



**President's Comments, continued**

Master Council continues to work on concept plans for the Master Plan. Master Council will be meeting with the consultants and designers in the coming weeks to review updated concept plans per the owner's feedback and will present the updated concept plans to the ownership then proceed to the design phase.

Master Council has brought Merrell & Garaguso on to the team to provide services during the design and budget development portion of the project, to help define costs for overall project design/build budget phase.

The Shore Protection Plan dune construction project appears if it will commence in early 2019. Through special legal counsel, Master Council is monitoring the on-going litigation in cases affecting property owners further north along the New Jersey coast specific to DEP eminent domain actions.

The CAFRA permits for Seapointe Village have been renewed. The permits are requirements for us to operate our seasonal beach activities and maintain the beach. Of note, the renewal permit allows Seapointe to enhance the dunes and construct walkovers in compliance with NJDEP/USACE design specifications.

The storm drainage system has been video-inspected in the low-lying areas, and the inspection report has been forwarded to Mott MacDonald for their review and evaluation of our storm drainage system is adequate capacity.

The original smoke detectors in all units (not including Dune Drive) have been replaced with combination units.

First response for fire alarms continues with Wildwood Crest thru 2019. Emergency police and first aid/EMT response continues with Lower Township.

The Master Association Capital Reserve Study has been updated, and the Owners Handbook has also been updated for 2018, notably for the drone policy and the availability of memorial benches for purchase.

He announced the 2018 meeting schedule has been distributed.

The 2018 Master Council meeting dates are

- Saturday March 3
- Saturday May 26 (Annual Meeting)
- Saturday September 8
- Saturday December 1

He reminded owners to replace original appliances, minimize chance of water damage by changing water heaters, plastic ice maker water lines, washer hoses, and turn off water shut off valves when leaving your unit for extended periods of time. He recommended owners to clean dryer duct.

**Manager's report: Jim Yost**

Insurance premiums for the new policy year increased \$6,525, or 1.8% to \$369,766 for the 2017-2018 property and liability package. Property value is \$123,900,000. The deductible for water damage claims remains at \$25,000 for the coming year; deductible is \$10,000 for all other perils.

Guy Riska of Global Risk Partners is the agent for the association. Diane Parr and Brenda Adamson and Donna Parsons handle requests from homeowners and mortgage companies for proof of insurance certificates. (609) 641-6677, fax (609) 641-6670, or email dianep@grpinsurance.

In addition to the smoke detector replacement, garage pavers have been reset in the 100, 200 and 300 Townhomes; the North Beach elevator modernization is scheduled to begin this coming week; Centre Court domestic water pump system replacement will take place in January; collapsing drainage basins have been repaired near the garage entrances to South Beach and Garden; and EIFS sealant work has been done at North Beach and Pinnacle Residences, retaining walls repairs on Dune Drive scheduled for work.

FWH Associates issued the SV Master Assn capital reserve study (CRS) update in October. The 2017 CRS component inventory estimated replacement cost is \$4,184,213, an increase of more than \$870,000 compared to the May 2012 CRS component inventory.

There were 14 SPV condos sold year to date for 2017 (2 additional are under contract), following 23 last year, 18 in 2015 and 16 in 2014 and 2013. Average sales price for 2016 (\$406,464) shows a decrease of about \$30,000 over last year. 29 unit, or about 5.5% of Seapointe units are listed for sale.

The 2018 village meetings schedule is part of the meeting handouts, is posted in the Association Management Office and in the Pinnacle Master Common Hallway and essentially follows the traditional meeting schedule.

The Seapointe Village Owner Handbook has been updated for 2018. It is available in the Management Office and on the spvma.com website.

Contractor guidelines are available on the website and in the office as helpful information and requirements for contractors working at Seapointe.

Offseason management office hours are Monday-Friday 8am-5pm and Saturday 9am-noon.

He thanked Master Council, all village Council members, homeowners and staff for their support.

**Reports of officers and committees:**

**Treasurer's Report:** Mike Szelak

2017 Fiscal year to date recap He reviewed the handout, a recap of the unaudited results for fiscal year April 2017 through November 2017.

Total income is \$1,702,874, under budget \$15,492. (.9%) Expenses are \$1,657,034 under budget \$52,490. We are 2.1% ahead of budget year to date, and the goal is to break even at fiscal year end.

