

Antigua Condominium Association
Minutes of Meeting of the Board of Directors

January 17, 2024

The meeting of the Board of Directors of the Antigua Condominium Association was called to order by Mike Falkner, president, on January 17, 2024, at 7:00 p.m. The meeting was held via Zoom. The following directors were present: Mary Dischinger, Randy Ditch, Mike Falkner, Kat Ilkhani, Mike Keenan, Robert Mayer and Rosey Whittaker. A quorum was present. Sheri Miller and Ellen Schweiger arrived a few minutes later.

The following owners were present via Zoom: Randee and Harry Baumohl (1102); Cindy Frederick (901); Alayne and Bob Rosner (1007); Dan and Peggy Sheer (406); Pat Haskins (306); Bonnie Medford (1202/1305); Chris and Helen Vallone (904); Ingrid Miller (1302); Don Brown (103); Patty Brann (301); Dennis Marsalek (408); John and Barbara Emden (403); Steve Karlow (1204); Steve Hessenauer (1203); Vickie and Tom Hayden (1301).

Owner Comments and Concerns

Mike Falkner opened the floor to owners for their comments and concerns.

Cindy Frederick (901) asked about the pool cover and pool winterization. Mike reported that 1 Stop subcontracted the pool winterization to a pool company. The pool company had not completed all the required work. The pool was winterized but the pool cover has not been put on it. The anchors that hold the cover down need to be repaired and replaced. Without being in proper working order, the cover flaps and tears in high winds. Dave, the principal of 1 Stop, told Mike that the pipes had been winterized and were not in danger of freezing; that he has told the pool company to order the necessary parts for the cover fasteners; that the lights were far enough underwater that if the water froze, it would not freeze to that depth and the lights were not in jeopardy; and that no permanent damage would be done to the pool if it were not covered. Dave noted that many pools in Ocean City were not covered. Any algae growth, he felt, could be cleaned up in the spring with a powerwashing. There was a general discussion on the matter. The water depth was discussed further and it was decided that it should be lowered to beneath the skimmers and that the authorization for the purchase of the grommets and other parts necessary to put the cover on the pool should be revoked. Mike will contact Dave to have the water in the pool pumped to below the skimmers and revoke the authorization for the purchase of the grommets and other parts necessary to put on the cover.

Rob Rosner (1007) asked about the unfinished concrete work on the southside entrance. Mike Keenan reported that the excavation was not been filled in and the concrete was not poured because 5 Star would be doing some exploratory work in the trash room to determine the best approach to the drainage problem and how the trash room drain ties into the sewage lines. It is better not to pour the new concrete now and to wait until the trash

room problem is diagnosed. This will avoid tearing up the concrete again. He will look into a better temporary cover for the excavation.

During the last storm, the heavy, wood benches on the deck were tossed about by the high winds. One was thrown off the deck. Mike K. will be at the condominium this week and try to determine the extent of the damage to them. Alayne Rosner (1007) volunteered to take any pictures that might be needed of the benches and anything else that may occur. They live in their condo year-round and would be happy to help in this way.

Approval of Minutes

The minutes of the meetings of the Board of Directors held on December 13, 2023, and January 8, 2024, were discussed. Ingrid Miller (1302) asked if the painting proposal discussed in the December 13, 2023, minutes included prepping and priming the doors before painting them. Mike Falkner said that it did and described how one door had been sanded down to the prior red paint color. Other doors may not require such extensive sanding, but prepping and priming is included. It was requested that several changes be made to the December 13, 2023, minutes: that Mike Keenan's report of the Fire Marshal's approval of the plumbing work describe the work and the approval and that a typographical error be corrected; and that several changes be made to the January 8, 2024, minutes: two typographical errors be corrected; that the reference to the communications cable be identified as the traveling cable; and that reference by Berlin Elevator to the machine room in its proposal also be identified as the elevator room. Robert moved that the minutes of the two meetings be approved as amended. Make F. seconded the motion. The motion was approved on a vote with 7 in favor, 1 opposed and 1 not voting. Those voting in favor of the motion were: Mary Dischinger, Randy Ditch, Mike Falkner, Mike Keenan, Robert Mayer, Ellen Schweiger and Rosey Whittaker. Kat Ilkhani voted against the motion. Sheri Miller did not vote.

Reports

President's Report

Roof Coating. The executed warranty was received.

Pool Winterization. Mike's report was substantially covered during the Owners' Comments and Concerns time. It has been winterized and he will follow-up with Dave about lowering the water level and withdrawing the authorization for the purchase of parts to install the cover.

Treasurer's Report

Mary Dischinger presented a comprehensive treasurer's report. The T-bills reinvested on Tuesday have a 5.28% yield. The yield is remaining steady. It was 5.29% on January 9th and 5.325% on January 2nd.

