

**Cowpet Bay West  
Annual Owners Meeting  
February 8, 2014**

**Call to Order:** The Annual Owners Meeting was called to order by President, George Blackhall at 9:00 a.m. at The Elysian Beach Resort. Board members present were Sharon Koehler, Doug Rebak, Sarah Hrabina and Mike McGuire. Owners were directed to sign in upon arrival (Attachment 1, sign-in sheets for owner attendance).

Ed Wardwell asked everyone to stand in a moment of silence to remember our owners that have passed throughout the year. Their presence will be sorely missed.

Ed expressed appreciation on behalf of the Association to Bill Canfield, Manager, and John Shultz, commodore, of the St. Thomas Yacht Club for providing meeting accommodations for the Annual Meeting at no charge.

**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 present and owners holding 13 proxies at the time of roll call.

**Quorum Verification:** Ed Wardwell announced there was sufficient attendance and proxies (1/3 of authorized votes) for a quorum.

**Proof of Notice of Meeting:** Documentation of notice was presented through the Association Newsletters of November 2012, December 2012, January 2012 and Board of Director Highlights.

**Reading of the 2012 Annual Owners Meeting Minutes:** Motion was made and 2<sup>nd</sup> to waive the reading of the 2012 minutes. Copies of the minutes were available for members upon request.

**Rules of Conduct:** Ed Wardwell, serving as Meeting Chairman, requested that owners wishing to be recognized to make a statement stand, be recognized by the chair, provide their name and unit number, and keep statements brief.

**President's Report:**

- Dogs on Property - To date, the property has 3 approved emotional support animals. April of 2012, the board granted two owners to have emotional support service animals. These two owners filed a complaint against the Association through HUD. June of last year, the complaint was dismissed through HUD.
- Handicap Parking Spot - An owner requested that they be given a handicap parking spot. The Board is reviewing the issue and a decision will be made.
- Dog Identification - a few owners wanted to know which dogs are allowed on the property and the owners of the service dogs stood and identified themselves.

- An update was given about Jon Cassady's injury. He is with friends and family in Jacksonville, Florida and is getting therapy. He is on the road to recovery.
- The year ahead - Ed wanted to explore the possibility of lowering utility costs at CBW and proposed that a Solar Energy project be looked into. An owner asked if there is a possibility to get off the grid and the answer to that question is No. WAPA produces a certain amount of electricity that if CBW went off the grid, it would greatly upset the balance that WAPA is already producing.

**Welcome New Owners:** Ed announced since the last meeting we have 4 units with new owners: W-24 Matthew and Rebecca Martorello, L-11 Bill and Amy Leitch, L-01 Randall and Sarah Hrabina and L-15 Jeff Reynolds. New Owners were invited to stand and be recognized.

**Insurance:** Doug stated that he asked five different companies to bid for CBW insurance. They all came out different and they tried to make the best decision possible for the benefit of all the owners. Mapfre came back with what they considered to be the best quote for the policy.  
Slide:

#### 2012 - 2013 Insurance Summary

Type of Insurance	Vendor	Coverage	Deductible	Renewal	Cost
All Perils Policy	Mapfre	Agreed Value		03/31/14	\$227,487.00
Earthquake		\$20,732,604.00	5%		
Windstorm		\$2,000,000.00	2%		
Flood/Tsunami		\$4,000,000.00	5%		
All Other Perils		\$20,732,604.00	\$250.00		
General Liability	Mapfre	\$1,000,000.00	\$500.00	05/03/14	\$6,750.00
Directors & Officers Liability	Mapfre	\$1,000,000.00	\$5,000.00	06/02/14	\$1,768.00
Automobile	Theodore & Tunick	\$300,000.00	\$500.00	07/01/14	\$2,716.90
Fidelity Bond	Executive Insurance	\$250,000.00	\$2,500.00	01/31/16	\$889.00

A question was raised by Barbara Walters  
Conversation as follows:

Barbara: My feeling is with the tsunami, it's going to be Leeward that is a waterfront property. My feeling is that, Windstorm, hurricane, that's what we are most susceptible with and what bothers me is it's just \$2 million. I don't think its high enough. I would really rather see, earthquake reduced.

Doug: It doesn't help us. You want another million in windstorm, \$97,000.

Barbara: When we had this discussion in the insurance policy last year, 80% in the next... Cowpet was insured for \$14 Million with the 80% went down to \$11 Million, and \$11 million was what we were insured for, for Windstorm. That was a big chunk, that was \$118,000. Now, last year we went up \$280,000 that we were supposed to be fully covered. That's what everybody was saying. Now all we gained was \$30,000 and we dropped the hurricane insurance down from \$14 Million, then it was \$25 Million and now it's \$2 Million. I don't think saving \$30,000 makes up for that drop in value.

