

Antigua Condominium Association

Minutes of the Meeting of the Board of Directors

July 17, 2024

The meeting of the Board of Directors of the Antigua Condominium Association was called to order by Randy Ditch, president, on July 17, 2024, at 7:00 p.m. The meeting was held via conference call. All directors were present. The directors are 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: Cindy Fredericks (901); Pat Haskins (306); Peggy Sheer (406); Robert Rosner (1007); Rande Baumohl (1102); Rosey Whittaker (302); Dennis Marsalek (408); Mark Ricker (702); Patty Brann (301); Chris Vallone (904); and Steve Hessenauer (1203).

Owner Comments and Concerns

Pat Haskins (306) asked about the progress on the domestic water line cut-off valve study undertaken by Kirk Parsons of ETC. The report is not completed and Kirk will be asked about its progress.

Minutes

Robert presented the minutes of the regular meetings of the Board of Directors of June 19, 2024 and July 9, 2024, and of the executive session held on July 9, 2024. After discussion, Robert moved and Ellen seconded that the minutes of the meeting of the Board of Directors of June 19, 2024, be approved. The motion was adopted on a voice vote. On motion made by Robert and seconded by Sheri to approve the minutes of the meeting of the Board of Directors of July 9, 2024, the minutes were approved on a voice vote. On motion made by Robert and seconded by Sheri to approve and release the minutes of the meeting of the executive session of the Board of Directors of July 9, 2024, the minutes were approved on a voice vote. Kat stated that she felt that the meeting should not have been held in executive session.

President's Report

Questions. Pat Haskins stated that he would like to see the board meetings recorded. Randy replied that he was concerned about the legality of recording the telephone conference call meetings.

Kat asked about the motion that Mike Falkner ruled out of order at the May 4, 2024, owners' meeting. Randy stated that the motion was not on the agenda. Pursuant to Bylaws Article III, §1, the owners' meeting is a general meeting open to for the transaction of any business without special notice, "provided, however, that no new business shall be introduced or otherwise submitted at the meeting unless a written summary thereof is filed with the Secretary of the council of unit owners before commencement of the meeting." No notice of the motion had been given as required by the Bylaws and he ruled the motion out of order.

Elevator Lobby Doors on Floors 1 to 4. At the last meeting the condition of the elevator lobby doors on floors 1 to 4 was raised. He asked Shore Management to obtain quotes to repair them but received a quote to replace them. He thought that the doors could be repaired, but it is possible that they should be replaced. He will look into this matter further.

Parking Permit Policy. A parking permit policy was put into effect for the Fourth of July holiday. Second parking passes were not issued during that week. All parking passes, including those issued to owners will have an expiration date coinciding with the time the renter or owner is in residence. Last year owners were issued second passes with an October expiration date, essentially for all summer. The office is unable to control the number of cars parking in the parking lot during peak period with extended expiration dates. The policy worked well this year.

Pool Repairs. There are areas on the pool deck that are delaminating. The estimate to repair these small areas was \$3,500. In addition, there is a leak in the pool somewhere that needs to be repaired. That may involve tearing up part of the pool deck to locate the leak and to repair it. Water is being added to the pool daily. It is the amount of water added daily that indicates a leak. Randy feels that it is better not to repair the few areas in the pool deck until the leak is identified and repaired. The pool leak repair and deck repair will be done after the pool closes in the fall.

Holiday Weekend. There were no negative incidents over the long Fourth of July holiday weekend. The trash chute became clogged but was promptly fixed when reported to Shore Management. Randy reminded owners (and renters) to bag their trash before it goes into the trash chute and not put pizza boxes down the chute.

Balconies. Randy reminded the owners that hanging towels, lights and other items on or from the balconies or walkways was prohibited. He will be sending a note to owners reminding them of this.

Dumpsters. The dumpsters need repairs. He also noted that large items were being put out in the dumpster area and left. There is a bulk pickup service provided by Ocean City and owners and renters should make use of it. The large items outside the dumpsters are not picked up by the Ocean City trash trucks.

