

**EDGEWATER BEACH RESORT OWNERS ASSOCIATION
BOARD OF TRUSTEES MEETING MINUTES**

Monday, February 11, 2019

I. ROLL CALL/CALL TO ORDER

The meeting of the Board of Trustees was called to order by Marcia Svetkey at 10:02 a.m. in Hyannis, MA, at the VRI Office. The following persons were in attendance:

Board of Trustees:

Dorothy Fulginiti
Marcia Svetkey
John Winston
Dennis Ducharme

Absent:

Tom Conners

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI

II. APPROVAL OF AGENDA

MOTION: Dottie Fulginiti moved to approve the agenda as amended. Motion was seconded by John Winston and approved unanimously.

III. APPROVAL OF PREVIOUS MEETING MINUTES (12/10/18)

MOTION: John Winston moved to approve the December 10, 2018 Regular Meeting Minutes as written. Motion was seconded by Dottie Fulginiti and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

Michael McManus reviewed the following:

- Northstar Mechanical has finished installing a Carrier 30RAP016 chiller, new valves, circuit setters, control stage and filled the system with glycol fluid.
- The chiller system will need to be tested when weather permits.
- PVC railings were installed on second floor of center building and west building.
- The wood railing of the east building was repaired as necessary. An engineer will inspect and inform the Town of Dennis Building Department.
- High Efficiency has ordered the second exhaust fan. Unfortunately, the wrong equipment arrived on site and is waiting for replacement.
- A rebate for the boiler was filed. The State requested a W-9 to be completed and reported rebate will be issued next month.

- A representative from Sedwick arrived at Edgewater in January to inspect the property and a new insurance appraisal will be obtained in early March 2019.

MOTION: John Winston moved to approve the installation of a SR/Smith Multi-Lift Handicap chair/lift from Pool Designs at a cost not to exceed \$5,950. Motion was seconded by Dennis Ducharme and approved unanimously.

B. Review of Action Items

Tabled until next meeting.

C. Owner Communications

Marcia Svetkey discussed several emails received by the Board from owners. The Board discussed the sub-management contract with SeaWinds II and confirmed that the Edgewater owners are the only owners with Day Use Privileges.

D. Interview Candidate

John Verity joined the meeting at 12:00 p.m. and was interviewed by the Board members for the open General Manager's position.

John Verity left the meeting at 1:00 p.m.

MOTION: John Winston moved to approve extending the position of General Manager to John Verity as outlined by the Board. Motion was seconded by Dottie Fulginiti and approved unanimously.

V. FINANCIAL REPORT

A. Financials

Michael McManus reported that the December 2018 financial statements were being finalized and would be out by the end of the week. Michael distributed and reviewed the December 31, 2018 Cash Balances Report, which showed the Association's operating fund balance of \$414,969.73, Replacement and Special Assessment fund balance of \$1,943,858.37.

Michael also reported that the balances reflect that 47% of the owners have paid the 2019 Maintenance fees as of December 31, 2018.

B. Collections

Michael McManus distributed and reviewed an accounts receivable report dated November 30, 2018 showing that 80.9 % of the total billable intervals for 2018 have been collected.

C. SeaWinds II

Michael McManus stated that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month end December 2018.

VI. OLD BUSINESS

A. Reserve Report Updated

Michael reported on the following:

Northstar Mechanical:

A/C Chiller Project:

Previously covered under IV. Management Reports, A. Resort Update.

Open items:

- The chiller system will need to be tested when the weather permits.
- Waiting on a proposal to reinstall the small chiller outside units 111/211.
- The next progress payment will be made in spring.

High Efficiency:

- A rebate for the boiler was filed in December. The State requested a W-9 to be completed and reported rebate will be issued next month.
- The indoor pool exhaust fan was installed Friday, February 8, 2019; electricians are coming on Wednesday, February 13, 2019 to complete the work.

Financial:

- The final Colebrook loan payment was made on January 15, 2019.

B. Special Assessment/Capital Expenditure Project Report

Michael McManus reported on the following Capital Expenditure Projects:

- Installation of railings on the bridge to the south building.

MOTION: Dennis Ducharme moved to approve reserve funds to install new railings on the bridge to the south building at a cost not to exceed \$3,375. Motion was seconded by Dottie Fulginiti and approved unanimously.

- Repair railings at the east building.

MOTION: Dennis Ducharme moved to approve railing repairs at the east building at a cost not to exceed \$187.50. Motion was seconded by John Winston and approved unanimously.

- Replacement of the side door to the lobby due to code requirements.

MOTION: John Winston moved to approve the appropriation of reserve funds to replace side door to the lobby at a cost not to exceed \$1,615.55. Motion was seconded by Dottie Fulginiti and approved unanimously.

- The lobby floor was repaired.

MOTION: John Winston moved to approve the repairs to the lobby floor as discussed at a cost not to exceed \$1,211. Motion was seconded by Dottie Fulginiti and approved unanimously.

- Repair the privacy fence between seven units.

