

**Cowpet Bay West
Annual Owners Meeting
February 12, 2011**

Call to Order: The Annual Owners Meeting was called to order by President Judi Kromenhoek at 9:10 a.m. at Robert's American Grill. Board members present were Judi Kromenhoek, Bob Cockayne, Barbara Walters, Rosie Wells, Greg Miller, and Max Harcourt. Owners were directed to sign in upon arrival (Exhibit 1, sign in sheets for owner attendance).

Quorum Verification: Louanne Schechter tallied the attendance Record and verified that a quorum (1/3 of authorized votes) was present by proxy and attendance.

President Report:

- ❖ Judi welcomed all owners and thanked them for attending today's meeting.
- ❖ Judi acknowledged and commended the Board of Directors for volunteering their time and talents throughout the year.
- ❖ Judi acknowledged and credited the management staff, Jon & Louanne, for their professionalism and assistance throughout the year. Each staff member was thanked for their work and loyalty to the owners of Cowpet Bay West.
- ❖ New owners, L-33 Duzy & L-07 Birt families, were asked to stand and welcomed to the community.
- ❖ Judi introduced the candidates running for the Board of Directors.

- ❖ Judi listed the projects & accomplishments throughout the year:
 - **Restoration following Fire to W-23:** The restoration process took 9 months to get settled and paid. During this period the Board of Directors became aware of inconsistencies in the Bylaws that caused confusion between the Insurance agencies, owners, and the Association. (Insurance to be discussed)

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- **Seaside Rails:** All damaged seaside rails were removed and replaced. Rails were repainted.
- **Generator:** The 20 year old generator is in good shape, the circuit board needed to be replaced. This was not easy but Jon located a new board and had Kent Harvey install it. Since the company that manufactures this is no longer in existence, Kent Harvey rebuilt the components in the old board for a back-up.
- **Fresh Water Booster:** Responding to complaints of low water pressure to Leeward units, a water booster pump was installed and corrected the problem
- **Gravel Walkways:** Walkways on Leeward and Windward were improved by adding crushed gravel.
- **Transformers:** As part of a 3 year plan, all but one transformer was replaced. The remaining transformer will be replaced this year completing a total upgrade to the High Voltage Electrical system.
- **Security Gate:** The conduit that supplied power to the gate, under the road was compromised causing power outages whenever it rained. The conduit was removed and replaced, the road repaired, and the gate is operating without incidence.
- **Transfer Station Building:** Jon noted the concrete roof over the transfer station was cracking and compromised. The roof was removed and replaced without incident.
- **Beach:** Hurricane Earl was responsible for loss of sand on the beach. After obtaining appropriate permits, the Elysian, Cowpet Bay East, and Cowpet Bay West split the cost and provided the workforce to spread 140 tons of sand back onto the beach. New Swim Buoys are in place, and as of today 24 more beach chairs have been added to the beach.
- **Security Streetlights:** Before hurricane Earl, our security streetlights were replaced with new energy efficient fixtures designed to throw a maximum amount of light down to the parking lot . During Earl, Cowpet Bay East lost most of their parking lot light globes while our lights were left intact.
- **Fresh Water Filtration System:** Upon inspection, the existing filtration system required upgrading. The new system was installed.
- **Security Guards:** During the last year, our Association hired different companies with the same results, guards coming late, leaving early, or sleeping on the job. The

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current company, No-Nonsense Security, has been with us approximately 5 months and is professional, personable, and friendly.

Reading of the 2010 Annual Owners Meeting Minutes: Motion was made and seconded to waive the reading of the 2010 minutes. Copies of the minutes were available for members upon request.

Proof of Notice of Meeting: Documentation of notice was presented by the Association Office Manager, Louanne Schechter. (Newsletters: November 2010, December 2010, January 2011, February 2011.)

Property Manager Report:

Electrical Upgrade: Jon reported when he was hired, the complex did not have an ongoing maintenance plan for infrastructure. In 2008 he developed a long term plan to upgrade and maintain the Electrical System. In 2009 Jon brought an electrical engineer to the property to inspect the entire system. The engineer, Kent Harvey, then developed a CADD (computer aided design and draft) program outlining the entire system with all the technical data. Where needed and available, crucial back-up parts were ordered and kept in stock. In 2010, The 3 phase transformer on Windward which runs the beach well, lift station, and fresh water distribution system was replaced. All transformers were balanced for even power distribution. Going forward in 2011, the 3 phase transformer removed from Windward was sent back to the states to be reconditioned. When available, projected in the summer, the reconditioned transformer will replace the last "original" transformer located at the Windward circle which runs the RO Plant, the WWTP, and controls the high voltage systems. Jon proposes in 2012 to replace the disconnect breakers on each building.

Territorial Pollutant Discharge Elimination System Permit: During 2010 this permit was up for renewal. The process included inspections of the Waste Water Treatment Plant, Reverse Osmosis Plant, Grey Water Processing, and Fresh Water Distribution as well as General Maintenance. Along with inspections there were endless forms and reports. Cowpet Bay West was approved for the next 5 years and there were no deficiencies found by DPNR.

