

Presidents Comments - continued

Brian Balestreire approached the Master Council about renewing his beach deli-hut lease for the coming year. He continues to implement activities and refine his menu items to address requests and trends.

Master Council reviewed the Municipal Services Act (MSA) and discussed current services provided by Lower Township to ensure Seapointe Village is receiving services as required under the MSA.

An emergency preparedness plan is in place, and is implemented as necessary.

For next season, there are expected to be revisions to some signage, for purposes of clarification and better understanding of rules, regulations, policies and procedures. This will be discussed during the business portion of today's meeting.

Negotiations are on-going between Lower Township and Wildwood Crest so as that Wildwood Crest would serve as first response to emergencies. Master Council will monitor this issue closely.

The 2015 Master Council meeting dates are

Saturday March 7
Saturday May 23 (Annual Meeting)
Saturday September 12
Saturday December 5

Manager's report: Jim Yost

Insurance premiums for the new policy year decreased 4%, or \$16,495 to \$391,617 for the 2014-2015 property and liability package. Premiums were \$408,112 for the expiring policy, \$384,739 in 2012-2013; \$326,889 in 2011-2012; \$319,881 in 2010-2011; \$385,205 in 2009-2010. Due to multiple water damage claims over the past 4 years, the deductible for water damage claims remains at \$25,000 for the coming year; deductible is \$10,000 for all other perils.

Property insurance is with Lexington (\$111,052,000 total property value).

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.

Off-season work includes complete refurbishment of the Pinnacle exercise room with new equipment and new flooring. The access control gates at Seaview Avenue have been replaced. The wooden lattice inserts in the plaza deck trellis were repainted. Routine plaza deck sealant and expansion joint maintenance was performed. Framework for the tennis court fences was refurbished as needed.

The 2015 edition of the SPVMA Owner's Handbook is available on the website (spvma.com), in the Management Office, or can be emailed to you. Email yostopmc@comcast.net or spvma@comcast.net to request a copy.

Managers Report - continued

There were 15 SPV condos sold year to date for 2014 (1 additional is under contract), following 16 in 2013.

The 2015 village meetings schedule is posted in the Association Management Office and in the Pinnacle Master Common Hallway and essentially follows the traditional meeting schedule.

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

Reports of officers and committees:

Treasurer's Report: Mike Szelak

2014 Fiscal year to date recap He reviewed the handout, a recap of the unaudited results for fiscal year April 2014 through November 2014.

Total income is under budget \$7,299. Expenses are under budget \$56,616. We are within 2.9% of budget year to date, and the goal is to break even at fiscal year end. Reserve replacement / deferred maintenance expenses are about \$60,000 fiscal year To date. Exercise room \$36,486; plaza deck \$4,668; Seaview Ave access gates \$8,915; trellis insert painting \$5,500; Pool leak detection \$2,705; tennis court fences \$2,533.

At present cash balances are approximately \$589,679; \$250,000 more than at same time last year.

The 3/31/2014 audited financial statement showed a \$19,000 surplus for the previous fiscal year.

After review and discussion with the auditors, Mike Szelak introduced a proposal for an interfund transfer of \$100,000 from the Master Assn deferred maintenance account to the Master Association reserve for replacement account.

Motion by Willis, second by Hoelscher, passed 6-0.

Landscaping: Jim Yost

In-house landscaping cleanup, irrigation system winterization and sycamore trimming was completed in November. The post-season walkthrough identified the front entry area and the Seaview avenue area as in need of refurbishment. The Seaview Avenue entry landscape island needed to be excavated during the gate installation. New landscaping will be installed in Spring 2015 in these island beds.

The 2015 flower plan is \$41,432, a slight increase from 2014. The plan is consistent with current flower plan, and price includes entry replacement materials.

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

No severe storms thru the hurricane season left the beach in good condition. The beach was cleared of all seasonal amenities and structures by the end of September. We rake the beach several times a week off-season to prevent dune accretion eastward and to control the level of the back beach sand.

The annual inspection of the deli-trailer shows no new issues. Framing shows signs of rusting, minor deterioration on the body, interior and equipment is in fair condition.

Remaining service life expected to be a few more years.

The service pavilion adjacent to the deli-trailer is racked and rotting, and will be replaced for 2015 season.

The environment and effects of moving such large equipment are the biggest challenges we deal with operationally.

The deli-hut operation for 2015 is planning on bottle wine sales.

The CAFRA permit for the gas line to the beach fire pit was authorized.

A new surf chair will be purchased for next season.

Pools: Jim Yost

Only Ibis pool facility is open year round. The normal 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. During the off-season, the Ibis pool facility is open 10 AM – 10 PM. The pool temperature is 84-85 degrees, the hot tub is 102 degrees, and inside air temperature is kept above the pool water temperature to control humidity levels within normal 50-60 percent range.

