

SEAPOINTE VILLAGE MASTER ASSOCIATION
Open Council Meeting
Saturday, March 4, 2017
10 AM – North Beach Residences

Meeting was called to order by President Stan Cach at 10:07 AM.

Roll Call: SPV I – Larry Willis SPV II – Stan Cach
 SPV III – Ben Martorana AWR SPV IV – John Ferrara
 SPV V – Mike Szelak SPV VI – Elly Bernstein AWR
 SPV VII – Anton Lemli AWR

Proof of notice was mailed to homeowners on February 8, 2017. Notices have been posted in all buildings and on announcement boards.

Approximately 40 homeowners were also in attendance.

Approval of minutes

Upon motion by Willis, second by Szelak, the minutes of SPV Master Meeting held December 3, 2016 were accepted with the change noted and approved by vote of 4-0.

President's Comments: Stan Cach

He welcomed everyone to the meeting, and thanked them for coming.

Purpose of meeting is to present the 2017 budget for Master Assn during Treasurers report. He asked that for other than budget questions, to hold public comment until the end of the meeting.

Primary budget objective is to control costs. Challenge is to balance Association requirements, address and respond to feedback and service level expectation from owners, while controlling costs. The Master Council has many years of expense documentation so as to ensure a good understanding of the annual village operating costs. Master Council and management continue to focus on asset management – to identify and perform condition assessments of critical assets, have a reliable basis for determining full cost replacement pricing for reserve funding and work with professionals to develop capital plans and to address issues and concerns; to develop and continue with energy cost controls, and to extend the useful life of the infrastructure.

He commented about the Fiscal Initiatives, initially introduced in 1997, which focus on cost effective controls in operations, maintenance and energy. Internal controls, multiple bidding, define staff duties and set performance standards, institute annual work plans tied to the budget, regular financial reports, quarterly reviews and meetings, managers reports.

Mission Statement – to preserve, protect and enhance quality of life at Seapointe Village. Correlate owner feedback guiding Master Council actions to enhance amenities. (non-smoking areas, deli-trailer and new covered seating at the beach, the exercise room, beach firepit, beach storage lockers)

President's Comments - continued

Other major business items:

Shore Protection Plan –update on schedule, working with our consultants Dr Stewart Farrell and special legal counsel. More information later in reports.

Master Planning for refurbishment of recreational amenities. Master Council to meet with several teams of design professionals; ultimately engage one firm to work toward long term upgrading of ocean front hot tub area; other swimming pool areas; main entrance and gatehouse; and beach front. Master Council hopes to have conceptual drawings available for homeowner review and comment this summer.

Recommendations to owners – replace original appliances, minimize change of water damage by changing water heaters, ice maker lines, washer hoses, turn off water when leaving. Suggest homeowners have insurance and make sure contractors they use have insurance certificates.

He recognized Security Guard Dave Lindsay for rescuing an elderly woman locked out on her second floor balcony during a cold overnight this past December.

He noted the recent sudden passing of Pinnacle homeowner Karen Dickey last week.

Thanks for attending and for participation in making Seapointe Village the premier location on the Jersey Shore.

Manager's report: Jim Yost

It has been a relatively uneventful off-season with typical routine off-season maintenance projects. It has been a mild winter, with no severe cold weathers or storms, or severe high tides.

Off-season projects, reserve replacement items and deferred maintenance projects and purchases including a new deli-trailer.

The village-wide budget challenges this year revolved around managing inflationary increases, flood insurance and workers compensation insurance premiums, dealing with a favorable market for property and casualty insurance, and favorable energy costs, and controlling operating expenses.

The USACE/NJDEP have released the 30% plans for the Shore Protection Plan as it applies to Seapointe. The sand borrow area shows being extended to the Fish & Wildlife area.

Beach improvements for 2017 include a new deli-trailer, sections of covered seating, and a gas line to the beach.

Rec tags this year have a green band and blue tag.

We will have a pre-season meeting with Lower Township officials to express concerns with first response for police/medical emergencies.