Fiscal year to date, notable negative budgeted expense variances are in Payroll & related and Beach maintenance and operating expenses. Positive budgeted expense variances are in Custodial & Maintenance Supplies; Pool & Spa Operations; Trash; Electricity and Water.

Reserve replacement / deferred maintenance expenses are about \$75,647 fiscal year to date. Items include: plaza deck expansion joints are \$11,471; hot tub deck resurfacing \$11,148; concrete site work \$15,300; beach related amenities \$14,658; and anticipated items include pool leak detection and repairs

At present cash balances are approximately \$494,423; (\$344,141 in reserve replacement, \$108,775 in deferred maintenance) \$601,019 on hand last year (\$724,706 in Dec 2015)– less this year attributed to plaza deck hot tub engineering fees. Since beginning of 2015, approximately \$300,000 has been spent for the project,

3/31/2017 Financial Statements

The 3/31/2017 Master Association audited financial statements show a \$19,112 (.76%) surplus for the previous fiscal year on a \$2.2 million budget.

Reserve Study Update

FWH Associates issued the SV Master Assn capital reserve study (CRS) update in October.

The 2017 CRS component inventory estimated replacement cost is \$4,184,213, an increase of more than \$870,000 compared to the May 2012 CRS component inventory. The increase is spread throughout Master Association assets, including sitework (concrete and asphalt), the perimeter walls, pool components, recreational amenities and the new deli-trailer.

The updated Report includes a funding plan recommendation of a \$226,000 reserve contribution in 2017, which is consistent with the 2017-2018 SV Master budget. For 2017-2021, recommended cumulative annual reserve contributions are \$1,202,173 and cumulative projected expenditures are \$1,046,343.

Motion to accept the Reserve Study made by Szelak, second by Bernstein, accepted by 7-0 vote of Master Council.

**Landscaping:** Jim Yost

In-house landscaping cleanup, irrigation system winterization and sycamore trimming was completed in November. The post-season walkthrough identified typical wind damaged shrub replacement needed on the plaza deck, and some nominal work throughout the rest of the village, notably around the tennis courts.

Lyn Taylor typically submitted the flower plan for the upcoming season in early December, consistent with the past year. She indicates she will continue the flowers next year including begonia salvia, verbena and geraniums, and retain the white color reintroduced in 2017. Delivery date for 2018 is Tuesday April 24<sup>th</sup>, 2018.

He commented that the contractors - Haberman and Lyn Taylor, along with the in-house grounds crew once again did a nice job maintaining the landscaping throughout the property.

**Beach:** Jim Yost

The beach was cleared of all seasonal amenities and structures by the end of September. The beach is raked through the off-season as needed to prevent dune accretion eastward and to control the level of the back-beach sand, to prevent the North Beach and South Beach landings from being enveloped by sand.

In October we added several hundred additional feet of snow fencing to the snow fencing that was installed last year. This fencing will increase sand accumulation along the east side of the dunes bringing the Seapointe dunes closer into compliance with the USACE dune design, specifically the crest width. The fencing also serves to define the beach raking limits and should make DEP pre-season flag placement more consistent from year to year.

CAFRA permits renewed in November.

Currently working on a lease renewal with Brian Balestreire, beach deli-hut operator.

**Pools:** Jim Yost

During the off-season, the Ibis pool facility is open 10 AM – 10 PM. Pool water temperature is kept at 84-85 degrees and the hot tub at 103 degrees. We are maintaining inside air temperature slightly above the pool water temperature, which is keeping humidity levels within normal 50-60 percent range.

The usual off-season practices; installing the pool gate and the outdoor pool cover, and the cover above the gate under the glass doors was done by end of October.

Primary off-season work includes working to repair leaks and weak points identified by the leak detection service report.

**Personnel & Security:** Elly Bernstein

Department supervisors are evaluating equipment and tools, supplies and personnel as part of preparation for 2018 budget planning. Off-season staff continues to perform preventive maintenance and off-season projects.

Off-season staffing includes 6 in Custodial, 5 in Maintenance, 1 in Aquatics and Security staffing at 240 hours per week (1 round the clock plus second guard daily 8am – 4pm and Friday/Saturday evenings)

The management routine and procedures translate to effective and efficient operations thanks to Jim Yost and the department supervisors.

