January and May meetings are in process, with a “bare bones” record of whether or not the Board made a decision on each agenda item. (February and April have been posted to the web.)

It was suggested that minutes should contain decisions only rather than discussions. The Secretary explained that most agenda items do not result in a Board decision, so without some summary of the discussion, the minutes would contain little useful information. Also, some important information is provided, and some commitments that need to be tracked are made, during the questions and answer portion of the meetings. The January and May minutes will be completed as soon as possible.

**No Board action taken.**

* 1. OBSERVER QUESTIONS AND COMMENTS

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

Q: Since the major brush clearing behind building 30, lights from the house on Point Road (McNamara) are annoyingly bright. Could one wall of the tennis court be screened to block or diminish the light?

A: There is a plan for plantings for that area; perhaps we can choose plantings that will screen the light. That is an OPMT issue; there is an OPMT Board meeting at 10:00 a.m. in the clubhouse.

C: There should be a first aid kit and defibrillator at the pool.

A: OPMT manages the pool; that issue is referred to OPMT through our reps (Gary Gersten, Pam Claughton, and Emily Gallup).

Q: Why did we hire a public adjuster for the insurance claims?

A: We only hired a public adjuster for the February 2016 claim, which was a half million claim impacting 10 units. We hired the adjuster because the Board was unfamiliar with the procedure and wished to protect the Association’s interests.

Q: For the roof on building 25, can we issue an RFP?

A: We are soliciting bids.

Q: For the excavation work on building 4, can we issue an RFP?

A: We will bid it out.

Q: There is a new neighbor in building 4 with a dog. The dog is left in the house all day with the slider door open, and I can hear the dog barking all day from my condo (building 24). This is creating a nuisance. Can the owner of the dog be contacted?

A: We will look into it.

Q: Regarding the lights from the house on Point Road since the shrubbery was removed: Who will pay for the shrubs/barrier? How did the decision to remove the shrubs get made?

A: Owners in building 30 chipped in to pay for the removal; no Association funds were used. We were not aware that it would create a problem with the lights. This is another OPMT issue and should be taken up with the OPMT Board. The new barrier, whether a fence or plantings, will be an OPMT expense.

Q: What was the cost to clear that shrubbery?

A: $4,000, plus another $1,200 for mulching.

C: OPMT does not report anything to owners. We see nothing from meetings; no financial reports. We never know when the meetings are. These should be posted to the website.

A: This is a valid point; we will bring it up again with the OPMT Board. (An OPMT rep)

Q: Have you had a chance yet to look in the OPMT minutes to confirm whether the OPMT Board actually took a vote on the plantings to be used at the sign, as I was told it did?

A: No. (An OPMT rep)

Q: What is an insulation assessment (mentioned earlier in the meeting)?

A: Our new insurance broker advised us that having the effectiveness of insulation in each building assessed would help us when he shops us out for a policy next year. It will be one of several steps to show that we’re doing all we can to avoid future leaks.

Q: The carpet in building 4’s elevator is disgraceful, due to the work that was done in the building. It needs to be replaced again.

BRG: We’ll address it. We’ll try to clean it, first. A non-slip laminate floor in that elevator might be a better idea.

C: The carpet in building 24’s elevator is in bad shape also.

A: We’ll note it.

Q: When building 4 trim was painted last year, the painter only went up to the 3rd floor, and now we have a two-tone building. Why was it never finished?

A: The job order was to paint the lower levels only, because of the water damage to the lower levels and contractor damage to the stair walls. Painting of the main floors was never budgeted.

C: The building should have the same color from top to bottom.

C: We were told that Egan was going to install an 18” stone border in the mulch beds against the buildings to comply with fire codes. The border installed isn’t 18 inches.

A: We’ll look into it.

Q: The end of year financial report is not on the website, and the last financial report posted is from December. These need to be updated on the website.

A: We’ve been having technical problems, but we’ll find a way to bring the website up to date.

Q: When contractors do damage, they should be paying for all cleanup. You can file a claim against their insurance company. Do we have insurance certificates on file from all contractors naming the Association as an additional insured?

BRG: Yes.

C: The information BRG recently sent us on the wastewater treatment plant, explaining that we should never put lettuce or eggshells down the garbage disposal, or flush dental floss, to avoid expensive service to the plant, was very helpful.

There being no further questions, the Chair announced that the Board would go into executive session and observers left the meeting at 7:03 p.m.

The business of the Executive Session having been completed, the Chair adjourned the meeting at 8:20 p.m.

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

Approved, Lesley Pitts, Chair, August 7, 2017