

ORLEANS COURT CONDOMINIUM
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BOARD OF DIRECTORS MEETING MINUTES
Saturday, September 26, 2015

I. CALL TO ORDER

President Neal Jarvis called the meeting to order at 3:05 at Mana-Jit offices, 4100 Coastal Highway, Ocean City MD. Board members present were Neal Jarvis (320), Mary Ellen Morris (206), Craig Smith (224), Andi Hutt (101) and Susan Ackerman (315). Brett Staley of Mana-Jit Property Management was also in attendance. Board of Directors' meeting packets included a Meeting Agenda, a copy of the July 11, 2015 BOD Meeting Minutes, the 9/25/2015 Aging Summary, a 2016 Proposed Budget worksheet, three bids from vendors who will provide work related to the Delmarva Power excavation, a bid from A Shore Proposal company for sealing the condominium building railings, and the previous Treasurer's elevator repair analysis spreadsheet for work by Delaware Elevator. Owners present were Leon Rickards (326), Sid and Magteld King (112); Keith and Diane Remaly (305), Peggy and Keith Warner (218), and Kerry Tague (226); non-unit owner present was Earl Rowland (former owner of 323).

II. APPROVAL OF PREVIOUS MINUTES

The meeting minutes from the July 11, 2015 Board of Directors Meeting was reviewed. Andi made a motion to approve the minutes as corrected. Craig seconded the motion, and the motion carried unanimously. The Board and unit owners present were reminded that the minutes and the Treasurer's Reports are available on the Orleans Court website

III. REPORTS

A. President's Report

Neal read his report, which covered his tasks since our last meeting:

- Discussion with attorney Jim Almand regarding unit 318
- Unit owner communications have been quiet, with the exception of an update to Leon Rickards regarding the previous power outage, and return of the threatening emails from Ed Chambers
- Neal has concerns about smoking in public areas of the condominium, often by renters
- Neal communicated with Jim Almand about speeding up the process to finalize the foreclosure on unit 222
- The city has repainted the parking spaces and installed handicapped parking spaces on 140th Street.
- 5 MPH notations have been painted in black on the white directional arrows on the blacktop; Neal said he would still like to have a "Stop for Pedestrians" sign in the south alley
- The new Orleans Court website has been launched, and Neal received positive feedback
- Most of the board members met with Delmarva Elevator and did a walk-through of the equipment
- Brett handled repairs for the pool shower and replacement of burned out lights
- Brett met with Delmarva Power on August 12 to discuss our aging transformer; Delmarva will replace the transformer, but there are some items that we must handle, namely removing and replacing the fence panels, landscaping, and pavers. Delmarva Power is waiting for our reply to the letter that they sent Brett
- Neal thanked the homeowners and the BOD

B. Treasurer's Report

Susan read the Treasurer's Report

- Balances in bank accounts as of September 25, 2015:
 - Operating Account: \$27,520.28
 - Reserve Account: \$183,374.11
- On September 8, 2015, the quarterly transfer of \$9,421.50 was made from the Operating Account to the Reserve Account
- Accounts receivable is \$101,170.82

C. Management Company Report

- 5 MPH signage was painted on the white directional arrows on the blacktop
- The city installed handicap parking spots near the ramp west and east ramps to our parking lot
- Obtained new bid for sealing the railings
- Coordinated the pool chair cleaning
- Arranged for regularly scheduled power washing
- Replaced sump pumps and plumbing
- Drain lines in units 224 and 124 were repaired
- Brett signed the Lien Release and Certificate of Satisfaction for the Flynn loan; any money he owes us will be considered bad debt. The bank now owns unit 318

IV. OLD BUSINESS

A. Delaware Elevator

- Andi prepared a detailed spreadsheet showing cost and timing differences between two proposals (having the work done in three phases, or having it done all at once). We reviewed the Revision 3 proposal in detail, and made some changes; Andi will send the signed proposal to Keith Mitchell of Delaware Elevator