**Unfinished Business**

Master Planning Update

Master Council continues to work on concept plans for the Master Plan. Master Council will be meeting with the consultants and designers in the coming weeks to review updated concept plans per the owner's feedback and will present the updated concept plans to the ownership then proceed to the design phase.

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Shore Protection Dune Plan / NJ DEP & USACE

Over the summer, special legal counsel reported that the Appellate Division affirmed the decision of the trial court, holding that the NJDEP possesses the statutory authority to use eminent domain to take the perpetual storm protection and public use easements affecting oceanfront property, subject, however, to the property owner's right to seek just compensation for that taking. Essentially, the court sustained the DEP's contention that DEP is vested with virtually unlimited discretion to acquire "any type of property interest in private property in order to protect the New Jersey coastline."

The determination by the Appellate Division to publish its opinion means that the case becomes binding precedent which other New Jersey trial courts must follow. The publication effectively binds the Court as to the overall authority of the NJDEP to use eminent domain to acquire storm easements.

In his early November update, or legal counsel reported that the court is issuing judgments authorizing taking of parcels in Bay Head. His firm is appealing these rulings.

He is also representing Midway Beach Condominium Assn in Berkeley, NJ in a matter also involving taking of beach parcels for the project. A hearing involving this matter will take place December 1<sup>st</sup>. He notes similarities between Midway Beach and Seapointe in that Midway Beach pre-existing storm protection exceeds USACE specifications, so he is asserting that taking is unnecessary and arbitrary.

## **New Business**

### Insurance renewal

The insurance handout was reviewed. No changes in coverage for the renewal term. Property insurance coverage is \$123,930,000 for 2017-2018). Insurance premiums for the new policy year increased 1.8%, or \$6,525 to \$369,766 for the 2017-2018 property and liability package.

Property insurance remains with Lexington (\$123,930,000 value), based in the insurance valuation update done in early 2016. The deductible for claims from water damage remains at \$25,000 for this new policy year. There have been no water damage claims in 4 years.

Guy Riska of Global Risk Partners continues as the agent for the association. Diane Parr and Brenda Riska handle requests from homeowners and mortgage companies for proof of insurance certificates. (609) 641-6677, fax (609) 641-6670, or email brendar@grpinsurance.com.

## **Public Comment**

1-318 commented about people on beach without tags, suggests a more aggressive approach.

5-112 commented that she and her family enjoy the Icona beach bar and amenities. Was not aware of noise issues with the hotel.

1-602 asked about the disposition of the abandoned sailboat on the beach. Jim Yost reports it has been sold and will be removed during the off-season.

3-503 commented about late afternoons at the hut tubs, people not wearing tags.

4-302 requests Security conduct checks at the BBQ grills for glass during meal times.

2-704 commented that Realty guests get copies of rules & regulations at check-in. Comments about vehicles with no parking tags.

3-610 suggests that redesign of the hot tub area should eliminate the beach access.

4-318 asks about the professional fees paid to date. Stan Cach explains the fees encompass the 2015-2016 project and the current year design. He commented that the exact timetable for the project has not been established yet, but anticipates to present a definitive timetable in March.

1-406 requested further information on the design/build process. Ben Martorana explained the thought process behind the new design (as outlined in the Sept meeting minutes).

Owner requested fans in Pinnacle exercise room.

**Public Comment, continued**

1-406 asks if the owners will vote on the design. Stan Cach stated that Master Council will seek input from owners on the two alternatives for the ocean front hot tub area. Stan explained that Master Council is completing the concept plan that will be shared with the owners. The plan has evolved based on owners comments and feedback during the summer open houses and open Council meetings. The completed concept plan will be presented to the owners.

3-610 asks about potential assessments. Response that Master Council is evaluating all financial options. Owner does not want a single large assessment, but rather annual payments.

4-302 suggests providing a schedule of the project, including planning, assessments, design and construction.

1-406 asks if Ibis unit owners will also contribute financially. Stan Cach comments that Master Council is looking into the matter and will consult with legal counsel.

2-704 asks if plan/options given to owners will include projected final costs. The project will include all costs to construct each project alternatives. Two alternate plans will be presented to the ownership including one which was previously bid last year with updated costs and the 2018 project alternative.

There were no further questions, and the meeting was adjourned at 12:25 pm.