A leak detection service was brought in to survey the existing pool pipe system and identify sources of leaks. Several areas were located on pool decks adjacent to skimmers. These deck areas will be removed, lines repaired before next season.

A new handi-cap accessible chair will be installed at oceanfront pool for 2015. (One was installed at Centre Court in 2014). Garden pool will get a new chair for 2016 season.

The slide at the Centre Court pool will need tile work done for next season.

Personnel & Security: Jim Yost

Department supervisors are updating job descriptions and work plans for their respective departments, and are evaluating equipment and tools, supplies and personnel as part of preparation for 2015 budget planning.

Unfinished Business

Shore Protection Dune Plan / NJ DEP & USACE

Meetings are being proposed with NJDEP, USACE and Township officials for this coming off-season to review the shore protection plan for dune construction in Diamond Beach.

Sulfur smell in water

Master Council reached out to consulting engineers Hatch Mott MacDonald to perform a preliminary site visit about this issue, which continues to affect units sporadically. We provided them our homeowner survey information and they informally observed water condition in random units. They identified the sulfur smell in some units, and will submit a proposal for further testing and qualification and quantification of the water composition, along with developing protocols toward a long term strategy to deal with the issue.

Plaza Deck

Master Council continues to work with the consulting engineer to conduct annual monitoring and inspections of the plaza deck, primarily areas adjacent to the ocean front hot tubs that were not rehabilitated in 2005. The engineer established a preliminary budget for the proper repair, which includes removal of the spas, installing a new waterproof membrane, and reinstalling the spas from which to derive an annual funding plan. In the current budget, Master Council dedicated reserve funding toward this long term work.

Concurrently, we are relying on the engineer to assist in identifying contractors to perform short term and interim work on the plaza deck. We have been employing a "water management to minimize water from infiltrating into the structure under the spas. Additional work recommended is to remove the soil from the adjacent planter to install a new membrane.

New Business

Insurance renewal

The insurance handout was reviewed. Premiums decreased 4% for 2014-2015. The deductible for water damage claims remains at \$25,000. Most recent reconstruction cost valuation appraisal was done in 2009. Master Council will obtain a proposal to update the valuation in 2015.

Rules & Regulations

Master Council recognized several rules inconsistencies in the village. Stan Cach discussed that there were two ways the Master Council would address these items. First item regards the recreational area in close proximity to the tennis court/fire pit/playground area. The Master Council members in attendance discussed that this area is considered a recreational plaza area, and the same rules and regulations in effect for the plaza deck area apply to the Ibis plaza area, including the tennis courts, firepit and playground area. Specific mention was made that dogs and bikes are not permitted in these areas.

Second item is in response to concerns about electricity and wiring in pool areas. Master Council noted that personal use devices in pool areas are permitted, but any wiring to the device other than headphones is not permitted, and use of common electrical outlets for such devices is not permitted.

Lower Township Fire Response

Lower Township and Wildwood Crest are in negotiations for Wildwood Crest to assume first response for emergencies in Diamond Beach. It is a priority for the current administration in Lower Township. Insurance premiums are being adversely affected for many Diamond Beach owners because of the insurance ratings based on distance to primary responding fire department.

Hotel Icona

Hotel Icona owner is seeking to go before the Lower Township Zoning Board to seek variances which would allow him to construct a 6th floor addition to the hotel. The proposal includes relocation of the existing bulkhead 200 ft eastward to accommodate additional parking and enhanced beach recreational amenities.

Municipal Services Act

As far back as 1998, the Master Council has had discussions with Lower Township regarding the Township's obligation to provide municipal services for trash collection, snow removal, street lighting and leaf collection. The vast majority of the benefit from this regulation for Seapointe Village is the regular weekly trash collection.

Public Comment

1-318 thanked the Master Council for closely watching the Shore Protection Plan being proposed and its effect on Seapointe Village.

4-316 – commented about leaks at Garden hot tub. Jim Yost reported the leak survey identified leaks in this area.

4-207 – asked if there are guidelines regarding flooring installation in units. Jim Yost commented there are no definitive prohibitions on any products or materials. Experienced contractors will know the underlayment materials and techniques to use to minimize vibration and noise transmission, and to reduce or minimize issues associated with installation crossing over floor line plank joints.

2- 416 – asked if there will be any beach storage lockers for next season. Response that we are looking into options, and hope to present a plan at March meeting

1-311 – asked about the funds transfer between deferred maintenance and reserve for replacement. Mike Szelak explained the deferred maintenance account was overfunded, and accountants recommended transferring funds to reserve replacement account. End result reduced referred maintenance account balance and increased reserve replacement account balance to be more in line with reserve study guidelines.

1-517 – commented that swings at playground needed repair.

4-316 – expressed concern about beach dredging impact on Seapointe beach, expressed concerns about unknowns and future safety.

There were no further questions, and the meeting was adjourned at 12noon.