A total of 29 Seapointe Village condos (SPV & Ibis) are in the multi-listing. There have been 3 resales to date this calendar year, with 2 more units are under contract.

He also noted the passing of former SV I owner Anne Russo.

Treasurer's Report: Mike Szelak

Fiscal year to date He reviewed the handout of fiscal year to date April 2016 through February 2017. Total income is ahead of budget \$4,185 Expenses are under budget \$91,446. He projects an overall end of fiscal year nominal surplus budget. Income is ahead of budget due to resale activity. Some expenses for professional fees are down compared to budget due to timing of Insurance payments, pool operating costs, payroll and electric. Cash balances are approximately \$606,611, of which \$532,633 is in reserves.

2017-2018 Budget: Mike Szelak

He presented the 2017 fiscal year budget. The \$2,522,674 budget includes a 1% increase in condo fees. He reviewed the line item detail in the 2017 budget. Mike commented about the detail and expense history involved in the budget development process. Increases in the budget noted for CAFRA permit renewal related expenses, workers comp insurance premium increases, and beach-related expenses.

Comments from owners about increasing landscaping budget costs, question about the beach related expenses were noted.

Upon a motion by Willis, second by Ferrara, the 2017 Seapointe Village Master Association operating budget passed as proposed by a 4-0 vote.

Mike also reminded owners about the collection policy and late payment fees, and that the policy would be distributed to all owners with the 2017 condo fee mailing.

He mentioned the change in accountants to St. Clair/CPA Solutions and a 3 year fixed fee (\$25,000 for Master Assn).

He mentioned the capital reserve study update is in process. Update expected by May.

Committee reports:

Landscaping: Jim Yost

The pre-season landscaping cleanup and mulching begins this coming week. Habermans is using the root mulch this year for Seapointe. Cape organic mulch not being made this year due to concerns about spontaneous ignition. The landscaping is a hallmark of Seapointe and there are high expectations again this year. Flower delivery will be last week in April. The 2017 plantings plan follows the 2016 plan with reduction in quantity of flowers in lower visibility areas. The arborist inspected the property several weeks ago to address shrubbery issues. A few trees and pines will be replaced before the season.

Beach: Jim Yost

New deli-trailer to be delivered in May. Purchase cost is \$91,620. Old trailer was purchased for approx. \$50,000 in 2005, and generated over \$260,000 in lease income. Covered seating area will be introduced for 2017, tent will be rented for the season.

Dune fencing was installed during the off-season to accumulate sand for purpose of complying with USACE design for dune crest width.

Beach grading and amenity placement scheduled for early May.

CAFRA renewal permit applications in process. Jim Yost and SPV environmental consultant Joe Lomax met with DEP officials in December at pre-application meeting

Gas line extended to the beach this off-season.

Pools: Jim Yost

Pre-season work will begin week of March 27. Pre-season projects include replacing sand in all filters. Pre-season work to be done also recoating decks around ocean front hot tubs.

Steve McBride & Steve Sorenson will be supervising the department. Steven McBride will concentrate on getting the pools open for the season, then the daily operations while Steve Sorenson handles the beach for the summer. So far, about ten from last years life guard staff will be returning, and two new guards have committed.

A copy of the 2017 hours of operation for recreational facilities was distributed.

Personnel & Security: Jim Yost

All four department supervisors are returning. Department supervisors are focusing on ensure staff has essential knowledge of all functions, as well as evaluating seasonal staff needs and equipment needs.

Three security guards attended a 2 day New Jersey State police SORA security officer training program in January.

Unfinished Business:

Shore Protection Study Master Council continues to consult with special legal counsel and environmental consultant to discuss strategies. Seapointe is in a unique situation, as dune compliance costs are minimal. Majority of compliance costs would be in access/egress structures and walkways.

