

Casa Del Sol
DRAFT Minutes of the Board of Directors Meeting
August 23, 2022

Casa Del Sol Webpage: <http://www.casadelsol-ocmd.com>

Mike Bufano called the meeting to order at 8:01p.m. via Zoom.

Participants: Mike Bufano, John Foulkes, Adele Bradley, Lou Napoli, Bob Surrette, Tom Bell, and Igor Conev (Mann Properties).

Board Members Absent: None.

In his opening remarks, President Bufano recognized the passing on June 30, 2022 of Casa Del Sol resident Mike Amodei.

In an email dated June 17, 2022, the owner of unit 770D (Joe Torchia) requested he be invited to this board meeting for a 10-15 minute discussion on his boat lift issue. The Board decided to move this item from paragraph 5a. of the agenda to the beginning.

5a. Request from Owner of Unit 770D: Join in Conference to Discuss Boat-Lift Issue. Mike Bufano welcomed Joe Torchia and asked that Joe initiate the discussion. Joe mentioned some research he has conducted, to include the differences between general versus limited common elements and whether lease agreements are allowed and/or feasible. Igor Conev (Mann Properties) stated that for leases less than 1 year, the Board can approve; however longer term leases require a super-majority of the unit owners.

Discussion among the Board members included ramifications of extending a one-year lease for additional years; the history and issues behind the lift previously installed by the owner of unit 770A; and whether attorneys need to be consulted.

As a result of the discussion, Mike Bufano concluded that the Board needs to confer among themselves, with no specific timeline. Afterwards, the Board could then provide Joe Torchia better direction. It was recommended that Joe discuss the issue with an attorney; the issue might be summarized as "we have a common element situation but want to come up with possible options for unit owner 770D to install a boat lift; perhaps applying a solution to the 770 building since its location makes it difficult for boats in the water due to the windy conditions there."

Igor Conev suggested attorney Jim Almand, and he provided Joe with his phone number.

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1. READING AND APPROVAL OF DRAFT MINUTES OF CDS BOARD MEETING of 6-14-2022. *A motion to approve the draft minutes of the CDS Board Meeting of 6-14-2022 was made by Tom Bell, seconded by Adele Bradley, and passed unanimously.*

2. FINANCIAL REPORT. Treasurer Tom Bell reviewed the financial report effective as of August 19, 2022.

a. Checking (1012)(1013) \$ 312,933

b. Reserves

i. Money Market Improvement Fund (1060)	\$ 64,426
ii. Farmers Bank CD (1090)	\$ 105,045
iii. Farmers Bank CD (1211)	\$ 68,422
iv. Taylor Bank Money Market (1213)	\$ 246,111

Reserves Total: \$ 484,004

***Note:** Per the audit at the end of 2021, the operating account (1012) owed the reserves \$226,288. In March, 2022, the Board moved \$70,000 from the operating account into reserve account 1213 (Money Market account at Taylor Bank) so the operating fund now owes \$156,288 from prior years; plus $\frac{3}{4}$ of this year's contribution of \$66,954 or \$50,215.*

c. Assessments Receivable

i. Condo Fees (1310) \$ 4,665

As of the August 19, 2022 financial report, there were four (4) unit owners in arrears of the July 1, 2022. One of these owners is in arrears of the April 1, 2022 payment as well plus a left-over amount of \$90 owed. The total in arrears is \$4665. These figures do not include 4 unit owners who have not remitted payment for the 3rd floor balcony partitions (at \$1276.39 per partition). Three of these owners are in arrears of both the condominium fee and the 3rd floor balcony partition.

After some discussion, it was agreed that the one unit owner behind in two payments be turned over for collection.

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d. Bills Paid (June 14 – 2022 – August 19, 2022):

06/17/22	AP4704	2009	604.89	GEORGE, MILES, BUHR, LLC REVIEW BALCONY RAILINGS
06/29/22	AP4713	2010	17,400.00	BEACH BROTHERS, INC. POWER WASHING
06/29/22	AP4713	2010	1,177.97	BEACH BROTHERS, INC. SPRING MAINTENTANCE
06/29/22	AP4713	2011	69.12	EHLICH PEST CONTROL MAINTENANCE
06/29/22	AP4713	2012	204.87	FIRE PROTECTIVE SERVICES EXTINGUISHER INSPECTION
06/29/22	AP4713	2013	30.00	TOWN OF OCEAN CITY BULK TRASH PICK-UP
07/05/22	AP4714	2014	1,160.00	MANN PROPERTIES, INC. MANAGEMENT FEE 07/22
07/06/22	AP4716	2015	277.63	DELMARVA POWER 5500 8678 124
07/28/22	AP4740	2016	274.86	DELMARVA POWER 5500 8678 124
07/28/22	AP4740	2017	6.89	FirePro NEW CIRCUIT BREAKER
07/28/22	AP4740	2018	1,616.00	RAINTREE SERVICES INC ROOF INSPECTION & REPAIRS
07/28/22	AP4740	2019	12,045.00	SELECTIVE INSURANCE-FLOOD POLICY 0000046282
08/01/22	AP4741	2020	1,160.00	MANN PROPERTIES, INC. MANAGEMENT FEE 08/2
08/12/22	AP4755	2021	240.20	FirePro SERVICE CALL ON PANEL