The late fee policy approved last summer is being implemented to very good effect. Sending statements and the late fee policy have reduced the condominium fees receivable from about \$16,080 on July 31, 2023, to \$1,628 as of December 31, 2023. In September there were 8 late payments; 3 in October; 1 in November; and 2 in December. Year-end owner statements were sent to all owners on January 5, 2024. She will be preparing a final late fee report in the near future.

Three Reserve Account checks were written in December 2023 and January 2024. They were to Raintree Services for \$7,163.00 (roof repairs Change Order); ETC for \$3,507.00 (building coating report/bid specs); and Raintree Services for \$28,773.50 (final payment/warranty received).

The year-end Profit and Loss Statement vs. 2023 Budget Report was included with monthly reports. Income was more than budgeted due to the T-bill interest earned. We were underbudget in most categories. Categories that were over budget are: 1. Maintenance— Geothermal leaks were over \$17,000 and the elevator repairs were over \$5,700; 2. Administration — Consulting fees (for AT&T & office staff) and bookkeeping fees (Amy was not hired until February 2023) were not in the 2023 budget; 3. Capital Improvement — the roof coating, building coating and ground floor doors were not in 2023 budget.

Tax matters are being attended to. Amy filed the W2's, W3, and 1099's. The quarterly payroll tax forms were signed and mailed. Amy and Mary will be starting to work on the 2023 Audit soon. The processes they initiated will expedite completion of the audit.

The PNC Reserve Account has a balance of about \$59,400. She anticipates upcoming invoices of about \$6,533 for the ground floor doors.

Mary recommended investing in another T-bill of \$40,000. There is about \$130,453 in the Bank of Ocean City Operating Account. The PNC Reserve Account has a balance of about \$59,400. This is more than is necessary at this time of the year. She proposed prepaying the February and March reserve contributions totaling \$32,656 and using the funds to purchase one \$80,000 T-bill or two \$40,000 T-bills in order to obtain a better rate of return. The matter was discussed, and on a motion made by Mary and seconded by Kat, it was agreed on a unanimous voice vote to prepay the February and March reserve account contributions and purchase two \$40,000 4-week T-bills.

The various financial reports were further discussed.

Committee Reports

Coating Committee

Robert Mayer reported on the Coating Committee's discussions about the proposed ETC design/bid proposal. The Committee's Report and ETC's draft were previously sent to all owners and members of the Board. Robert summarized the proposed work. There are three wall areas to be recoated. They are the exterior of the building; the interior wall and

the interior parapets. In addition, there are the walkways in the rotunda, the ceiling over the walkways, the balcony floors and the balcony ceilings. The existing coating on the exterior walls and the parapets is proposed to be removed, the cracks and spalls in the underlying concrete repaired, and two coats of a silicone coating applied. The interior wall is the wall that includes the unit doors and windows and extends through the stairwells and back to the elevator lobbies. The halls to the stairwells and the elevator lobbies are concrete but the rest of the interior wall is another material. It is like a drywall but made of a heavier, sturdier material. It is not likely that the existing acrylic-based coating could be removed without damage to the walls. The recommendation is to leave the existing coating and coat it with a silicone coating. The walkways, the ceilings and the balconies will have different coating suitable to their uses.

The recent repairs to stop the leaks into three units gave better information about the condition of the underlying concrete. It is in need of more repair than originally thought. The better approach at this time is to remove all the exterior and parapet coating and repair the cracks and spalls. Once the concrete is exposed and repaired, it is better to use a silicone coating because of its longer useful life. The current acrylic coating requires a recoating every seven or so years. The silicone coating does not require recoating for about 20 years. A major part of a recoating job is labor including, installing and moving the swings from which the work is done. If the labor can be reduced there will be savings over the lifecycle of the silicone coating. For that reason, although the silicone-coating material is more expensive than an acrylic-coating material, there will be cost savings over the lifecycle.

There are other issues. They are the protrusions from the walls, the most noticeable being the storm shutters. There are about 20 or so units with shutters. The units on the thirteenth floor are those that are affected the most. They can have up to four shutters. All the other units have one. East Coast Shutters provided the Committee a letter that basically said they would remove all the shutters, but only reinstall ones that they originally installed and only if they are less than 10 years old. They would conduct an inspection of every unit and give a detailed report on their proposed costs. There was a discussion about the shutters and who should pay for their removal and reinstallation. Robert acknowledged that there are reasonable arguments both ways, but the deciding factor is whether this would be a common expense or a unit owner expense. Common expenses are paid by the condominium; unit owner expenses by the individual unit owners. Robert felt that the cost issue is likely determined by the condominium documents and he recommended that we obtain an opinion of counsel and resolve the matter early so everyone knows what their cost will be. An important factor is that the shutter work should be done by a single contractor. If left to the individual owners, there can be problems with sequencing and coordinating work.