Benches and Garden Areas. Randy noted that the benches and wood around the garden areas had been painted.

Treasurers' Report

Mary presented the Treasurer's Report. The yield on the T-bills reinvested since the last board meeting has remained steady with a rate of 5.270%. She paid the Ev-Air-Tight invoice for repairing leaks after she received the final report. The report was sent to the board members on July 12, 2024. The check was sent to Ev-Air-Tight on July 15, 2024. It was paid out of the PNC Money Market account. The Navy antenna yearly rent check was received and deposited into the PNC Money Market account on July 15, 2024. The rent increases by 2% per year after five years.

The June financials have been completed and Mary set up a conference call to start the budget discussions.

The procedures for invoicing and collecting the special assessment was included in the information sent to the board and the owners. Mary will open a money market account with PNC Bank and will negotiate for a higher interest rate. There will be three officer signatories on the account, Randy Ditch (president), Mike Keenan (vice president) and Mary Dischinger (treasurer). Since we do not anticipate a lot of checks to be drawn on the account, Mary will obtain and use the "starter" checks so that we can avoid ordering checks.

Shore Management will send statements to owners at the end of July after the contract with East Coast Contractors is signed. Future statements will be sent 30 days prior to the due date of the subsequent installments. There will be a note on the invoices:

The special assessment of \$10,850 was approved by the council of unit owners on May 4, 2024. The assessment is divided into 4 payments of \$ 2,712.50 each. The payments are due September 1, 2024, November 1, 2024, January 1, 2025, and March 1, 2025. Any payment received after the 15th of the month will be assessed a late fee of \$135.63.

Four Bank of Ocean City coupons will be sent to all owners via email. Payments will be mailed to BOC the same as for condominium fees. BOC will send daily special assessment deposit reports to Shore Management. The assessment deposit reports will be separate from the regular condominium fee deposit reports. Shore Management will enter assessment deposits into QuickBooks as received. Shore Management will write a check from the BOC operating account to Antigua Condominium every Friday for deposit into "new" building coating special assessment PNC money market account for the total assessments that were received that week.

Progress payments for project will be paid out of this account after the board approves the invoice.

The “new” PNC money market account will be closed after final payment on the project is made.

Mary Dischinger moved that the Antigua Condominium open a new money market account at PNC for the coating project; that Randy Ditch (president), Mike Keenan (vice president) and Mary Dischinger (treasurer) be the signatories on the account; and that checks over \$500.00 require two signatures. Sheri Miller seconded the motion. The motion was approved unanimously. The directors voting in favor of the motion were Mary Dischinger, Randy Ditch, Mike Falkner, Kat Ilkhani, Mike Keenan, Robert Mayer, Bonnie Medford, Sheri Miller, and Ellen Schweiger. None voted against the motion.

Mary reported that she received an invoice of \$609.00 for the revised Workers Compensation policy. Mike Falkner reported on the policy. The policy premium is based on different rates that are applied to different classifications of employees. The condominium has two classes of employees: the office staff and pool attendants. The premium is based on the estimated payroll which is then audited at the end of the year. If the estimated payroll and the actual payroll differ, there will be an adjustment in the premium. Last year the premium was \$479. This year is it estimated to be \$609, the amount of the current invoice. The rates for each classification have gone down, in one case from \$0.48 per \$100 of payroll to \$0.43 per \$100. For the other classification, the rate went down from \$1.39 per \$100 of payroll to \$1.31 per \$100. However, the total payroll went up. The fact that these rates went down is not an indication that the rates for the renewal of the condominium’s other policies will also go down. They are expected to increase markedly.

On motion made by Mike Falkner and second by Robert, the board approved the payment of the Workers Compensation policy estimated premium of \$609. The motion was approved on a voice vote.

Pat Haskins asked about the negative \$52,275.94 entry on the Balance Sheet as of June 30, 2024, for Accounts Receivable in Assets. Mary had previously sent Pat an email about this.