3. BUSINESS OF THE CONDOMINIUM.

a. Reserve Study. At the June 14, 2022 Board Meeting, the Board agreed to review each item in the study report and recommend adjustments, since the study leaves us in a position whereas the ability to fully fund in the next 3 years will be difficult. In his review, Bob Surette stated that on page B.4, it shows a replacement cost for the ladders of 765,000.00, an obvious typographical error. (It should be \$7,650.) The question was then raised regarding any other errors (or adjustments made) that are in the study report. Lou Napoli pointed out that the PVC sewer pipe replacement should be excluded. Another adjustment was mentioned concerning breaking out the first floor decks from the study since both the first and third floor decks are the responsibility of the unit owners; another for excluding the canal-side access doors.

It was suggested that the Board wait until a revision of the study is made to include the above items; afterwards, the Board can then determine the impact on the association. Mike Bufano estimated that the study could result in a \$384,000 increase from the previous study 7 years ago.

It was also mentioned that this needs to be finalized and the final payment for the study remitted. Per the contract we were to pay within 30 days and there is a 1.5% late fee after that. *(NOTE: Mike Bufano requested a Board meeting be held in September to resolve this issue).*

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b. Condominium Insurance Renewal. In a series of emails on August 22, 2022, Igor Conev requested renewal proposals from several insurance firms. Igor built a spreadsheet showing a side by side comparison of proposals received from NFP and from Deeley. Igor Conev spoke for several minutes on the difficulties regarding insurance renewal and the dynamic environment it currently is in. One issue being highlighted concerns the minimum number of rental nights allowed in the units. Igor mentioned that carriers will not award general liability umbrella coverage if the owners rent less than 7 days. After some additional discussion, *a motion was made by Lou Napoli to stay with NFP. The motion was seconded by Tom Bell and passed unanimously.*

Follow-On: After this meeting, the Board decided it needed to re-evaluate the building and liability insurance quotes from the two companies, NFP (the incumbent) and Deeley. As a result, the Board decided to split the insurance award across both companies: the building coverage is assigned to Deeley and the liability insurance is awarded to NFP. The following changes were made: Casa Del Sol is no longer being offered umbrella coverage for a variety of reasons. One reason is that we have rental units for less than 7 days. Apparently insurance companies want to get out of that business altogether. So in lieu of the umbrella policy, the association has purchased \$10 million in "Excess Liability" (since we no longer have the umbrella policy and the "Excess Liability" doesn't cover D&O).

4. OLD BUSINESS:

a. Rear 3rd Floor Balcony Partitions. Discussion ensued regarding errors that were made in the listing of which units needed the partitions. Adele Bradley stated that she will call Igor Conev and review the listing and get the billing straight.

b. Trash Receptacle Bollards/Fences. Bob Surette provided an update on the bollards and fencing to be installed by Rupperts. Specifically, bollards are to be installed on the on east end of the 600 building where the fence was damaged and bollards to be installed on the west end of 700 building, to include a fence to keep the cans from being blown around. Emails from Bob to Rupperts resulted in Rupperts stating said the weather and employee issues have pushed things back from the original installation dates in May. Bob also had reminded Rupperts regarding the installation of the parking stops. Rupperts stated they will start on October 1 for the bollards and the parking stops.

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c. Staining of the Canal-Side Decks and Balconies. Work is continuing to complete the staining this summer.

d. Parking Stops. The plan was to have Ruppert replace the parking stops at the same time the trash receptacle bollards/fences are installed (see paragraph 4b. above). The number of stops to be replaced are 614, 618, 626, 632, 634, 638 (missing), 640, 656, 674, 676, 730(missing), 736, 770A,B,C,D(common parking spot in lot).

e. Request from Owner of Unit 670. At the March 14, 2022 CDS Board meeting, the Board passed a motion to approve the installation of the electric vehicle charging station at unit 670. Further, the owner stated that she sent all the appropriate information to the insurance company months ago. The insurance company must be informed that Casa Del Sol needs to be carried as insured, including the reasons why. Igor Conev stated he would send a letter to the unit owner with this information, to be forwarded to the insurance company by the owner.

Additional discussion ensued regarding a need for the Board to develop a comprehensive procedure document containing the things that need to be done for any unit owner to install an electric vehicle charging station.

