

Draft Unedited MINUTES  
Seascope Condominium Association  
Board of Directors Meeting of  
February 9, 2012

Meeting Called to order at 7:00 PM by Don Reenstra, Board President. All Board Members present so a quorum was established. Also present: John Krick and Arlene representing Integrity Management.

**1. Approval of Minutes:**

Motion made by Roger and seconded (by Susan) to approve the Minutes of the Board Meeting of December 8, 2011 and of the Organizational Meeting of January 19, 2012. Passed 7-0.

**2. Acceptance of Financial Statements.**

In his Treasurer's Report John pointed to several book keeping items that should be changed. These changes would not materially alter the Statements and several have already been made by Arlene.

Motion by Roger and seconded (by Susan) to accept the Financial Statements of November 30, 2011 and December 31, 2011 for audit amended as per the changes discussed. for audit. Passed 5-0.

**3. Old Business**

A. Update of Foreclosure: Integrity will ask our Attorney for an up date.

B. Review of painting bids; Roger discussed the four bids that have been received. All bids were made to the same set of specifications and the low bidder was Specialized Coatings. Due to our needing to do roof work (discussed below) the Board will hold off the painting project. Roger has been in discussions with Specialized Coatings that they agreed that if a contract was awarded, they could hold the price for several months provided there were no increases in material costs in the interim.

Motion made by Roger and seconded (by Don) to award the painting contract to Specialized Coatings with the work to be delayed to January, 2013, provided that no issues arise in the interim requiring large unforeseen expenses. Passed 7-0

Roger further indicated that our attorney has been requested to provide us with an opinion letter on the issue of whether the Board can alter the color scheme of the buildings without a vote of the unit owners provided the cost of the painting project does not exceed 20% of the Association's annual budget. This was done to avoid the possibility of objections to a new color scheme by any unit owner.

C. Pole Lamps: Installation of pole lamps in front of Buildings #4 and #5 is done. Thanks to Tom for his efforts on this project.

D. Landscape Issues: Unit owners at the west end of Building #3 have requested that scraggly shrubs be replaced by grass. The Board will look at the area take appropriate action. Nursery that planted the Magnolia trees has been asked to inspect to see if trees will survive.

E. Cleaning Drier Vents: Greg reported on the three bids that were received with Drier Vent Wizard being the low bidder at \$32/unit. Cleaning will be done from the interior so access to units is needed. Driers will be moved for the cleaning, replaced and tested.

Motion made by Roger and seconded (by Susan) that the contract for cleaning of drier vents be awarded to Drier Vent Wizard. Passed 7-0.

F. Installation of Privacy Fence and Moving the Kayak Racks: Due to the unforeseen roofing expense, it was proposed to not go forward with this item.

Motion made by Don and seconded (by Greg) not to do further work on the fence and Kayak racks until further notice. Passed 6-0-1 (Tom abstaining).

G. Security/Fire Alarm System Maintenance: Not sure what is involved in the work so contractor will be asked to attend next meeting.

#### 4. **New Business**

A. Roof Repairs: Building #3 roof dates from 1994 which is much earlier than thought and needs replacing. Inspection has revealed several leaks and deteriorating areas and bids have been received for the work with Affordable Roofers (who did the roof replacement on Buildings #4 and #5) being the low bidder at \$34,150. Also, leaks also have developed in the roofs of Buildings #1 and #2. Both roofs date from 2002 and the leaks are believed to stem from poor workmanship and not age. Accordingly, only repairs need to be made rather than a full replacement.

Financing for the replacement and repairs will be partly by bank loan and partly by shifting funds from the painting reserve to the roof reserve. Such shifting is permitted in emergency situations. A new 5-year loan will be arranged with a portion of the proceeds going to paying off our existing roof loan balance of about \$17,000 (taken out to replace the roofs of Buildings #4 and #5) and the balance going to the new work. CD's of the Association will be used as collateral and it is believed the interest on the CD's will equal or substantially equal the loan interest so the borrowing will not cost the Association.

To accomplish the financing, several actions are needed as follows:

Motion made by Don and seconded (by Greg) to award a contract to replace the roof on Building #3 and to make the repairs to the roofs of Buildings #1 and #2 to Affordable Roofing Systems. Passed 7-0

Motion made by Don and seconded (by Greg) that the Board of Directors authorize using monies from our current Sun Trust Money Market Account to purchase a CD and further authorize that the CD be used as collateral for a loan from Sun Trust in the amount of \$35,000 with a portion of the proceeds from such loan being used to pay the balance of our current Sun Trust Loan. Passed 7-0

Motion made by Don and seconded (by Greg) that in view of the emergency need to replace the roof on building #3 and to effect repairs to the roofs of Buildings #1 and #2, the Board of Directors authorize the the transfer of the sum of \$20,000 from our painting reserve to our roof reserve. Passed 7-0.

B. Gutter Repair: Leaking gutters on Building #4 is alleged to have been caused by the roofers dropping and then reinstalling the gutters. Matter is being investigated and the roofer will correct if the allegation is true

Meeting Adjourned 8:15PM

Next Meeting: March 15, 2012