Secretary’s Report

Robert reported that the location of the October 5, 2024 annual meeting was changed from the Worchester County Library to the Elks Club at 13708 Sinepuxent Ave., Ocean City, Maryland. There will be more room at the Elks Club. It was suggested that participation in the owners’ meeting be available via Zoom because of the competing concert planned for the same weekend in Ocean City.

Maintenance Committee Report

Wash-off Stations and Plumbing. Mike Keenan presented the proposal from Micheal Lattimore to repair the water lines to the wash-off stations and the irrigation system to the two triangular areas. The question was whether the repairs should be done now or after the coating of the areas is finished. If we wait until after the coating is applied, they pipes can be removed and the coating can be applied without conflicting with the pipes or requiring them to be removed and re-installed a second time.

The plumbing pipes are attached to the vertical columns on the ground level. The contract for the coating project provides that the areas will be coated with a new silicone coating, but that the existing texture will not be removed. There was discussion of why these columns could not be included in the second phase of the project and that they are not being stripped of the existing texture, having a new texture re-applied and a new silicone coating applied.

The vertical columns were originally in Phase 2 of the coating project. Phase 2 is the interior rotunda area and is projected to be done in 2026 or 2027. During the preparation of the bid specifications, moving the ground level areas to Phase 1 was discussed. It was felt that these areas were the first that people see when they arrive at the condominium and that they should be done with the first phase. They are not scheduled to have the texture removed to the bare concrete because Kirk Parsons did not think that these areas required the additional work. The rotunda area will only have a new silicone coating applied and the existing texture will not be removed except for the interior parapet walls. The interior is more protected and Kirk did not feel that stripping it to the bare concrete was warranted.

After further discussion, it was the sense of the board not to proceed with any plumbing repairs at this time. It was felt that the plumbing was in sufficiently good condition to be used for the rest of the summer. The garden areas will require hand watering rather than irrigation.

Leak Repairs. The interior repairs to the units that had leaks that Ev-Air-Tight repaired were discussed. The interior repairs to 602 were completed. The owner used his own contractor and was reimbursed for the expense. Another unit is waiting for a date for the painting. Mike will follow-up with Shore Management for the repairs to the rest of the units and will get an estimate for the repairs. While the board approves the repairs, they have taken longer than we would have liked and we do not have a cost proposal for the remaining repairs. Kat suggested that the cost of the repairs could be approved by a unanimous email vote. Kat moved and Mike Keenan seconded that the board vote by email on the costs of the repairs when a proposal is received. The motion was approved on a voice vote.

Janitorial Services. Mike was satisfied with the work by Resort to Us which does the janitorial work. They work every day except Saturday. They are prompt in responding to matters that arise. He does not see significant issues with their work.

Coating Project Report

Robert presented his report on the status of the coating project.

East Coast Contracting Contract Status. The Board authorized Kirk Parsons, the Antigua's consulting engineer, to present the contract to East Coast Contracting. He did so and East Coast accepted and signed it. It is ready for the board's final approval and signing. The contract was discussed. Two changes that were requested were discussed. One was adding the balconies into the base work. The work had been an alternative add-on and the board requested that it be made a part of the base contract. The contract was reviewed and the change was made in §3.2.3 by additional text following the chart. The other was the removal of the drainage tubes from the contract. There was a question of whether they had been removed.¹

Robert moved that the contract signed by East Coast Contracting be accepted and that it be executed by the appropriate officers on behalf of the association. Ellen seconded the motion. The following directors voted in favor of the motion: Mary Dischinger, Randy Ditch, Mike Falkner, Mike Keenan, Robert Mayer, Sheri Miller, and Ellen Schweiger. The following directors voted against the motion: Kat Ilkhani and Bonnie Medford. The motion passed with 7 in favor and 2 against.

Shutters. East Coast Shutters & Awning (not to be confused with the coating contractor) presented proposals for the removal of the shutters. They were customized to each unit, or similarly situated units. We need East Coast Shutters to rewrite the proposal. The removal proposal should be with the Antigua. Any reinstallation or new shutters is to be done individually.