A second type of protrusion is the balcony railing extenders. The discussion was whether they should be removed before the railings are recoated or could be left. Kirk was of the opinion that they did not need to be removed. The gist of one argument was that this project was an opportunity to have them all removed and not reinstalled. This would promote a uniform exterior appearance. The gist of the other argument was that the balcony rails do not

meet current Building Code requirements as to height. Owners, subject to reasonable rules and regulations, should have the ability to install an extension to current code height, and in any event, those who have done so should not be required to remove them. Robert raised the issue but did not think it could be resolved today. Kat noted that James Almand, the condominium's attorney, addressed a railing extension question in a letter dated January 19, 2021.

Kat raised the issue of whether the Coating Committee was biased in connection with the railing extensions. Robert acknowledged that one of the committee members, John DeGraw, installed a railing extension on the balcony railing on his prior unit. He sold the unit when he purchased his present unit.

There was further discussion on the shutters. Kirk thought that the shutters could be left and caulked around, but that it would be better to remove and reinstall them. If they are not removed, the coating behind them cannot be removed and concrete repairs made. If a shutter is later removed or replaced, the old acrylic coating may be left exposed. Without removal of the shutters, it cannot be known if there are concrete repairs that need to be made. In repairing the three leaks, cracks in the coating above some of the 14th floor windows and shutters were seen.

Robert presented a timeframe for decision making to be able to have the work commence after Labor Day in 2024. It is:

January	Review ETC proposal; understand project; make suggestions for changes or edits to proposal to ETC who makes them
February	Board considers and approves ETC's revised proposal
February/March	ETC solicits bids; holds pre-bid meeting; obtains bids and advises board
April	Board makes final decision on contract; special assessment is made
September	Work commences

The April date, preferably earlier, is necessary to lock-in the selected contractor for the fall 2024 season and make a special assessment.

All of this will require special meetings of the Board and of the Owners.

Robert also gave Kirk's preliminary costs. They are:

Base Costs	
Coating removal and replacement	\$1,100,000
Other wall recoating	\$250,000
Repairs	\$200,000
Sealant	\$150,000
Subtotal	\$1,700,000
Add Alternate Costs	

Balcony deck coating	\$200,000
Balcony ceiling recoating	\$100,000
Add ETC	\$125,000
Add East Coast Shutter	Not available
Total preliminary cost estimate:	\$2,125,000

A preliminary estimate of the special assessment (after using \$250,000 from the reserve account) would be about \$18,000 per unit. If this were spread over four payments, it would be about \$4,500 per payment starting in May or June and being payable every two months. This is — at best — a ballpark estimate of the amount and timing of the special assessment.

This rough analysis assumes a single phase, that is, all the work being done in the 2024 construction season. If it were split into two phases, the numbers and payment schedule would change. A two-phase project is possible. According to Kirk, the primary determinant is the ability of the coating contractor to do the work in one construction season. If it were split into two phases, the first would be the exterior and the second would be the interior and the parapets. The interior is in better shape and is actually not scheduled for a recoating for several years. The cost of the interior walls is \$250,000. Kirk will estimate the cost of the parapet work to determine what a two-phase assessment would look like.

There were questions and a general discussion. There was a question whether the interior elevator tower wall was included. It was thought that it is, but needs to be verified. The useful life of the coatings for the walkways, ceiling and balconies is not known. Kirk will be asked about this. A question was raised about whether people could live in the units during construction. There will be dust created in removing the current coating. However, Ev-Air-Tight covered windows and doors with plastic when they were repairing the leaks. It is expected that this same precaution to protect the building and people will be followed. The work will be done off-season so it should not interfere with rentals. However, there will be inconvenience for those who reside here year-round — such as noise, dust outside and swings hanging over the side of the building. We will need to inquire if there will be any chemicals that would adversely affect residents.

Kat asked whether the rotunda ceiling should be removed to expose the pipes and cables, particularly since we are looking to move the cut-off valves to a better location. This will be presented to Kirk.

Cutoff Valve Group

The Coating Committee with additional participants was the Cutoff Valve Group that reviewed ETC's proposal to study and recommend how to and where to move the cutoff valves. Several questions had been asked about the use of ETC's report, their costs if we used them for design or construction administration and why access to a few units was included. Kirk advised that the cost of additional services, if elected, would be about \$3,000 to \$5,000 for the Design Phase; \$2,000 to \$3,000 for the Bidding Phase; and \$10,000 to \$15,000 for Construction

Administration. All of those are add-ons and need not be used. The report can be used for its intended purpose, but that is not for specs or a design. Access to units is necessary to be sure that they can do a complete evaluation of the plumbing system so they can make a good recommendation on relocating the cutoff valves. The possibility exists that they could be located in the first-floor units. That would give easy access and perhaps a less expensive installation cost. The Group obtained a quote from Hancock & Sons, a plumbing company, to install electric cutoff valves. The quote was \$19,512.45 without the electrical. There was an estimate of the electrical of \$10,000.

