

FOUNTAINS AT SEA BRIGHT CONDOMINIUM ASSOCIATION

BOARD OF TRUSTEES MEETING

FEBRUARY 12, 2014

Meeting Location: The meeting took place at the Monmouth Beach Cultural Center

Present at the Meeting: R. Girardi, M. Leckstein, I. Plasner, K. Winch (Management), S. Penick (McGovern Legal Services) and K. Benton (McGovern Legal Services)

Absent: L. Delisio, A. Habib

Owner's Present: 10

The meeting was called to order at 7:04PM

APPOINTMENT OF NEW BOARD SECRETARY

It was noted that Lou Deliso had been appointed to replace Glenn Gorab during the Board's Special Meeting which had been held on December 16, 2013. Since Glenn had been the Secretary to the Board, it was now necessary to appoint a replacement to that position.

A motion was made by Izzy Plasner and seconded by Rick Girardi that Alex Habib would become the new Secretary for the Board. Motion carried, all in favor.

APPROVAL OF MINUTES

The minutes from the September 16, 2013, November 24, 2013 and December 16, 2013 meetings were reviewed by the Board. A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the minutes. Motion carried, all in favor.

APPROVAL OF SUPER STORM SANDY RELATED REPAIR CONTRACTS

A motion was made by Izzy Plasner and seconded by Rick Girardi to approve the proposal from Milor Construction to replace the beach steps in concrete. Motion carried, all in favor.

A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the proposal from Bullet Lock to install the new lock on the beach gate, to use the existing beach keys. Motion carried, all in favor.

A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the landscaping, irrigation and water feature proposal from Siciliano Landscaping. Motion carried, all in favor.

Rick Girardi stated the Association got rid of the pole lamps in the parking lot on the north and south sides and new LED fixtures have been installed on the building.

It was noted that since the hurricane, there has been problems with the lighting in the courtyard. The Board reviewed the proposal from Electric Unlimited to rewire the electric in the courtyard and to replace the pole lights/fixtures and landscaping lighting. The wiring will now be placed into conduit. A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the proposal. Motion carried, all in favor.

A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the proposal from Milor Construction to repair the pavers in the courtyard that need to be removed in order to install the new wiring. Motion carried, all in favor.

A motion was made by Izzy Plasner and seconded by Rick Girardi to approve the proposal from Carl's Fencing to replace the remainder of the bulkhead fencing previously damaged during the hurricane, to repair the patio railings at units 1,7,9,16, and 61 and to replace sections of the patio railings at units 3 and 5. Motion carried, all in favor.

A motion was made by Izzy Plasner and seconded by Rick Girardi to approve the proposal from Milor Construction for the masonry repairs needed in order to repair/replace the patio railings. Motion carried, all in favor.

The Board reviewed the proposals for the entrance and exit walls. Rick Girardi suggested not replacing the entrance and exit walls and just putting grass in the area. The owners present agreed with the suggestion. A motion was made by Marc Leckstein and seconded by Izzy Plasner to approve the proposal from Milor Construction to replace the walls with the same type of material and construction. Motion carried, all in favor.

The Board reviewed the quote from Salsbury Industries to purchase 64 new mailboxes. The mailboxes are made of die cast aluminum. A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the quote. Motion carried, all in favor.

DOCK REPLACEMENT

Rick Girardi stated we need to approve the cost of the permits that need to be filed with the DEP so the permitting process for the new dock could start. It was asked how long the permits can be open once approved. The Board is unsure but knows it is longer than one year. A motion was made by Rick Girardi and seconded by Izzy Plasner to approve the cost of the permit. Motion carried, all in favor.

SUPER STORM SANDY SPECIAL ASSESSMENT

The Board discussed the proposed special assessment. The assessment will include the costs for the DEP permit fees, the courtyard lighting and paver repairs, the cost of the mailboxes and labor to install, the fence and railing repairs, the masonry repairs for the railings, the beach stairs and lock, the entrance and exit signs, the entrance and exit walls and the electrical repairs already completed. The assessment will range between \$1,400 and \$1,700 per owner. A motion was made by Izzy Plasner and seconded by Rick Girardi to pass the special assessment, to be paid over three installments, to be due 4/1, 5/1 and 6/1. Motion carried, all in favor.

