

SEAPOINTE VILLAGE MASTER ASSOCIATION
Open Council Meeting
Saturday, March 8, 2014
10 AM – North Beach Residences

Meeting was called to order by President Stan Cach at 10:05 AM.

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

Proof of notice was mailed to homeowners on February 14, 2014. Notices have been posted in all buildings and on announcement boards.

Approximately 30 homeowners were also in attendance.

Approval of minutes

Upon motion by Bernstein, second by Hoelscher, the minutes of SPV Master Meeting held December 7, 2013 were accepted as presented and approved by vote of 7-0.

President's Comments: Stan Cach

He welcomed everyone to the meeting, and thanked them for coming. He noted the primary purpose for the meeting is to present the 2014 budget for the Master Association during the Treasurer's Report. He reminded attendees that daylight savings begins tonight, which means to move clocks forward one hour.

He reviewed the Master Council fiscal initiatives passed in 1997 – internal controls, solicit multiple bids, define staff duties and set performance standards, institute annual work plan tied to the budget, monthly financial reports to the Master Council, a proactive preventive maintenance program, action reports, quarterly reviews and meetings, manager's reports and effective communications.

The mission statement for Seapointe Village Master Council is to preserve, protect and enhance the quality of life at Seapointe Village. He correlated this owner feedback guiding Master Council actions to enhance amenities such as the beach fire pit and tie feedback into the budget process.

Beach enhancements under consideration include the beach firepit, and beach enhancements proposed by the beach deli-hut operator. These enhancements include focus on evening activities, including theme dinners, movie nights, healthy menu items, and partnering with a local winery Hawk Haven to offer bottle wine sales. Stan mentioned these items would be discussed in more detail during the new business portion of the meeting.

He mentioned it has been 10 years since the rules & regulations have undergone close review and update, and would be a focus of Covenants Committee this year.

President's comments - continued

The security gatehouse at the main entrance is original to the complex, over 25 years old. As the duties and functions of the Security Department evolve, the Master Council is looking into modernization of the gatehouse, including interior and exterior improvements.

Master Council is following the structural engineer's recommendations for the short term and long term maintenance of the plaza deck.

A recent meeting in North Wildwood hosted by representatives of the US Army Corps of Engineers and the New Jersey Department of Environmental Protection presented a draft study for shore protection. This study includes consideration of construction of 16 ft high dunes along the entire island, and borrowing sand from under water beach areas.

Treasurer's Report: Mike Szelak

Fiscal year to date He reviewed the handout of fiscal year to date April 2013 through February 2014. Total income is under budget \$10,985. Expenses are under budget \$33,006. He projects an overall end of fiscal year balanced Budget, and noted a \$14,000 deficit last fiscal year. Income is under budget because reimbursable payrolls are below projection. Expense reductions are seen in almost all controllable areas.

Cash balances are approximately \$525,000, of which \$477,000 is in reserves. He stated there will be approximately \$258,000 in reserve/deferred maintenance contributions this fiscal year, and approximately \$120,000 in reserve/deferred maintenance expenses in fiscal 2013.

2014 Budget: Mike Szelak

He presented the 2014 fiscal year budget. The \$2,460,908 budget includes a 2% dues increase. A 2% increase translates to \$42,958 total additional dues, and the monthly dues increases range between \$6 to \$8 depending upon unit type.

He reviewed the line item detail in the 2014 budget. The increase is attributed to 2 primary expense allowances: increases across insurances for workers compensation, liability and employee medical premiums, and an additional reserve contribution for long term maintenance to the plaza deck/ocean front hot tub areas.

Stan Cach commented about the detail and expense history involved in the budget development process. Mike Szelak commented that the reserve contribution followed the reserve study recommendations, and the separate reserve for plaza deck/hot tub areas were the result of the structural engineer's recommendations.

Upon a motion by Paul Hoelscher, second by Larry Willis, the 2014 Seapointe Village Master Association operating budget passed as proposed by a 7-0 vote.

Manager's report: Jim Yost

It has been a relatively uneventful off-season with routine off-season maintenance projects. The cold weather posed additional challenges preventing and finding broken water pipes, dealing with snow and ice.

The village-wide budget challenges this year revolve around insurances (property, flood, and for Master the employee medical premiums and workers compensation); and funding annual reserve contributions to recommended levels in the updated reserve studies.