Pre-construction Inspections of Units. The contract with East Coast Contracting permits them to inspect and document the interior condition of the units before any construction is started so that there is a baseline if an owner thinks that East Coast Contracting damaged the interior of the unit during construction. This is a permissive provision. Kirk's experience is that contractors do not avail themselves of this provision frequently. In our case, all the work is on the exterior with access to the work areas from swings hung from the roof. Access to the interior of the units will not normally be required.

Cindy, Shore Management, suggested that the Antigua may want consider documenting the interiors of the units with respect to leaks so that we can have a baseline and know if there are any new leaks. We have had a number of leaks and the coating and recaulking is intended to abate this problem.

Sheri suggested that annual inspections of all units should be considered as a preventive measure.

Unit Leak. There is a new leak in a unit as discussed earlier in the meeting. Kirk felt that it was better to have East Coast Contracting evaluate it and repair it since we are essentially at a contract with them. It prevents work by different contractors that could conflict. Also, the repair may be work that would otherwise be done under the contract and this would be more cost effective.

¹ The drainage pipes on the 13th floor were removed from the base work chart in §3.2.3 and are not included in the work.

Roof Inspection. East Coast Contracting made a first inspection of the roof to determine how they will install their swings. They will return to look more closely at the electrical needs. Raintree who installed the roof coating performs two inspections each year. We need to coordinate the inspections and have East Coast and Raintree work together to protect the roof and the roof coating. A question was asked about roof access and the need to give notice of any work on the roof in order to comply with the warranty. Mike F. said that the warranty requires that the roof be inspected twice a year and that we maintain a log of those who go on the roof. Work itself does not need to be approved.

Orphan Antennas. Mike Falkner noted that there were several antennas on the roof that did not appear to be in use. One blew over but no one complained or fixed it. He contacted AT&T and the Navy who have rented space on the roof to see if the antennas were theirs. Both said that they were not. No one is paying any rent for them to be on the roof.

Mike Falkner moved that the apparently abandoned antennas be removed from the roof and stored in the elevator room/annex. Sheri seconded the motion and it passed on a voice vote.

Old Business

Insurance. Mike Falkner reported that he was waiting for renewal proposals. The present policies expire on August 19, 2024 and we will need a special meeting to approve the new policies.

Landscaping. Ellen reported that she had located five potential landscape companies who could give proposals for improving the area between the dunes and the building. Four responded to her. One has already come out to look at the area and is preparing a proposal. The others are in progress as well. The idea is to make the area useful and functional.

Bathroom Renovation. Mike Falkner opened the discussion on what to do during the renovation of the two poolside bathrooms. There were many ideas raised during the discussion. The use of the showers and the saunas was discussed. It was asked whether they could be removed and the space used for other purposes. At the last owners' meeting, the owners present were asked if they had used or would use the sauna. Very few had or expected to use them if they were renovated. There were concerns about the cost of any project and the extent of the work to be done. The extent of the work could involve bringing the bathrooms up to compliance with the Americans with Disabilities Act. That could be difficult because of the steps in the area and the limited space to deal with the issues. There was concern that the mouse problem be addressed. It was commented that the bathrooms should be able to be used to change out of or into bathing suits. It was discussed having only one bathroom that was unisex and using the second one for storage.

The overall sense was that the bathrooms needed to be renovated so that they are functional and useable and that the renovation should be cost effective. It was suggested that a professional architect or other professional be consulted and various designs at different cost points be developed.

Security Camera Proposals. Mary presented three proposals to upgrade and replace the security cameras. The matter was discussed. A question was asked about the nature of the security problem; what has happened; and whether having the cameras give us the ability to act in real time to stop or prevent an incident. The last would require constant, live monitoring. It was noted that the police were called about an incident and no action was taken even though they had reviewed the tapes. It was

noted that the Reserve Study included the Security System which consisted of 12 cameras, one multiplexer and one recorder. It allocated \$15,000, \$12,500 and \$12,500 for upgrades in 2021, 2023 and 2025, respectively. None of the upgrades have been done. The system was reported to have been installed in 2008 and had a useful life of 10 to 15 years. The idea of simply taking the existing cameras down and not replacing them if they are not doing their job was not well received because they can still act as a deterrent. Rosey agreed to look into security camera issues and discuss it at the next board meeting.