Doug: Understood. And I don't really want to criticize the people who made the insurance decision. The last time around, it was a very bad decision. We were very grossly under-insured because of the evaluation on the property was fallacious evaluation.

What I would like to tell everybody here, a lot of people haven't had the real issue yet of the island. We've been here for 30 years, we saw Hugo in 1989, we had no damage from Hugo to speak of. We saw Marilyn in 1995, so that's some 18 years ago. And the other significant Hurricane to hit the island was in 1932. So yes, it's an exposure but it's something that doesn't happen frequently. When you look at Marilyn, the real number in Marilyn, even though we collected 3.8 Million Dollars, we got brand new doors for every unit, we got storm shutters for everyone and we have a \$350,000 seawall. What I'm trying to say is we probably got \$2 Million extra out of that \$3.8 Million. We're taking extreme precautions. One thing also, Mapfre as part of this, covers all internal parts of the condo association as well as the condo units. That's a big plus because the people who have gone to cabinets, not dishwashers, not refrigerators, and also upgrades so know that, because when you go for an H&O policy, the people who have gone to Mapfre for an insurance policy, have gotten quotes, and they are covered.

### **Treasurer Report**

Sharon pointed out a couple of things (Hand-Out) Approved budget (P&L)

- Did a lot of work in the property this year that was not budgeted
  - Painting of property needed to hire outside work (day workers)
  - Needed additional staff for grounds and buildings

- Mailbox structures were re-done
- Salary at a minimum wage
- With Louanne resigning, Holly is becoming more involved in QuickBooks
- Additional staff (Day Laborers)
- Legal (court cases)
- Accounting

## **Manager Report**

Arran McGinnis - I have been here 27 years. I started down in Caribbean Sailing Charters based out of Yacht Haven. I worked at Little Saint James as a mechanical engineer. I was in charge of all the power and water and about everything else that broke. We ended up with about a 120 employees over at Little St. James. Toward the end of the construction is when he downsized, that's when I became available and with that situation I am more than happy to come in and start helping. I did get contracted in on October 15 (2012) and I am very happy to be here.

I just want to go over a few things that we have done this year. Things that we accomplished since I have gotten in.

- All the seaside railings on both Windward and Leeward have been painted and repaired.
- Generator system received a new computer board.
- Main transformers in Windward Replaced and the new power lines which connect the whole thing in a circle which allows power to be safe and no other power lines are now exposed. So we are in good shape with our power and transformers that were now rebuilt and replaced and now up to speed.
- Road signs have been rebuilt. Our road signs have been taken out by an accident there since I've come on board, I think that came out very well.
- The security gates. We now have a new security system on our gate along with our security people. We put in a new computer board there that allows us to take away the green button. We all have new codes to come in and out three different ways, entry and exit, so no more green button. People are sneaking in, they now have to call and figure out a way in.
  - One of the owners: Before your time, we also replaced the manual gate as a back-up and that was done during this year also so that soon as the gate be out or for whatever reason the security guard isn't here, the manual gate helps to control the in and out.

- Arran's Response: The gate was put together by Daryl Specialty Welding and I am in touch with them so if run into problems we can also make sure that is taken care of.
- Stair and Stair support - Road side stairs entry, those have all been completed in Windward and we only have seven left to do up on leeward. All of the support bracket and painting anywhere that has been rotting have been taken care of. All remaining work should be done within the next two weeks.
- Projects for next year -
  - Repair, sealing and painting of all the roofs on Leeward and Windward that will be done as soon as the Board approved the bids and that's going to happen.
  - The grey water holding bin - I've got two that I've got to get repaired and re-sealed and this is for our grey water leeward plant.
  - Grey water piping - more down by windward will get replaced and repaired with new piping and valve installed.
  - Tree trimming - will be done soon in preparing for the hurricane season. We've been doing minor stuff through-out the year but the big tree trimming will be coming up in the summer to prep us for the hurricane and for other things we need to take care of at that time.
  - New Walkways and railings up on leeward- We are trying to save a few of the large trees we have there rather than knocking them out they are intrusive in our walk ways, and we have plans to set up better walkways along with rails so it would be safe and secure.
  - Staff update - CBW staff are doing their best and I am looking forward to a great year.

## **Election Results**

George Blackhall - 3-year Term

Mike McGuire - 3-year Term

Dick Lamoreaux - 2-year Term

The winners were asked to stand to be recognized.

## **Old Business**

No old business were addressed

## **New Business**

No New Business were addressed

There being no further business, the meeting was adjourned.