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Generator: During Hurricane Earl, a WAPA power pole and transformer split and landed near the generator. This power to ground surge, we believe, fried the circuit board that controls the automatic functions of the generator. Jon had to manually start the generator and shut it down until a new mother board could be located. The companies that manufactured the generator and the switch gear both had gone out of business. With the help of Kent Harvey, we were able to locate the last known circuit board. When Mr. Harvey installed the new board, he kept and has since rebuilt the original board so we would have a back-up. We have set a 45 minute time delay on the generator to prevent the power surges during false start-ups (the on-off-on- off when power is restored). The generator will power down when electrical power is restored for 45 consecutive minutes.

Masonry: Jon performed a thorough inspection under the buildings and the grey water cisterns. Monies spent this year under the account masonry were used to repair the undersides of some of the buildings that had so much spalling they required immediate attention. Under this year's budget he will continue to repair these areas which include leaking cisterns.

Sewage & Grey Water: Included in 2011 Budget is the project to replace the fractured grey water lines. Jon is looking for a new contractor to do this project. The remainder of the monies are to purchase motors and blowers for the grey water system, which are still running on the originals.

Air Pollution Permit: Jon reported the air pollution permit which regulates the usage of the generator is up for renewal this year.

Treasurer Report

2010 Expenditures vs. Budget and 2011 Budget:

Copies of the 2010 budget and the 2011-projected budget were available for owners. Barb reported that the cost of increasing the insurance in 2010 to 2 million and the pre-pay for the insurance in December for 2011 were the major factors in the deficit for 2010. Other contributing

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factors were costs that were unforeseen and not in the budget such as replacement of a leaking transformer and high voltage power lines.

Barbara made a motion the 2011 budget be accepted as presented, the motion was second, all were in favor.

Cash Equivalents & Member Equity: Barbara reported cash equivalents and member equity and a handout was provided to owners.

Insurance Summary: Judi reported on the current insurance policies. A summary sheet was provided for all owners.

Roll Call: Owners were asked to identify themselves as their names were called. Owners that were holding proxies were asked to identify themselves as proxy holders. There were owners of 43 units and owners holding 39 proxies for a 73.2% of authorized votes.

Old Business

There was no old business brought before the Board.

New Business

Bylaws review and update: Judi reported the only by-laws found on file in the Virgin Islands are the ones from 1974. She stated our Bylaws need to be updated. The tragic fire enlightened us on what is and what is not covered by our master insurance policy. A lot of owner thought they were covered when they were not. Anna Paiewonsky (attorney L-04) stated that she believes the 1998 Bylaws superseded 1974 declarations, and that they were properly filed. Accordingly, subsequent Bylaws should be in effect. Attorney Chuck Waggoner (L-46) has agreed to help us write the bylaws to meet the owner needs. There has been a lot of confusion on the wording on the insurance coverage of owner units vs. CBW Association responsibility. Chuck has written bylaws for several condo complexes. He is very familiar with bylaws and how they should read. The original bylaws were written to protect the lender (Chase Bank) at the time. We need to

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have them read to protect the owners and our insurance needs. Anna Paiewonsky volunteered to assist Chuck Waggoner on this endeavor.

Max Harcourt made a motion that the Board of Directors continue to operate under the 2007 Bylaws. The motion was second by the floor and all were in favor.

Following discussion from the floor, a suggestion was made to start a committee that addresses our current Insurance coverage, what is required by our bylaws, and what is requested by our owners. The committee would send recommendations to the Directors within 30 days of their formation.

Proposal to Amend Bylaws to include No Dogs on Property: Bob Cockayne would like to amend Article V, Section 11, found on page 13 (of the 2007 Bylaws), by adding new section6: “Dogs and farm animals are prohibited, and owners will be fined as specified by the Board of Directors. The Association may require removal of any animal when it becomes bothersome to others or is deemed by the Association to be unacceptable.”

Amend Exhibit I, Rules and Regulations for Cowpet Bay West by deleting section number 6, found on page 18.

Petition for dogs to be allowed: Joel Kirshenbaum asked what happened to the petition begun last year to allow specific size dogs on the property. Judi reported the matter was discussed in the April 2010 Board of Directors Meeting and tabled to be discussed at the 2011 Annual meeting.

Following discussion on the floor, Bob withdrew his proposal.

Other Discussion:

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Owners would like to have answers to the following questions:

- Is the property adjacent to CBW L-01 zoned for boat repair? Anna Paiewonsky stated she will check the zoning.
- Is it possible to install an Automatic Voltage Regulator on the generator to prevent surges?
- Is it possible to purchase an extended warranty for the reconditioned transformer?
- When the air pollution permit is renewed can we request the generator have more hours of usage?
- Can an electronic bulletin board be posted on the Cowpet Bay West Web site?

Emails: Owners request their personal emails not be used for any purpose other than business.

Annual Drawing: An owner asked what happened to the annual drawing for American Express Points. Judi reported a file was available for owners to review how points were used. Doug Rebak reported he cancelled the American Express card when he left office in February 2010.

Recognition: Barbara Walters on behalf of the entire committee thanked Judi Kromenhoek for all the time she has volunteered and the work she has done for Cowpet Bay West.

Commendation: Ed Wardwell, Secretary, was out of town, he sent a note read by his wife Carolyn thanking Louanne for her “diligence and effort” over the last year. He added that Louanne and Jon have been the most professional and competent management team in the 30 years he’s been here. (see attached).

Election of Board Members: The nominating committee reported the two candidates with the most votes were Bill Canfield and Sharon Koehler.

Adjournment: There being no further business, the meeting was adjourned.

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