

Antigua Condominium Association

Minutes of the Meeting of the Board of Directors

September 18, 2024

The meeting of the Board of Directors of the Antigua Condominium Association was called to order by Randy Ditch, president, on September 18, 2024, at 7:00 p.m. The meeting was held via conference call. All the directors were present: Mary Dischinger, Randy Ditch, Mike Falkner, Kat Ilkhani, Mike Keenan, Robert Mayer, Bonnie Medford, Sheri Miller and Ellen Schweiger. A quorum was present.

The following unit owners were present: Alberto/Linda Garcia (1002); Cindy Frederick (901); Rosey Whittaker (302); Ingrid Miller (1302); Rande Baumohl (1102); Dennis Marsalek (408); Don Brown (103); Chris/Michele Groome (903); Martin Peckerar (1108); Robert Rosner (1007); Peggy Sheer (406); Randy Hess (608); Paul Kotula (208); Andrew Olson (402); Patty Brann (301); Dan Snyder (808); and Chris/Helen Vallone (904).

Property Manager: Cindy Mooney, Shore Management

Owner Comments and Concerns

There were no comments or concerns from owners.

Approval of Minutes

Robert presented the draft minutes for the board meetings August 21, 2024 (open session); August 21, 2024 (executive session); and September 8, 2024 (executive session). There was no discussion.

Robert moved and Sheri seconded that the minutes the board meeting of August 21, 2024 (open session) be approved. The motion passed on a voice vote. After the vote, Kat announced that she had voted against the motion.

Robert moved and Mike K. seconded that the minutes the board meeting of August 21, 2024 (executive session) be approved. The motion passed on a voice vote. After the vote, Kat announced that she had voted against the motion.

Robert moved and Mike K. seconded that the minutes the board meeting of September 8, 2024 (executive session) be approved. The motion passed on a voice vote. After the vote, Kat announced that she had voted against the motion and Mary announced that she had abstained because she was not present at the meeting.

Robert moved and Ellen seconded that the minutes of the executive sessions held on August 21, 2024 and September 8, 2024 be release. The motion passed on a voice vote without any votes against the motion.

Ingrid asked several questions relating to the minutes. The August 21, 2024 minutes referred to repairs made to units 502 and 1007 from water leak damage. She asked who did the work. The work was done by Shore Painting. Ingrid noted that footnote 2 said that the rental income from the AT&T antennas would be abated while the antennas were not on the building during the coating project. She suggested that the board-approved budget to be submitted to the owners at the Fall Owners' Meeting be amended to reflect this change. She noted the comment that cars were generally not parked in the spaces next to the trees and shrubs because they obstruct getting in and out of the cars. Ingrid suggested moving those parking spaces away from the trees and shrubs, leaving a buffer area. It was noted that there are 106 parking spaces and that we would lose parking spaces if some of the parking lot becomes a buffer area for the landscaping.

President's Report

Randy reported that overall, we had a good summer season with no major incidents. The management company and the on-site office staff did a great job.

Atlantic Pool Management replaced Best Aquatics as the pool company at the end of August. There were comments that Best Aquatics had not been doing a good job earlier in the summer and questions about the selection of Atlantic Pool Management. Best Aquatics walked off the job without warning at our condominium and at least two others. Shore Management quickly replaced it with Atlantic Pool Management which is doing a good job with the chemicals and heating.

The pool attendant left and Shore Management replaced him. The new pool attendant closes the pool and puts the furniture away for the night.

The exterior lights and one interior light have been replaced.

There are developments in the coating project with East Coast Contracting which will be discussed later in the meeting.

Treasurer's Report

Monthly Financial Report

The T-bill reinvestment yields are dropping. The rate on September 17, 2024 was 5.053%.

There is \$20,137.77 is the PNC Operating account which is where the building fees are deposited. Mary recommended that we transfer the October reserve contribution from this account as we did in September. The PNC Operating account is not an interest-bearing account

while the reserve account is interest bearing. Mary moved and Mike K. seconded that the October reserve contribution be transferred from the PNC Operating Account to the Reserve account. The motion passed on a voice vote with no negative votes.

Mike Falkner submitted the Workers Compensation audit in August but it has not been processed, yet.

The flood insurance premium of \$14,818 was paid on September 11, 2024, the check has cleared the bank, and the policy renews on October 5, 2024. The insurance appraisal fee was paid. ETC's and East Coast Shutters' invoices were paid.

Special assessments are being received. To date, \$257,858.77 has been paid. Mary added a sheet to her report to track the special assessments.

