

**SEAPOINTE VILLAGE MASTER ASSOCIATION**  
**Open Council Meeting**  
**Saturday, March 5, 2016**  
**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                                      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 16, 2016. Notices have been posted in all buildings and on announcement boards.

Approximately 45 homeowners were also in attendance.

**Approval of minutes**

An owner in attendance questioned the accuracy of another unit owner public comment during the December meeting regarding switching the exercise room and the game room in Pinnacle. Upon motion by Willis, second by Ferrara, the minutes of SPV Master Meeting held December 5, 2015 were accepted with the change noted and approved by vote of 5-0.

**President's Comments: Stan Cach**

He welcomed everyone to the meeting, and thanked them for coming. It was a generally calm winter with one brief cold spell lasting 4 days in mid-February. Winter storm Jonas struck in late January with strong winds and tidal surges the highest tides on the bay side of the island since the 1962 Hurricane but no major damage at Seapointe Village. We had dedicated staff members either stay at Seapointe or made frequent trips to the property throughout the weekend including Wayne Craig, Mike Siner, Mel Casanova, Roger Eckhart, Angie Padilla, Antonio Lucena, Felipe Vasquez, Geemel Casanova, Sue Downey, Heather Stocker, Mike Barth, Frank Mineo and Chad Handlovsky.

The primary business item on the agenda is to present the 2016 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. Master Council has many years of historical detail and 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.

Through our Fiscal Initiatives, we focus on cost effective controls in operations, maintenance and energy. We employ internal controls, use multiple bidding when appropriate, establish and define staff duties and set performance standards, institute annual work plans tied to the budget, receive regular financial reports, conduct quarterly reviews and meetings and review managers reports.

The mission statement is to preserve, protect and enhance quality of life at Seapointe Village. Correlate owner feedback guiding Master Council actions to enhance amenities. We receive feedback and react to owner comments regarding levels of services owners seek and expect.

During the meeting, other major business items include the Plaza deck/hot tub area rehab update and plan; the Shore Protection Plan and working with our consultants, and a report on the firepit including additional information and survey results.

Master Council updated the replacement cost valuation, which is now \$123 million, an increase of \$12million since 2009. This will be used in setting adequate levels of insurance coverage.

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. There was one severe cold weather spell in mid February. We sustained beach erosion in late January due to Jonas with strong winds, severe high tides and back bay flooding. We have protocols in place to minimize property damage during the off-season.

The village-wide budget challenges this year revolved around flood insurance increases and trying to offset inflationary increases in controllable operating expenses.

The insurance valuation replacement cost update to \$123,930,000 is an 11.6% increase since 2009 (1.7% per year).

There will be a new accounting firm preparing the annual financial statements and tax returns and performing the audit. St. Clair CPA Solutions was awarded the assignment this year. They offered a 3 year proposal with flat fees, which represent a reduction of over 10% compared to the previous accountant.

A total of 45 Seapointe Village condos (SPV & Ibis) are in the multi-listing. There have been no resales to date this calendar year, but 2 units are under contract.

**Treasurer's Report:** Mike Szelak

Fiscal year to date He reviewed the handout of fiscal year to date April 2015 through February 2016. Total income is ahead of budget \$17,906 Expenses are under budget \$8,528. He projects an overall end of fiscal year balanced budget. Income is ahead of budget due to beach storage rental. Some expenses for professional fees are high due to the dune report and for material costs to build the beach storage boxes. Cash balances are approximately \$745,642, of which \$641,962 is in reserves.

2016-2017 Budget: Mike Szelak

He presented the 2016 fiscal year budget. The \$2,500,141 budget includes no change in condo fees. He reviewed the line item detail in the 2016 budget.

Mike commented about the detail and expense history involved in the budget development process.

