

Cowpet Bay West

**Annual Owners Meeting
February 8, 2020**

Call to Order: The Annual Owners Meeting was called to order by President, Nick Overmyer at 9:08 a.m. at the Caribbean Fish Market. Board members present were, Nick Overmyer (President), Ehren Henderson, Bill Leitch, John Kalb, Robert Daleo. Owners were directed to sign in upon arrival (Attachment 1, sign-in sheets for owner attendance).

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.

Quorum Verification: Holly Weston announced there was sufficient attendance and proxies (2/3 of authorized votes) for a quorum.

Rules of Conduct: Nick Overmyer, 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.

Proof of Notice of Meeting: Documentation of notice was presented in the monthly Newsletters of December 2019, January 2020 and February 2020 and January and February 2020 emails.

Reading of the 2019 Annual Owners Meeting Minutes: Motion was made and 2nd to waive the reading of the 2019 minutes. Copies of the minutes were available for members upon request.

President's Report:

- Nicholas Overmyer introduced the three Board members who were present- Bill Friend, Ehren Henderson, and Bill Leitch
- Nick announced since the last meeting we have 3 new owners:
 - Rachel Neblett- L- 03
 - Natalia Eisenberg – W-06
 - Arlene and Alan Patterson- W-30
- Nick presents a plaque of appreciation, and gift to Arlington Graham, Mutuba for his 3 decades of service to the Cowpet Bay West Team.
- Mutuba thanks the owners for their support and donations.

Manager Report

- Holly shows her appreciation for Mutuba for all of his hard work and support. She also thanked the staff for their work over the last few years, and the Board.
- She stated that there were many accomplishments that occurred through-out the year, and much was accomplished with hurricane repairs.
 - 72 units have been repaired on the inside including spackling, rebar cracking, water damage and leaks.
 - Replaced security lights, path light.
 - Street-lamps were also repaired and painted.
 - 2 porches have been repaired.
 - There have been 6 bond beam replacements.
 - The roof completion occurred this year, and 35 percent of gutters were replaced, as well as fascia.
 - There were a massive amount of leaks, most likely due to earthquakes. 108 repaired.
 - Irrigation: The system is now 50% running. It took 2 years to find an irrigation specialist and now that we have one, we soon should be able to water in the morning and evening again.

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- Landscaping: massive plantings throughout the grounds, and more to come especially down near the yacht club walkway and between Leeward and Windward.
- The old cistern was removed, a garden incorporated in its place, and a new rock wall was built.
- Electrical: 8 buildings had their outside electrical boxes replaced and 2 transformers were replaced.
- 8 buildings had their outside electrical boxes replaced.
- CBW will continue rebuilding throughout the year and replacing more electrical boxes.
- One of the main goals of the upcoming year is to paint both the Leeward and Windward Buildings
- Reminder: Cable Lines are the Owner's Responsibility.
- Holly will work on replacing the VIYA boxes.
- Fence Replacement: fence was put up the best we can, but definitely needs more work and will continue throughout the year.
- Waste-Water Treatment Plant: This is one of the major problems on property. The system was designed 50 years ago and with today's volume, it can not sufficiently process everything. This will be one of the major Capital Improvement projects this year. We plan to restructure the WWTP and add a clarifying bin for overflow, as well as an overall upgrade to handle more volume.
- This year we plan to rebuild the nursery to continue improving the landscape.
- We also want to continue the rock wall along the walking paths, as well as continuing repair of the existing paths.
- Generator: The new switch gear will be arriving next week. The old one suffered water damage.
- We are also looking into purchasing a back-up generator for our water systems, with the idea that we could alternate between the two generators, thus never leaving the property without power or water.
- Also, our railings and stairs need attention in 2020. They will be painted this year, but we will also develop a plan for complete replacement of footings, hardware, landings etc., hopefully by 2022.
- Our Security system will be upgraded in 2020, adding at approximately 8 more cameras.
- Starting in March, we will start releasing Quarterly reports informing owners of project completions and monthly Newsletters with property updates.
- We also have a new payment system we will be using this year called Rent Payment. The info will be sent out to all owners on how to use the system.

Treasurer Report (Report given by Nick Overmyer in John's absence)

The Budget was emailed out yesterday to everyone.

- The total income for the year was \$1,237,397.00
- The new budget for the upcoming year is \$1,593,070.00
- There was a \$40,000 difference alleviated by changing the way we handle security, esp with the installation of cameras.
- The end of year cash equivalents were \$184,553.00,
- Member's Equity was \$110,142.00,
- Designated Reserve Fund was \$178,120.
- Numbers were emailed out with the budget on Feb 7, 2020.
- We've had a hard time finding an accountant that would work consistently. We have now found one.
- We lost Genie, because her work-load had become too much and she had to pick and choose her accounts.
- She recommended Larry Kemp. Holly speaks about the long hours that were needed to be dedicated to getting our accounting matters caught up. Larry is doing a great job to help us.