In February, USACE and NJDEP representatives stated that federal funding for the project is in place, funding for the ongoing monitoring and maintenance is pending. Estimated start date for project is October 2018, with 180 work days (36 weeks) schedule. The plan proposes construction of dunes along the entire length of the island to a height of 16 ft, NAVD (existing bulkhead at Memphis Avenue is 11ft NAVD) using back-passing of beach sand already present. Crest width of 25' and toe-to-toe width of 125'.

Shore Protection Study-continued
Ocean County litigation decision is expected in April.

SPV CAFRA applications incorporate plans to allow SV to perform dune compliance with and walk-way work if inclined.

New Business:

Master Plan

In September 2016, the Seapointe Village Master Council postponed a major rehabilitation project and out of that unfinished project, subsequent discussions identified the need to identify design professionals, planners and architects with experience in resort areas to develop new concepts that are compatible with and integrate with the existing facilities at Seapointe Village and to begin developing a Master Plan for Seapointe that will guide reinvestment through the next generation of amenities and infrastructure.

Objectives include evaluating the opportunities to enhance, update, renew, and/or expand Seapointe Village's common areas and amenities and their usage cost effectively. Even though the recreational amenities are aging, they do not look out of date thanks to timeless design. Master Council is seeking to anticipate and maximize future value of the recreational amenities and visual infrastructure appeal facilities while avoiding short term trends; refreshing and renovating the recreational amenities while introducing captivating design elements consistent with the original Seapointe Village design.

Master Plan components include renovating and rehabilitating ocean front pool, hot tubs, main pool pumping room and water falls including repair, replacement and rehabilitate the plaza deck's structural members per the structural engineer's directive.

Promoting access to the beach for people, beach amenities and emergency vehicles in conjunction with the USACE/NJDEP Shore Protection Plan, including enhanced dune protection systems, and encourage dune landings as gathering areas.

Improving the water features, landscape areas and traffic control islands and the main entrance and along Seapointe Blvd. Rehabilitation of the main entrance gate house area to maintain and improve the iconic visual and structural components. Improving and expanding the surveillance monitoring capabilities. Improving safety for pedestrians at the main entrance through hardscape design

Replacing the original wooden gazebo structures on the plaza deck, and overall recreational areas to have expanded shaded seating areas.

Master Plan - continued

Improving, coordinate and integrate the signage, landscape areas, retaining walls and hardscape at the Pacific Avenue and Seaview Avenue entrances with the main entrance
Improving and enhancing the beach food & refreshment hut area, offer additional food options and provide shaded seating area with tables and flooring
Rehabilitation of the Garden and Centre Court pool areas
Enhancing and improve outdoor evening recreational amenities and opportunities

Most improvements would be expected to take place from 2017 through 2022; possibly extending thru 2027

Guiding principles include: an overall timeless design - redesign of the ocean front hot tub area; product quality; future entertainment value; initial construction cost; future operating and maintenance costs; permit-ability.

Master Council will select a team of resort designers and planners with specialty in hospitality and resort design.

Homeowner Comment

5-312 asked about replacing gazebo over crows nest lookout. Response that it will be replaced, timeframe has yet to be determined.

1-318 asked about the easement for the Shore Protection Plan. Stan Cach responded that the Master Council relies on the experts for guidance. Asks for the Assn legal counsel to contact her.

1-318 stated that one of the experts, Dr Stewart Farrell has a conflict of interest because he also works for the NJ DEP as an expert for the State. Questions if SPV has accepted the 16' dune height.

3-610 requested a better communication method be implemented.

1-312 asked about wine sales at the deli-hut. Response that it was a trial period that did not work and will not be continued

5-203 asked about the condo fee increase. Jim Yost explained how the budget line items are broken down between per-unit and on a population basis and used to determine the condo fee.

4-316 commented that the landscaping budget is growing too much and the landscaping on the plaza deck is too high.

2-704 asked if the professional fees spent last year on the hot tub rehab were wasted or are still valid. Response that Master Council expects a substantial portion of the plans and specifications (especially structural and aquatics) can be reused.

With no further questions, the meeting was adjourned at 11:55am.