Upon a motion by Mike Szelak, second by Ben Martorana, the 2016 Seapointe Village Master Association operating budget passed as proposed by a 5-0 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 2016 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 replacement cost report has been updated. New valuation is \$123,930,000, which is an 11.6% (\$12,878,000) increase. This will affect the insurance renewal.

**Committee reports:**

**Landscaping:** Jim Yost

The pre-season landscaping cleanup and mulching began this past week. Habermans is using the Cape Organic mulch this year for Seapointe. The landscaping is a hallmark of Seapointe and there are high expectations again this year.

Flower delivery will be last week in April. The 2016 plantings plan follows the 2015 plan with additional white flowers.

The arborist will be inspecting the property before the end of the month. A few trees and pines will be replaced before the season.

**Beach:** Jim Yost

Beach There are no notable changes to the beach during the winter. The outfall pipe is exposed above the sand. Sand elevation toward the dunes is increased several feet toward the back beach sand. On a positive note, the Ibis walkway landing appears to be several feet lower in elevation than in previous years. Beach grading and amenity placement work will begin in late April. Beach walkways will be extended 50ft.

Beach Storage Lockers in response to homeowners' requests, there will be beach box storage lockers (4' x 4' x 4') available for seasonal rental in 2015. Demand is expected to exceed availability, so a lottery drawing will be conducted. Seasonal rental fee is \$250.

A new service pavilion is being built for the beach hut. Brian is returning in 2016. He will have bottle wine sales.

**Pools:** Jim Yost

Pre-season work will begin March 28. Pre-season projects include tile work and a new H/C chair for Garden pool. Pre-season work to be done also includes one new heater for Centre Court pool.

Steve McBride & Steve Sorenson will be supervising the department. Steven will concentrate on getting the pools open for the season, then the daily operations while Todd 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 2016 hours of operation for recreational facilities was distributed.

**Personnel & Security:** Jim Yost

All four department supervisors are returning.

Custodial has a crew of 6 full time staff. We will add staff in April for pre-season power washing and flower planting. Most of the seasonal crew are returning.

Maintenance department is preparing for pre-season and opening work.

Security operates at 224 hours per week, one per shift plus a second guard daily 9 AM – 5 PM

We need pool lifeguards and part time security guards.

**Unfinished Business:**

Plaza Deck/Hot Tub Area Rehab The concept plan was presented and discussed. The area will be rebuilt to very similar conditions, improving seating and access. Design professionals for structural, landscape and aquatics are retained. Master Council is reviewing proposals for construction management.

Plan to approve final design in May, seek bids in June, award contract in July, and tentatively start work in October 2016.

Shore Protection Study Master Council will be meeting with special legal counsel and environmental consultant later 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.

There have been no changes to the proposed Shore Protection Plan as it applies to Diamond Beach. The report 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 on Wildwood and Wildwood Crest beaches.

NJDEP/USACE seek a dedicated and perpetual storm damage reduction easement to perform the work on Seapointe beaches/dunes. The work proposed to be done on Seapointe property is a very small part of the project. New dunes would be built across the existing North Beach and South Beach dune walkways to tie into existing dunes at their highest point. The existing walkways would have to be eliminated or rebuilt to go up and over the new dunes. There would be some nominal enhancement to the existing dunes to satisfy height and berm width criteria per the plan.

The new dunes would adversely affect sightlines at ground level and SPV beachgoers would have to walk up and over these new dunes to go to and from the beach.

**New Business:**

Firepit

The Seapointe Village Master Council is planning to add a second firepit for the 2016 summer season. The existing fire pit at Ibis has been very well used, by both families and adults. It has become a great gathering spot for Seapointe residents and guests. Most importantly, it has become a great way for families with kids and grandkids to be together and to enjoy Seapointe as a family unit.

The idea behind a second firepit for residents and guests was not only to spread out the crowds during our busiest times, but to make better use of the great facilities we have, including our beach and our deck/man-made beach. The firepit becomes the focal point of a nice activity in the early evening for families to be together. The Seapointe Village Master Council recognizes one of Seapointe's most important missions is being a great place for families.