5. NEW BUSINESS:

a. Request from Owner of Unit 770D: Join in Conference to Discuss Boat-Lift Issue. This item was covered at the beginning of the meeting.

b. Request for Approval: Unit 736. In an email dated July 15, 2022, the owner of unit 736 requested approval for replacement doors and windows: Andersen door 8 series and ThermaTru SSF160. Also included was a quote for Viwinco windows for the 94th street side bedroom. However, no photographs were provided.

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In an email to the Board from Igor Conev dated August 6, 2022, Igor stated that the owner indicated they were told by their contractor that what we specified was no longer available, although Igor's investigation indicated they were still available. After some discussion, the Board decided that the owner should submit photographs and the Board would decide via email.

Follow-On: As of August 28, 2022, comments from three of the Board members are still needed.

c. Damaged Boardwalk Ladder at Unit 660. It was reported that the boat at unit 660 became caught on the aluminum ladder affixed to the dock and damaged the ladder. On June 15, 2022, Tom Bell inspected the ladder and took some photographs. According to Tom, although the bracket is bent, he says the ladder will hold his weight with no problem; the ladder itself is still structurally solid.

d. Investment Strategy for the CDs. At the June 14, 2022 Board Meeting, Tom Bell suggested an investment approach called a "CD ladder" for investing with our CDs. He approached Charles Schwab Corporation regarding using them as a central manager who can then go out and search for investment opportunities for the CDs. At this Board meeting, Tome reported that he contacted Charles Schwab and is comfortable with them. After some further discussion, *a motion was made by Tom Bell that we set up a no-fee broker relationship to invest reserve money with Charles Schwab in Easton, MD. The motion was seconded by Lou Napoli, and passed unanimously.*

e. Parking Violation: Unit 660. In an email dated August 22, 2022, it was reported that for the third time an improper parking pass was issued for unit 660, despite Mann Properties contacting the rental agency a few weeks ago after the last violation. At this meeting, it was reported that the car is still parked there although the improper parking permit issued by the rental agency was removed. It was decided that a letter be sent by Igor Conev (Mann Properties) to the owner indicating that there have been 3 notices issued and if such violations persist, the car will be towed.

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f. Replacement Boardwalk Board. In an email dated August 4, 2022, it was reported that the owner of Unit 662 found a rotted board in the boardwalk which if not replaced could cause a safety hazard. Adele Bradley forwarded the email to Charles Kinelski (Beach Brothers) and also indicated she would call him.

Follow-On: In an email Dated August 24, 2002, Adele reported that the board has not been replaced; further, the identification markings on the board must have washed off, so she marked it again and put in a phone call to Charles Kinelski to replace the board as it is a safety hazard.

g. Unit 680:

i. Request for Floating Dock. In an email dated July 6, 2022, the owner of unit 680 indicated that he is currently working with a permit processor who will help expedite the process to make certain all the necessary documentation and mandates are properly met for installation. At this meeting, it was learned that the jet ski floating dock was installed without a permit, although it is currently up for sale. That notwithstanding, the Board agreed that the jet ski lift was improperly installed, without a permit, and the owner has 60 days to remove it or a fine will be assessed.

ii. Ring Security Camera. On July 1, 2022, Igor Conev replied to the owner of unit 680 that the Board noticed the installation of a Ring camera on the piling outside of the unit, stating that per Article 8, Section 7, Architectural Control, of the CDS By-Laws such installations and changes are not allowed. Igor Conev requested it be removed and to inform the Board when it is done so that it can be reinspected. Any and all requests for changes and renovations have to be submitted to the Board for review and approval.

On July 7, 2022, the owners of unit 680 emailed a formal request to install Ring security cameras underneath their front and back deck, stating that they are under the impression that this is not common ground. The owners requested to be informed when this is approved.

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Considerable discussion ensued. Historically, the Board has disallowed these devices on the outside of the building, deck, boardwalk etc. The Board recognizes that these devices are becoming more prevalent, and it was agreed that the Board should develop standards and share them with the membership by the Annual Meeting. In the meantime, no unit is authorized to install a camera or security systems until the standard is developed. Any current installation on the outside of the back of the unit should be removed until the standard has been developed.

A motion was made by Lou Napoli to look into the development of the standards and how we would proceed with them. The motion was seconded by Bob Surette and passed unanimously.

6. VIOLATIONS: A violation was filed against unit 732 for parking a trailer in the carport in violation of Rule #4 of the association's Rules and Regulations. The notice and photograph were shared at the meeting. *A motion was made by Lou Napoli to fine the owner \$250. The motion was seconded by Tom Bell and passed unanimously.* It was noted that the owner does have the opportunity to appeal the fine, if so desired.

7. ADJOURNMENT: The meeting was adjourned at 10:26 pm.

8. THE NEXT CDS BOD MEETING – *The next BOD meeting will be Thursday, September 22, 2022 at 8pm via Zoom video conference.*