

Cowpet Bay West Condo Association. Board Meeting May 11, 2020 at 5PM

In attendance Holly West, Nick O, Christopher Crowe, Bill Friend, Ehren Hendrickson, Bill Leich, Jennifer Planeta

Nick made a motion to approve the minutes: Bill and Chris seconded it. All approved.
Minutes approved

Manager Report:

WasteWater Treatment Plant, Extra clarifying vent needs to be put in. 8 years ago lines were redone because of roots growing through them. Now the transfer line has problems. Ray and Matuba will meet on Wednesday and might need to build a new line, Cowpet is barely making enough grey water now because there are not many renters. We need to fix the problem now.

Dump Truck Issue, can't get a 3 month subscription. We need to program the truck to replace a part in the truck, we do not have proper software. Dealerships do not have the software on the island. Nick will look into it too.

Security gate: We would like to consider on a trial basis not to have a security guard for 3 to 6 months because we do not have the finances. Bob said he does not have an issue getting rid of security guards because they do not do much. Cowpet East does not have a security guard. Bob, "They were not effective when down there". Look into alternatives and evaluate it. Jennifer lives close to the entrance gate and will look at what is going on. It may be more cost effective in the future if we hire the security guards ourselves and rotate them around in the future. Holly was doing security after the storm. \$60,000 a year right now. The security gate has been fixed. Security cameras will be installed.

Motion made to terminate security guards and evaluate how it is working out. Bob made the motion and Christopher seconded it. All in favor.

Security lights ordered at lower brightness. New bulbs have been ordered. Bulbs will be swapped out in one building to see how it works out. Turtle nesting area is too bright so we do not have a problem with DPNR. These are the lights that face the ocean. LED lights down on the wattage.

Treasurer's Report:

Merchant Account has approximately \$ 80,000

Working on tax returns 2018 and 2019. Everything reconciled. A few owners bounced checked and went back to owners.

Four letters have been sent to owners in the rears. 1 will be paid up at the end of the week. 2 units are for sale, W51 and W52, not sure if they will be closing soon. Need to let them know if they are not paid up to date an upcoming lien will be put on the property. Nick, "Offer them a payment plan so they do not give up."

We are operating at a negative cash flow. Cowpet East fees are more than Cowpet West and Sapphire fees are higher than our fees as well. We need to collect more money each month. Insurance payment has to be adjusted to reflect the \$ 75,000 increase in cost of our insurance. We need to increase for May and June to help pay for the insurance. \$ 6200 monthly. \$60/month per unit increase. We should ask for May and June. We need to increase monthly dues. We have to rebuild a reserve. Increase in condo dues. WAPA bills have doubled. Mark Hodge will help to figure out the bill. 44 per kilowatt, 120K and 130L for 2 months now is 80K or 90K per month. Bob said we need to find someone with a load recorder which will record usage electronically.

Ehren H. mentioned owners are tired of paying for an increase to a reserve fund, so people understand we do not have a ton of cash. We have no plans to remove it and we will increase the dues. Can we let owners know we do not have funds? We have not raised dues like other associations. Dues have not increased in 6 years. Nick said, we need to present a letter from the Board.

Sent a few letters to Anna. We need to collect from people. She thinks we need to give her \$40K. We should not have done any work in her unit. Condo pipe was leaking so we had to fix it. AP owes 10K, She violates rules because we do not have a key to her unit.

We cannot afford to give anyone anything now. We need to collect as much as we can especially with the people who are behind and we cannot raise dues when there are those who are not paying. We need to be difficult with those who owe so much. " We need to increase dues every year." We need to increase our dues in order to operate successfully. 50K is a drop in the bucket, which is the amount the 4 owners in the rears owe, the association needs it.

Usually owners are 3 month in the rears usually when they get a letter and with the request to pay in 30 days or a lien will be put on the property. Put a lien on every one. They will pay up because they will get a lien slapped on them if they are selling the property. Send letters certified to all 4 of them. Letters will be sent out immediately. Is there a fee charged \$25 each month? They will also be charged the lawyer fees. Holly will send us the dates stated to put on the lien. Names will be published in the newsletter. Holly will let the owners know their names will be published in the newsletter.

We need to discuss via Email the increase in owner fees.

We owe WAPA 187K additional money. We lose money every month for basic operations, we are not covering improvement, projects, leaks etc. All costs have increased. It has been 6 years since we have had an increase in dues. O&M Operating cost and maintenance.

Bob, We should make a change. Raise it, We need to figure out what it needs to be. Worst nightmare is if we go bankrupt. We need to put together a plan. Nick does not think people will be that upset, owners should receive a letter to explain it. Owners know things go up and it has been a long time. Dues need to include an amount to go to the reserve fund. We are using it to live off of because the insurance company still owes the association. The reserve has been depleted. When we get insurance from claims then we will know better what the reserve will be. Accountant will let us know what the amount should be.

Capital Improvements need to be included in the budget.

The Grey Water System is breaking down.

Nick: INSURANCE Russell said Roland has heard back from the engineering firm to consult claims. They never claimed what was paid on the 1st claim/flood claim. Not sure what payout would be. Trying to release the deductible buy back, our claim is above that amount 450K. Nick will talk with them and progress is moving faster.

Old business,

BEACH SAND Bruce said our sand is a different color, other sand was put where a hole was, we can lightly fluff our sand. We are not going to pay. They fixed the storm damage area where the hole was and will spread it on the area where the roots are located. He took the shelf off. We didn't get any new sand. They said they brought what we ordered 20 cubic yards in a dump truck. Andy's beach got replaced because they had more storm damage. They look at the beach as a whole. Bruce, Michelle and Holly can meet. Who took the measurements? How many cubic yards? Look over the invoice? Ehren and Holly will look at.

Alternative Energy Plan. Have a high performance generator. Chris Crowe, WAPA has a 3rd party to generate energy for them and they never paid them, WAPA had to reopen older generators, WAPA is a mess. He is looking into alternatives to self generators, microturbines preliminary payment 5-6 years. A company on the island is doing it for Ritz and other places on the island. Chris asked them based on our bills and drew up a proposal. There is a problem with a law on the books to prevent us from self generating. How could it be held up in court because the housing authority is doing it?? It wouldn't be a quick fix but we need to look at things long term. Start to look at self generating options. These things are more reliable. We can keep our generator. We would have 4 micro turbines. What the regulations would be we need to find out. What happens when a hurricane hits?? How to secure propane or diesel? Cost of power plant 1.1 million. 5-6 year pay back, We need to look at financing. The company does finance the construction of the plant. Do we have the real estate for it? 10 by

28 foot piece of property, we have space for our 9 by 20 generator now. We need storage for at least a month/ hurricane. Maintenance contract cost is built into operating cost in the 5 - 6 years. After 6 years would be in the black. Engines would be shot after 6 years??? Models still operating after 18 years Capstones Microturbines, E finity patented control board do the monitoring and maintenance. Power plant is monitored all the time. Let's look at it as capital investment and an alternative. Bill and Holly will work on the outstanding bill

There is no surplus insurance money . After the common area there is a pecking order for reimbursements. Emergency issues for mold remediation for ac units to be fixed/repaired.

3rd Monday of June for the next meeting at 5pm.

Thank you