Seapointe beach activities are authorized, approved and regulated by the CAFRA permits we maintain thru the NJ Department of Environmental Protection. Our CAFRA permit requires that all beach amenities are seasonal, meaning that they are permitted from May thru October, and must be removed from November thru April. A firepit on the beach is a permitted amenity and beach bonfires are a permitted activity under our CAFRA permit. Like all Seapointe Village beach structures and amenities, the firepit would have to be removed off-season.

The second firepit is a close replication of the Ibis Firepit. The new firepit is built to very similar size and specifications as the Ibis Firepit, with a stone façade exterior and a large protective screen. It was constructed for \$6,040.

Seapointe Village has a CAFRA permit to install a natural gas line to the beach for the beach deli-hut operation and for enhanced beach amenities such as the firepit. This gas line has not yet been installed, but will be installed regardless of the ultimate location of the second fire pit.

After looking into wood, propane and natural gas, it was determined that the safest and best option for the firepit would be natural gas, same as the Ibis firepit. By doing so, we are able to remotely control the gas service to the firepit, so when it is off, it is off. Control for the gas valve is located in a separate location, under lock. This is how the Ibis Firepit operates, and the second firepit will operate in the same manner.

Operating costs for the new firepit will be similar to the Ibis firepit. Annual operating and maintenance costs (including labor) for the Ibis firepit are typically under \$1,000. There is not a dedicated gas meter for the firepit alone, but we estimate gas consumption for the Ibis firepit is about \$600 annually. The new firepit will be designated as the firepit for roasting marshmallows and making smores. The Ibis firepit will become a "non-smores" firepit, which should make it easier to clean and maintain the Ibis firepit. When the 2016 Master Association budget was prepared, we included an allowance for projected annual operating expenses for the second firepit.

The Ibis firepit was constructed in 2007. It is available year round, but most of the operation is realized from June thru September. The structure is original and has proved to be very durable. The internal components are replaced periodically as needed.

Our insurance agent has confirmed that a second firepit will not increase the Association insurance premiums. The Association submits annual disclosure statements identifying all Association recreational amenities and facilities on liability insurance policy applications. The second firepit would be included in the disclosure statement. The Master Association recognized no change in insurance premium attributed to the Ibis fire pit.

The Lower Township Fire Official was consulted regarding the two potential sites for the firepit and identified no adverse conditions at either the beach location or the man-made beach location. She confirmed that neither the beach nor the man-made beach locations require any unique fire suppression systems or equipment, such as a fire suppression sprinkler system. The Fire Official noted that in general, the beach poses greater challenges when responding to an emergency compared to non-beach emergency response.

There are two distinct and separate locations; 1) on the beach, near the tiki huts slightly south of the deli-hut; or 2) in the area of the man-made beach in front of the oceanfront pool, primarily using the area that was recently cleared of dead and dying brush and poison ivy. The hours of operation may vary, depending on location. The beach firepit is located further from the residential buildings, so the beach firepit may operate until 10 or 11pm. Since the man-made beach area is closer to the buildings, that firepit may operate only until 9:30pm.

The beach location is a bit more exposed to winds, surf and high tides. The elements may ultimately be a factor in how successful this location turns out to be, and may limit use due to safety concerns of flames blown through the grate by gusty winds. The man-made beach area is less affected by ocean winds.

Placing a firepit on the man-made beach area may use some sand area that has been used for sun-bathing. Even though some of the shrubs have been cleared around this area, the man-made beach area gets very crowded when it is very windy at the beach.

Survey results were reviewed. About 35% of owners responded to the survey, and about 80% support the idea of the second firepit. The majority of those favored the man-made beach by about 2-1 over the beach location. The Master Council proposed to place the second firepit on the man-made beach for the 2016 season.

The meeting was adjourned at 11:55am.