INSURANCE CLAIMS / SANDY CONTRACTOR ISSUES

Scott Penick, the Association's attorney, discussed the flood insurance claim due to Hurricane Sandy.

He stated that Ton Valvano would be filing the supplemental claim within the next couple of day, and it is expected the Association will received approximately \$600,000.00. The money should be received at some point in March.

Scott stated the Association's preference is if an owner has incomplete or deficient work, to pay the owner the amount of money determined that is not yet completed and to correct work to give the owner control to complete the unit with the money. An accounting would need to be received from ANC. The owner could choose to use ANC or get their own contractor. The Association contracted with a public adjuster (Valvano) and in exchange for also being the Association's contractor as ANC, there was no public adjuster fee. For work that is not done by ANC, there will be a 5% adjuster fee. The plan is to send a notice to all first floor unit owners with a return date to let the Association know of any incomplete or deficient work. Don't assume Association knows about your issues. Scott said sending an email is ok, listing with as much detail as you can, any work that remains to be done and any work you feel is deficient. Scott said emails can be sent to management, and they will be forwarded to Scott Penick at McGovern.

The plan for determining what is due is for ANC to provide an accounting of what he said was already done in unit and what remains to be done. Once it is received, the Board will first review, and it will then be forwarded to the owner. If the owner agrees, they would have to sign a release and a check will be given. If you don't agree with that number and there is a dispute, the Association's plan is to retain an engineer or architect. The Association had an architect that has signed off on every payment request from ANC. The Board is not satisfied with the quality of that review. What insurance approved is what the Association got money for and then had an obligation to make sure the money is done. If the Association has to retain an engineer, that is what the Association will stand by. If work is determined to be deficient, the engineer would assign a dollar value. If you paid for extra work, you were supposed to get that in writing and it is not in the Association's review. That is between you and the contractor. Supplemental money should be received in March.

It was asked if money is in place for the common hallways. Scott said there is. He also said that he knows Tony has told people that he can't finish their unit because he hasn't been paid and it is true that he hasn't been paid, but the Association is holding back the money. There is still \$237,000.00 in the Association's account from flood insurance and roughly an additional \$600,000.00 will be coming as part of the supplemental claim.

Scott Penick stated if ANC says an issue within a unit is under warranty, to please cooperate with the warranty process.

It was asked if the second floor unit owner doors would be replaced. They will not be replaced, but it was previously discussed to paint the doors to match, but there are no plans to do so at this time.

It was stated there was an incident where ANC went around to some of the lower units and turned up the thermostat due to the cold temperatures. The Board stated the owner of Unit 25 has asked the Board to reimburse her electric bill. The owners present were not in agreement with this. The Board indicated it would table the issue for now. It was suggested to find out if the bill was an estimated or actual bill.

MISCELLANEOUS

It was noted that Unit 26 had damage on his bedroom ceiling that he feels was due to Hurricane Sandy but the insurance adjuster's report stated it was due to wind driven rain. The owner has requested the Association paint the bedroom ceiling and that it would cost approximately \$250.00. After discussion, a motion was made by Marc Leckstein and seconded by Izzy Plasner to approve the cost to paint the bedroom ceiling. Motion carried, all in favor.

Mike Hanna (#50) stated he thought he had missing insulation in his attic and would send pictures to Management.

There was a discussion about the plan for the boat slips. It was stated the Association cannot follow the old footprint because it is not legal. A unit owner inquired whether the Association could choose not to reconstruct the dock. It was stated that the dock was a significant common element at the Fountains which increased the values of everyone's units. As a common element, the Association was required to rebuild the dock unless at least 75% of the membership voted to do away with it.

ADJOURNMENT

With no further items being brought before the Board, upon motion of Izzy which was seconded by Rick, the meeting was adjourned at 8:18PM