Insurance Report (Report also given by Nick in Chris Crowe's absence)

- The coverage year ends in two months.
- Property insurance this year was \$379,625.00.
- We upgraded the limits from 2.5 million to \$20,982,504.00, full property value.
- Earthquake deductible is 2 percent(\$420,000).
- Windstorm deductible is \$10,000.
- Flood deductible is \$10,000.
- The General Liability was \$8,250.00.

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- D&O Liability was \$10,000.00.
- Auto was \$6,285.39.
- Fidelity was \$1,425.35.
- All except Auto and Fidelity were through Lloyd's.
- Fidelity was through Executive Insurance.
- Auto insurance was through Theodore Tunick.

2019-2020 Insurance Summary

Type of Insurance	Vendor	Coverage	Deductible	Cost
All Perils Policy	Lloyds	Agreed Value		\$379,625.00
Earthquake/Tsunami		\$20,982,504.00	2%	
Windstorm		\$20,982,504.00	\$10,000.00	
Flood		\$20,982,504.00	\$10,000.00	
All Other Perils		\$20,982,504.00	\$2,500.00	
General Liability	Lloyds	\$2,000,000.00	\$2,500.00	\$8,250.00
Directors & Officers Liability	Lloyds	\$1,000,000.00	\$10,000.00	\$10,000.00
Automobile	Theodore & Tunick	\$300,000.00	\$500.00	\$6,285.39
Fidelity Bond	Executive Insurance	\$250,000.00	\$2,500.00	\$1,425.35

President's Report: (Nick Overmyer)

Hurricane Expenses:

- Yesterday a break-down of what came in and what was spent in regard to Hurricane expenses was emailed out.
- The total proceeds from the Irma Flood Claim was 3.3 million instead of 3.7.
- The flood claim for Maria was just settled for \$800,000 and the wind claim for Maria is suppose to settle next week, two years after the fact.
- The Irma claims were about 2.5 million.

2017-2019 Hurricane Expenses

Expense	Amount	Notes
Roofs/Bo+A7:C23nd Beams/Gutting System	\$3,100,000.00	Total Replacement of the Roof:Plywood-screws-coating/35% Guttering Facia/5 Major Bond Beam Replacements
Irrigation	\$19,551.00	50% Complete - 2 New Controls and 60% irrigation lines need replaced/70% of irrigation heads needed replacement
Landscaping	\$125,284.50	This is replacement and addition of several trees and plants lost in the storm/removal of cistern/rock repair/Removal of debris and trees stumps damaged from the storm
Generator/Switch Gear	\$176,523.00	This includes the repair of old generator/New Switch Gear ordered/Repair of old switch gear/several emergency repairs after the storms
Electrical - Transformer/Unit Repairs/Electrical Boxes	\$153,325.00	Replacement of 3 new transformers/purchase of 2 for back up and eventual replacement/Electrical damaged inside of units and emergency outside panel boxex
Painting	\$53,730.00	This includes all of the painting on the outside for repair from the storm
Fuel	\$114,771.00	Fuel purchased for the Generator during 6 month no WAPA
Structure/Inside Unit Repairs	\$157,719.65	This includes team used for majority repairs/supplies/outside contractors for items that internal team could not do - cracks/water damage/drywall/stair landings
Water Systems	\$228,945.00	4 junction replacements/9 new pumps/repair of one WWTP Cistern/over a 100 water leaks/replacement of major water distribution pips/
Security Systems - Personnel/Cameras/Lighting	\$44,583.00	New Security Cameras/Additional security after the storm/new security lights
Public Adjuster Payments	\$250,000.00	Payments made to insurance adjuster
Miscellaneous	\$268,928.00	Entrance Signage/New Dump Truck/Engineering Reports/mold remediation/Dish satellites/A/C Repairs
TOTAL	\$4,693,360.15	

Funds	Amount	Notes
Insurance	\$3,300,000.00	Proceeds from Irma and Flood Claim
Loan	\$723,352.00	Loan received from SBA
TOTAL	\$4,023,352.00	

Upcoming Expenses	Amount	Notes
Windward/Leeward Painting	\$346,000.00	All buildings need to be painted - Maria created large bubbles of water under the current paint. To prevent water penetration from the side of the buidings into the units
Windward/Leeward Electrical Outside Boxes	\$85,000.00	Replace all the electrical panel boxes on each building. 6 buildings are complete.
Fence	\$70,000.00	Fence Replacement along Yacht Club and repair on backside of the property
Solar	\$52,000.00	This is to replace the electrical and all the panels
Beach Refurbish	\$41,000.00	This includes the 25% share of the bouys swim area, new sand and permits
WWTP Plant Upgrade/Repari	\$130,000.00	The WWTP Plant needs an additional Holding Bin. Two Bins need to be reinforced/cleaned/sealed. All pipes need to be replaced and one blower added.
Nursery Rebuild	\$10,000.00	The nursery was completely destroyed and needs to be rebuilt. This will allow us to grow plants that we use on a constant basis on the property
Remainder Payments to Public Adjuster	\$128,000.00	The nursery was completely destroyed and needs to be rebuilt. This will allow us to grow plants that we use on a constant basis on the property
Total	\$862,000.00	

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- Nick recaps the numbers coming in with the insurance claims and expresses his excitement for what all can be done on the property with the possible insurance proceeds being collected.
- Nick also thanks the owners for their patience and all the help everyone has given during this rebuilding period.
- Nick opens the floor for questions and reminds the owners to keep this less than three minutes, and to state their unit numbers for the recording of Old Business.