Mary reported that two T-bills are maturing on September 26th each in the amount of \$135,000. One is a 13-week T-bill; the other is a 26-week T-bill. In light of the developments with East Coast Contracting, Mary inquired whether they should be renewed for the same terms or the terms changed to shorter terms. It is expected that the Federal Reserve will reduce its discount rate and that will result in lower rates on T-bills. The matter was discussed and on a voice vote, without opposition, it was decided to have the two T-bills automatically reinvest with the same terms.

Robert reported on the staffing changes at Shore Management. Sue retired. Shore Management has hired Linda Johnson of Linda's Tax and Bookkeeping Service to do the monthly reconciliations. Chris will be entering the regular entries in QuickBooks.

On Ingrid's suggestion, Robert moved and Mary seconded that the 2025 budget be amended by reducing the income from the AT&T antenna rental by \$24,000. Robert noted that the income is allocated to the Reserve Fund and that the operating budget is not affected by the change. The motion was passed on a voice vote without objection. Robert will send the revised budget with an update on the coating project.

Secretary's Report

Robert reported on the Beneficial Owners Information reporting requirements. He said that the regulations and reporting requirements are broadly encompassing. Homeowner associations and condominium associations that are incorporated are reporting entities, but the Antigua is not incorporated. There are substantial penalties for failing to file required reports. There is a lot of discussion about the matter, but no definitive answer. He recommended referring the question to the condominium's attorney for his opinion. The matter was discussed. Kat suggested asking the president of the DCMA. She also felt that it would be easy to file the reports and cheaper than paying an attorney for an opinion on the matter. Bonnie also thought

that the expense was unnecessary. The motion passed on a voice vote. Kat and Bonnie announced after the vote that they had voted against the motion.

Maintenance Report

Mike Keenan presented the maintenance report. He reported that there was very little activity right now. The trash chute should have a preventive maintenance done. A preventive maintenance has not been done for at least three years. The proposal was from Mid-Atlantic Waste Systems and would cost \$424. Kat objected to the proposal because it did not sufficiently itemize the work that would be done. The matter was put over to the October board meeting.

Old Business

Flood Insurance. Mike Falkner reported that the flood insurance had the same limits and the same cost as last year. The maximum amount available is \$250,000 time the number of units. We are at the maximum coverage.

Insurance Appraisal. When we renewed our insurance this summer, Mike F. was concerned that the insurance appraised value of the building could have risen enough so that the insurance coverage was less than 80% of the insurance appraised value. If the ratio drops below 80%, there is a co-insurance penalty, that is, any claim would be reduced prorata by the underinsured value. The appraisal shows that we exceed the 80% threshold. Mike recommended that we not reduce the coverage, which could result in a reduction in the premium. Many insurance companies are raising the co-insurance to 90%. He felt it was better to say nothing than risk that the insurance company look at the policy again and raise the co-insurance percentage, either this year or next year. That would result in an increase in the premium.

Atlantic Refrigeration Scheduling. Robert reported that Cindy was requesting guidance on when Atlantic Refrigeration should be scheduled. There are four services every year. Two are filter changes and are in February and September. The other two are preventive maintenance checks and filter changes. They are generally in May and November. Cindy was concerned about intruding unnecessarily during the summer season and wanted guidance on when best to schedule them. Lisa at Atlantic Refrigeration suggested to Robert that they be scheduled for the full year. This would facilitate Atlantic Refrigeration scheduling its crews and the condominium giving sufficient notice to owners of the impending service.

After discussion, it was decided that the full preventive maintenances be scheduled for early May and mid- to late-November. The filter change only services would be in February and September. It was noted that a preventive maintenance was missed in the spring and that an adjustment should be made to the billing.

Pool Hours. Rosey asked Robert about the pool hours. She thought that the pool should be closed at sunset. Randy said that the pool hours had been changed back to 8:30 and more recently to 7:30. Robert reported that the regulations he read permitted the pool to be open

after sunset if there is sufficient lighting. When he was at the condominium in August, it appeared that the pool area was well lit, but he was unable to say whether it met the requirements which are measured in footcandles. He suggested asking Cindy to see if the Atlantic Pool Management could take the appropriate light meter reading.

Bathroom Renovation Project. Mike Falkner reported on the pool bathroom survey. Eighty-five percent of the respondents preferred two bathrooms rather than a single unisex bathroom. On the saunas, 75% preferred to have them removed while 67% preferred to have the showers removed.