B. Delmarva Power Project

- Delmarva Power notified us that transformer and cable replacements must be done, resulting in work that is required of Orleans Court. Based on the letter send to Brett by Delmarva Power's Supervising Engineer Edwin Cade, Brett obtained three proposals from Mac Outdoor LLC (remove/replace fence panels), Hardscapes Inc. (excavation, backfill, compaction, and replacement of pavers), and Natural Creations (remove/replant plant material). The work as proposed amounts to about \$6000, but Brett will talk to the vendors to see if that amount can be reduced. The work will commence around November 1. The funding will come from the reserve account

C. Railings

- Based on the unanticipated expense related to the Delmarva Power Project, the BOD decided to postpone the railing sealing until spring

V. NEW BUSINESS

A. 2016 Operating Budget

- Andi asked the BOD, when drafting the proposed budget, to respect the amount we transfer to the reserve Account; we transfer approximately \$9,000 each quarter
- Craig mentioned that we must be careful in ensuring that we handle reserve funding appropriately; he suggested a 3% increase in dues so that we can continue to build a healthy reserve. The four other BOD members said that they would prefer to keep dues flat in 2016, and notify homeowners that there will most likely be inflation-driven increases in subsequent years
- Leon Rickards suggested that we average the past five years' of expenses to help set the budget; Andi suggested that Brett add another year to the budget worksheet so that we can have a rolling average
- There was lengthy discussion about the amount that should be placed in the "Legal Expenses" item of the budget. Craig explained to those homeowners present that our legal costs related to one combative homeowner and one foreclosure activity could be high. Craig said that the homeowner in question is abusing other homeowners by not paying their obligations; Brett will talk to Jim Almand about acting more aggressively
- After working through the 2016 proposed budget, Brett said that he would compile our changes, resend the budget, and provide unit owners with a 30-day review/comment period

B. No Smoking Signs

- Neal said that he would like several year-round "No Smoking" signs to be permanently affixed on each landing. Susan looked up prices for durable signage, and it was agreed that Neal and Brett would discuss further
- The discussion also led to the need for signage in the bicycle racks areas, and it was agreed that we needed signs that say "All bicycles must be identified by unit" so that we can control derelict bicycles that are left untouched
- There was also discussion about the "No Parking, Tow-Away" signage; Brett will investigate further
- Neal said he believes the signs Leon was referring to were the Ocean City signs we must post

VI. RECOGNITION OF UNIT OWNERS

A. Unit 326 (Leon Rickards)

- One first floor unit has a bike attached to the railings
- The Condominium Rules and Pool Rules have errors
- Leon wants the financial reports that were to be available at the Owners' Meeting; Andi explained that the reports were there and were available to him
- Leon wanted to know who was paying the taxes on a foreclosed unit
- Leon wanted to know if one particular unit is current on their dues, noting that the unit owners were behind in paying their property taxes; Neal told him that an owners' personal finances were not our business, and he shut down the discussion

B. Unit 305 (Keith and Diane Remaly)

- Keith and Diane were introduced as new homeowners in Orleans Court; they commented on the amount of work that the BOD handles

C. Unit 112 (Sid and Magteld King)

- Sid noted that limestone is bleeding though the mortar joints on the outside wall
- Sid requested email copies of the quarterly financial report; Neal told him that they are available for review at the Mana-Jit offices
- Magteld noted that she's been a member of several boards, and their meetings weren't this long

VII. ADJOURNMENT

Prior to a formal adjournment, Brett reminded us that the water valve in the west building would be shut off on Monday morning; signage has been put up. At 6:40, Craig made a motion to adjourn this meeting and move the Board of Directors into a closed session to discuss financial matters related to homeowners. Andi seconded the motion and the motion carried

Respectfully Submitted,
Mary Ellen Morris
Secretary, Orleans Court Condominium Board of Directors