The proposal was discussed. The question was raised as to why not just go to a plumber and have them bid the work. Could we save money by avoiding the engineer's report and recommendation? The other thought was that this will be a permanent alteration to the building's plumbing system. It is better to know the options and have them assessed by a neutral party. The question of removing the rotunda ceiling was raised again as access may be necessary to perform the work selected. The inclusion of the 1 and 8 stacks end-plumbing that runs to the roof was raised. Whether cutoff valves for the drain pipes was necessary was also discussed.

On motion made by Robert and seconded by Mary, it was moved that the ETC proposal be accepted. The motion passed with 6 in favor; 2 opposed, and 1 abstaining. Those in favor of the motion were Mary Dischinger, Randy Ditch, Mike Falkner, Sheri Miller, Robert Mayer and Ellen Schweiger. Kat Ilkhani and Mike Keenan voted against the motion. Rosey Whittaker abstained.

Management Committee

Mike Keenan reported that the Management Committee has four proposals and is preparing an analysis of them to present to the Board.

Maintenance Committee

Mike Keenan reported that he was working on a bid for the concrete work and is following-up with the trash room drain matter.

Safety Committee

Rosey will look at the pool safety equipment. An owner raised a question about its condition. Rosey noted that the pool safety equipment is part of the annual inspection and everything passed in 2023. She will look into it further.

Beautification Committee

Randy had no update.

Planning

Robert reported that the Committee met and had drawn up several lists of projects. Its next step is to combine them into a single list and begin to organization them by priority and timing.

Old Business

Ramps

Randy reported that the Board considered the aluminum ramps at its December meeting. At present, the choice is between the aluminum ramps, baluster posts and concrete modifications. The concrete would be part of the trash room concrete work. The concrete ramps could be part of the present walkway and not need to extend out towards the driveway. It was also suggested that the slope required on ramps differed between ramps for commercial use and for individuals with disabilities.

Elevators

Rosey noted the importance of having the sliding doors on the first four floors closed during storms to keep water out of the elevator lobbies and the elevator shafts and having a consistent plan to achieve this. During the most recent storm, the office administrator closed all the doors before the storm and put a sign on them reminding individuals to close them. Mike F. noted that a handle had broken on one of the doors and that he would notify Dave to replaced it.

Geothermal Leak Repair

Mike F. reported that at the January special meeting the Board approved the proposal of Atlantic Refrigeration to replace the leaking flange and gasket and install a new shut-off valve. The Board requested certain changes in the proposal. Atlantic agreed to them and submitted a new proposal. However, it also added language that the proposal excludes any issues of pipes outside the scope of the work proposed. Mike wanted to bring this to the Board's attention before signing the proposal. The matter was discussed further. Kat asked about Atlantic's prior statement that it could not add a cut-off valve and this proposal which includes it. Mike will contact Atlantic and ask if the cut-off valve is necessary; if the new wording can be removed; and why the new language was added.

New Business

Package Delivery

Rosey suggested that there be a log-in and log-out of packages for owners that are delivered to the office so that there is accountability for them.

Pool Maintenance

Rosey inquired about the pool maintenance and the possibility of switching to a salt-water pool. Dave (1 Stop) is presently looking into the motor on the pump; the chlorine feeder; and converting to a salt-water pool. Mike F. had no response from Dave on them and will follow-up with him on these issues.

Dumpster Wheels

Mike F. reported that George Robinson had refurbished two of the four dumpsters without charge. Mike contacted him about the other two and he will refurbish them as well. Mike will ask him for a bill for the work.

Electrical Outlets in Elevator Lobbies

Several electrical outlets in the elevator lobbies do not work. An electrician had previously given an estimate of \$100 to \$125 per outlet to repair them. The Board decided not to undertake the work at that time. Mike K. agreed to test the outlets to determine the extent of the problem and whether it is cost effective to repair them.

Office Administrator

The office administrator gave two-weeks' notice of her resignation. The question was what the Board should do. There was a discussion of the office administrator's functions. What does she do? How many hours are needed? The principal off-season duties are processing the mail and packages and making sure they were in the office and available to owners; providing keys to contractors; and doing a basic walk-through of the property periodically. Mike F. will contact a potential lead.

Adjournment

Mike Falkner moved and Randy Ditch seconded that the meeting be adjourned. The motion passed on a unanimous voice.

Mike adjourned the meeting at 9:56 pm.

Respectfully submitted,

Robert Mayer
Secretary