Coating Project Report

Robert reported on the status of the Coating Project. He sent an update to the owners on September 14, 2024. Briefly, Tom Merson, president of East Coast Contracting, sent an email on September 4, 2024, saying that he was putting the project on “hold.” Four board members — Randy Ditch, Mike Keenan, Mike Falkner and Robert Mayer — met via conference call with Tom Merson (East Coast Contracting), Kirk Parsons (ETC, our consulting engineer), and Cindy Mooney (Shore Management, our property manager). Tom said that he “did not have a clear vision of what is expected of us” with respect to the substrate. He had not included a parge coat in the bid, saying that it was not in the contract. At the conclusion of the meeting, Tom was asked what it would take to get the project back on track. On Friday, September 6, 2024, he said needs to know what is expected including having the surface preparation materials specified and a cost line item with a schedule of values. He also wanted a modification of invoice approvals. All invoices go through Kirk. Under the contract Kirk has 15 days to approve them, disapprove them or seek additional information from the contractor. He wanted that reduced to 7 days.

The board held a special meeting on Sunday, September 8, 2024. Robert spoke with Jim Almand, the association’s attorney, on Monday, September 9, 2024. The mockups were completed and Mike Keenan, Kirk Parsons and Tom Merson met and discussed them.

For clarity, Kirk described the words “skim coat”, “parge” and “texture” to be sure that everyone uses them the same way. A parge coating is the material applied to the concrete. It will normally be about 1/8” to 3/16” thick. The texture is built into the parge material. The silicone coating is applied on top of the parge coating without any additional texture in the silicone. A skim coating is the material applied to the concrete. It will normally be about half the thickness of a parge coat, about 1/16” to 1/8”. No texture is built into the skim material. The silicone coating is applied on top of the skim coating with the texture a part of the silicone coating. The “texture” is the pattern or design that we see on the finished wall. The Antigua’s existing walls have a parge coating. The “swills and twills” that we see were made by using a sponge tool on the wet parge. The sponge pulled the parge material up from the surface to create the texture, the pattern that we see today. The acrylic-based elastomeric coating was

applied over the parge. None of the texture we see today was made by the elastomeric coating or included in it.

East Coast Contracting proposed putting the texture in the silicone coating. With this method, the first layer of the silicone coating is applied to the wall. An aggregate, for example, sand, is broadcast into the first layer of silicone. When it has sufficiently dried, the surface is brushed to remove aggregate that is not firmly adhering to the silicone. The second coat of silicone is then applied.

There are several different mockups which were discussed. The purpose of a parge coating and a skim coating is to hide or minimize the imperfections in the concrete. The concrete has bug holes. They are indentations of various sizes, generally, from the size of a pea to the size of a quarter. There will also be cracks that will be repaired. Concrete will need to be repaired where it has spalled. The mechanical grinders or chippers that will be used will leave machine marks if they are used too aggressively in spots.

Kirk is becoming more comfortable with the Dow warranty, but is not satisfied with the skim method. Dow warrants the material, not the workmanship in applying it. Generally, if there is a problem with bonding, it occurs earlier than later. He has had good success with silicone. But he has had no references for the method and cannot approve it without seeing it installed, speaking with the contractors and owners and seeing how it has weathered over several years.

The two individuals from East Coast Contracting who were principally responsible for the execution of the project are no longer with the company.

There were several questions about responsibility for the issues before the board. Robert said that the board is looking into those but should not comment right now. We do not want to adversely affect discussions with East Coast.

Ingrid Miller (1302) asked about the responsibility for filling the holes in the exterior walls that electrical wires go through to power the shutters. This is a matter that has to be looked into. In the end, East Coast will prepare the surface and coat the areas where the holes were located. In Ingrid's case, the shutters will be removed and not reinstalled so there is no longer any purpose for the electrical wires going through the exterior wall. On the interior, the shutter switch should be the owner's responsibility to either put a faceplate over the switch or, a more extensive project, remove the unused electrical box.

There were questions and comments about the bidding and bids.

The question of the date to remove the shutters was raised. There is no fixed date in light of the postponement for the removal of the shutters and East Coast Shutters has withdrawn its schedule.

Pool Closing.

The pool will close October 7, 2024.

ETC Invoice.

Robert moved and Mary seconded that ETC's August invoice in the amount of \$3,583.30 be approved and paid. On a voice vote, the motion passed without objection.

Fall Owners Meeting Pot Luck.

Ellen reminded everyone about the Pot Luck planned for after the Fall Owners' Meeting and asked that people send an RSVP with the dish they will bring.

New Business

There was no new business.

Executive Session

The board went into executive session at 9:17 p.m. to discuss the legal issues about the coating project developments.

Adjournment

At the conclusion of the executive session, Sheri moved and Mike F. seconded that the meeting be adjourned. The motion was passed on a voice vote without objection. The meeting was adjourned at 9:31 p.m.

The next regular board meeting will be held on October 16, 2024, at 7:00 p.m.

Respectfully submitted,

/s/Robert Mayer

Robert Mayer
Secretary