MOTION: Dottie Fulginiti moved to appropriate \$4,209.76 from reserves to repair privacy fence between seven units as discussed. Motion was seconded by John Winston and approved unanimously.

- The pool fence needs to be replaced. A proposal was received from Mr. Fence, INC., to remove and replace the pool fence and install two new gates with coded entrances installed at a cost of \$10,960.82

MOTION: Dennis Ducharme moved to approve the proposal from Mr. Fence, INC., to remove and replace the aluminum style EFS-10 fence at the outdoor pool and install two gates at a cost not to exceed \$10,960.82. Motion was seconded by Dottie Fulginiti and approved unanimously.

Michael McManus reported on the following Special Assessment Project:

- Mobi Mat/Beach Access - Deschamps Mats Systems, Inc., submitted a proposal for beach access between the south building and The Soundings (6-foot-long sections x 22 sections) with hardware/stakes.

MOTION: Dennis Ducharme moved to approve the purchase of the Mobi Mat/Beach Access from Deschamps Mats Systems, Inc., at a cost not to exceed \$4,752.23 from the regular reserve funds at this time. Motion was seconded by Dottie Fulginiti and approved unanimously.

i. Design

Dennis Ducharme left the meeting at 12:35 p.m.

Michael McManus reported GSCF Design team is working on units 222, 122, 119/121 and 219/221.

Rise Engineering was notified that insulation work completed in December 2017 did not work as proposed. The sprinkler pipe froze in attic and on January 22, 2019 around 1:00 p.m., employees reported running water in unit 222, the fire alarm system going

off, and worked quickly to mitigate the water damage. Michael reported that there was major damage to units 222 and 122 with minor damage in the adjacent rooms.

ii. Construction

Michael McManus reported on the insurance claim for units 701-714:

- Weekly telephonic meetings with the resort manager, contractor and Belfor team members on Tuesdays.
- Charlie O'Connor, Senior Estimator on large loss projects with Belfor, returned on January 28, 2019 to perform punch lists with resort team and Jason Camerano from the Belfor Boston office.
- Units are scheduled to be back on-line February 28, 2019/March 1, 2019.
- New front doors are needed for units 701-716 (insurance covered rooms 705 and 708 due to damage by the fire department). Water is leaking in from rain and inclement weather.
 - Locksmith cost \$1,050.
 - New door and labor cost \$17,746.34.

MOTION: John Winston moved to approve the installation of new doors for units 701-716 at a cost not to exceed \$18,796.34. Motion was seconded by Dottie Fulginiti and approved unanimously.

iii. Budget

Michael McManus reported that the current proposed special assessment budget was over by \$146,740. Additional selections needed to be made and insurance costs needed to be added to the report which could affect the number additionally. The report would be updated when the new general manager is in place, Granite State submits the costs for one and two-bedroom furniture items, and additional selections are made by the Design Committee which will affect the budget being over or under.

C. Sales

Michael McManus distributed the year-end sales report which stated that ten Association units sold in 2018 and that the Association received a total of \$5,371.95 in sales commissions.

VII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported that on January 28, 2019, Dennis Ducharme and Marcia Svetkey met with Devitt Adams and Leon Narbonne to review the Settlement Agreement, NERM's 2018 Maintenance fee bill and reconciliation. Attorney Gary Blank did not show up due to illness, and he advised his client not to bring the \$25,000 yearly payment agreed upon back in 2012 when the settlement was filed with the courts.

Michael explained to Devitt and Leon that the payment needs to be paid no later than January 31, 2019 or the Edgewater's Attorney, Laura Brandow, will be pursuing any and all legal means necessary.

Attorney Blank requested a second meeting with Attorney Brandow present to review the settlement agreement and NERM's account balance in detail. This meeting will be on March 1, 2019 at VRI's Hyannis office. Attorney Brandow informed Attorney Blank that she expects the check before the meeting as stipulated by the settlement agreement.

B. Amendment to Trust

Tabled at this time.

VIII. NEW BUSINESS

A. Open Discussion


The Board discussed the need to replace beach furniture, and if there were funds to cover the expense. The Board requested management to obtain proposals to replace the beach furniture and email a proposal to the Board before the next meeting.

IX. NEXT MEETING DATE

Board/Organizational Meeting, Monday, April 8, 2019, 10:00 a.m. at the VRI Office
Special Owners Meeting, Saturday, May 4, 2019, 10:00 a.m. at the SeaView
Board Meeting, Monday, June 10, 2019, 10:00 a.m. at the VRI Office
Board Meeting, Monday, August 12, 2019, 10:00 a.m. at the VRI Office
Board Meeting, Monday, October 21, 2019, 10:00 a.m. at EBR
Board Meeting, Monday, December 9, 2019, 10:00 a.m. at the VRI Office

X. ADJOURNMENT

MOTION: There being no further business, John Winston moved to adjourn the meeting at 2:07 p.m. Motion was seconded by Dottie Fulginiti and approved unanimously.



John Winston, Secretary

MJM/smt

ebr: 021119min