Mike Keenan commented on the elevator cameras. He is on the emergency phone list and has received a number of alarms from the elevator. The emergency button has been activated. In most instances, there was no emergency. The emergency button may have been pressed inadvertently, such as a beach chair or a shopping bag accidentally pressing it. Without a camera that can be remotely viewed, there is no option but to call Berlin Elevator to come and make a service call when the office is closed or when nobody is available to go to the elevator to see if there is an emergency. This results in an expense to the association. Without knowing what is going on — whether there is an emergency or not — we have to error on the side of safety. An updated system would include remote access.

Kat noted that Mastrovision had submitted a proposal several years ago and that rather than replace the existing system, Mastrovision could replace the parts that needed to be replaced. She agreed to look into this and report back to the board at the next meeting.

New Business

Reserve Study Update. Robert raised the matter of obtaining an updated reserve study. The current study was based on a May 21, 2020 visual, noninvasive inspection of the property and the cost projections are as of 2020. In the interim, inflation has significantly exceeded the 2% projected and the coating project with a silicone coating will require a recalculation of the reserve funding because it will have a longer useful life than the existing acrylic coating. It was noted that the Reserve Report was completed on February 11, 2021. It was said that an updated report was not statutorily required for five years from that date, that is, until 2026. Until then, we could make our own estimates for inflation rate and make changes in the reserve contributions accordingly. No action was taken on the matter.

Railings. Robert raised the matter of the railings. The balcony parapets were built about 1977 and complied with the then-existing Building Code height of 36 inches. The Building Code was amended to raise the required height to 42 inches. None of the balcony railings are 42 inches. The typical height is about 36 inches. James Almand, the association's attorney, was asked about the railing extensions and replied by his letter of January 19, 2021. His letter was included in the meeting package that was sent to all owners and members of the board. He noted that there was a genuine safety concern with the height of the parapet walls and that several railings had been installed to raise the height of the parapet. He recommended that Kirk Parsons or another professional be retained to evaluate the issue. Robert noted that Kirk had prepared a proposal to do that but no action was taken on it. At the last board meeting the issue arose again in connection with the coating. Kirk acknowledged that there was a life safety issue but did to opine on how to address it. Based on the identification by two professionals of a life safety issue, Robert felt that an engineer or other professional should be retained to advise the board on the life safety issue and the manner in which it could be addressed.

There was a discussion about the matter. There was concern that the board might be creating liability for the condominium in some manner; that the railings that were installed may have been installed without proper approval by the board; that the cost of evaluating the safety of the installed railings should not be borne by the members as a common expense but were an individual expense; that the cost of the professional should be borne by the four units that have installed railing extensions rather than by everyone as a common expense; that by not making the Building Code retroactive, the existing 36-inch rails have been determined to be safe; that the matter is a legal matter, not an architectural or engineering issue and with Jim Almand's 2021 letter we should have enough information to decide what to do without expending further money on the issue.

Robert felt that once a safety issue has been identified, the board must follow it to a conclusion and determine whether there is an issue and, if so, what to do about it.

Robert moved and Randy seconded that a professional be retained by the association to advise the board on the engineering aspects of the life safety issues with the parapet height and the railing extensions. The following directors voted in favor of the motion: Mary Dischinger, Randy Ditch, Mike Keenan, Robert Mayer and Sheri Miller. The following directors voted against the motion: Mike Falkner, Kat Ilkhani, Bonnie Medford and Ellen Schweiger. The vote was 5 in favor and 4 opposed. The motion passed.

Adjournment

Robert moved and Randy seconded the motion that the meeting be adjourned. The motion was passed on a voice vote. The meeting was adjourned at 10:28 p.m. The next regular board meeting will be held on August 21, 2024.

Respectfully submitted,

/s/ Robert Mayer
Robert Mayer
Secretary