Question and Answer

Question: A question is asked about the water. Nick passes floor to Holly who recaps adding the clarifying bin to help with the overflow and extra water filtration.

Question: In terms of budgeting, how is our reserve fund being used? Usually, it is used to fix issues as they arise but given the amount, of damages created by the storms, the funds were insufficient. If there were no storms, we would plan-ahead for how we would use this fund. Now with the insurance funds coming in, we will be able to project what is needed to cover all-of the damages. We know we will be replacing building roofs, and railings in the upcoming years.

Question: Can you explain more about the projected plan. Holly explains that she keeps a Manager's report. It is a spreadsheet with projected dates of when things need to be done. It can extend up to five years down the road. Holly documents on this and her maintenance report, everything that needs to be replaced, and their cost to keep everyone aware of the issues and plan for the property.

Question: Peggy Hefferon W-21, asks for an estimate on amount to be spent on maintenance. Nicks says there will be a goal of \$600- \$700,000.

Question: Jeff asks what the miscellaneous account in hurricane expenses comprised of. Holly explains that mold remediation was a huge part of the work done this year, replacement of A/C units, removing installation, and replacing it within walls.

Question/Suggestion: Would it be possible to get a garbage pick-up? We should be able to call a number, put it on our porch and have someone come by to pick it up. We already have a guy named Julian, he will pick up anything if you call him. Owner's are reminded that they should tell renters that they are responsible for their own garbage.

Comments: Several people including Ehren Henderson, L-19 express issues they have had with short term renters as well as residents leaving trash when they leave and it becoming a problem as no one is picking it up, it blows everywhere, and the cats get into it, creating an eye soar on the property. Holly responds by saying that maybe we will make it a requirement to post that renters are responsible for trash removal upon final departure from the property and that she will check to see if it is posted in rental units when we do Hurricane Inspections.

Suggestion: Maybe we should impose a \$500 fine. Motion is discussed. Alan E. of W-18 states that we do not know who owns what units to speak with them when issues arise. Nick responds that parking lots will be monitored with cameras this year to enforce action against owners whose renters do not follow the rules and regulations already in place stating responsibility of the owner and their renters to remove their own trash.

Motion to enforce the rule is discussed. Nick states a proposed plan of action:

1. Make it a requirement for owner's to post a sign in their unit stating it is the responsibility of the renter to remove their own trash
2. Sign should have the number of a trash removal service who will pick up trash when called.
3. States that there will be an addition of surveillance cameras in the parking lots to catch habitual offenders.
4. The Board will get involved in further enforcement of the rules regarding trash.

Question: is posed regarding the beach and what will be done to recoup it. Nick states that we are in the process of finalizing the plan for the beach refurbishment. The first step involves Wyndham bringing in 2-3 feet pallets of sand. We will be splitting the cost of the sand between Elysian and the Cowpet Properties. We will also be adding new swim buoys to complete the swim area. Regarding beach chairs Holly explains that chairs have been ordered and that it will be a 25% shared cost to our property.

Question: is asked regarding who is responsible for crack repairs. Does the property outsource? Nick states that cracks and painting are done by in-house staff members.

Question: asked regarding who is allowed, to use the beach. Holly explains that Elysian holds the main permitting, and that is why we cooperate with their rules. It is a public beach and not a private beach and therefore it is managed under VI law. However, we do keep a chain that blocks driving access from our property on the beach.

Election Results:

- William Leitch
- Jennifer Planeta

The winners were recognized.

Litigation:

- Walters/Kromenhoek:

The litigation filed by Ms. Kromenhoek and Ms. Walters against the Association and individual Board members remains pending in the U.S. District Court in St. Thomas. There is currently mediation scheduled in both cases for March 2, 2020. The trials are currently scheduled to take place sometime in late April or May 2020. We will keep you apprised of any further developments.

- Herb Horwitz:

The litigation filed by Horwitz & Company, Inc. (and that Jeffrey Majors is attempting to join as an additional plaintiff) remains pending in the Superior Court of the Virgin Islands in the division of St. Thomas/St. John. Mediation is currently overdue. No trial date has yet been set by the Court, but (based upon the dates that have been set) trial is unlikely to occur before the fourth quarter of 2020 and is likely to be set at some point in 2021.

There being no further business, the meeting was adjourned at 11:30am.