Recent legislation may lessen the impact on flood insurance premiums, but we are still following up to better grasp the perceived inequities in flood insurance premiums for the buildings at Seapointe.

Lower Township conducted a re-assessment of all properties in the Township. The revised assessment of Diamond Beach was a bit lower than the rest of the Township, 12.54% reduction compared to 11.61% overall. In the past, the tax base had shifted towards Diamond Beach. From an assessment point of view, Seapointe did even better, showing an average 19.24% reduction in assessment compared to 11.61% overall. Everything else being equal, that means we now pay a smaller share of the property tax burden.

A total of 55 Seapointe Village condos (SPV & Ibis) are in the multi-listing. There have been 2 resales to date this calendar year, (1-406 & 5-317) plus 2 under contract as of March 4th (1-419 & 2-714).

Water heater inspection in the five multi-family buildings shows there are 80 original water heaters remaining. He reminded owners that in the \$25,000 deductible for water damage insurance claims will be charged to the owner of original water heaters if the original heater fails and causes damage.

The trellis will be coated before the season.

SV IV and II have meetings this weekend.

Committee reports:

Landscaping: Jim Yost

The pre-season landscaping cleanup and mulching begins in coming weeks. Habermans is using the Cape Organic mulch again 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 2014 plantings plan follows the 2013 plan with additional white flowers. The arborist will be inspecting the property this past week. A few trees and pines will be replaced before the season.

Beach: Jim Yost

Beach Firepit We are working with our consulting engineers at Lomax Consulting and Hatch Mott McDonald regarding permit renewal and modifications for the beach firepit. After conversations with DEP representatives at Land Use, they determined a permit modification is required to run the gas line thru the dunes. This involves not only paperwork but site survey as well. The conduit will follow the South Beach boardwalk to the beach. Following this path will result in minimal disturbance to the dunes. Once at the beach, the gas line will run across the beach in front of the dunes to an area near the deli-trailer, where it can run under the sand to the fire pit. This permit modification process should be complete by beginning of July. As part of this permit modification, we are including the option for additional seasonal beach structures, such as additional gazebos and beach storage lockers.

Shore Protection Study

On Friday February 21st, representatives from US Army Corps of Engineers and NJ DEP conducted a public hearing regarding a draft report on shore protection from Hereford Inlet to Cape May Inlet (essentially along the entire length of the Wildwoods island). This report recommended construction of dunes along the entire length of the island to a height of 15 ft, and using beach sand already present on Wildwood and Wildwood Crest beaches. Use of existing sand would alleviate blockage of existing outfall lines in Wildwood and Wildwood Crest, reduce street flooding during heavy rainfalls, and was determined to be the least cost alternative than addressed all identified objectives. Of note, the report shows construction of this new dune across the existing Seapointe dunes. NJDEP representatives indicated they expect little to no work to be done on the Lower Township beaches, apparently contradicting what is shown on the plan. Public feedback has been mixed, but predominantly negative. The plan would greatly benefit North Wildwood, and NW officials are quietly supportive. Wildwood public officials are publicly against the plan. Wildwood Crest officials have been apolitical in their comments. Public comment about the plan at the hearing was generally negative, raising valid concerns and objections about cost, dune height and construction, and possible after-effects. Earliest construction would begin would be in 2016.

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.
landing.

Pools: Jim Yost

Pre-season work will begin March 24. No major pre-season projects are planned, other than sandblasting and bonding work at the Centre Court pool. Off-season projects completed include: bonding certification at oceanfront and Garden pools; Ibis filter sand was changed in all filters; Ibis pool motor rebuilt; new heater for Ibis pool. Pre-season work to be done includes repair of tile at Centre Court slide, install a water meter for front pool and repair a frozen spigot water line at the Ibis pool.

Pools, continued

Steve McBride & Todd Nally 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. Stump will return to conduct Red Cross certifications.

A copy of the 2014 hours of operation for recreational facilities was distributed.

Personnel & Security: Elly Bernstein

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. The beach tag efforts will again include a gazebo at the north end of the beach, but additional tag checking efforts at the south end of the beach

Unfinished Business:

Sulfur smell in water

Summary of Seapointe Village homeowner sulfur smell survey – there were 84 responses from SV owners. 45 experience(d) sulfur smell at some time. / 39 did not. Majority of those experiencing odor report it is a temporary issue when returning to the condo after an absence, or a pre-season occurrence only, and odor goes away after a few minutes of running the hot water.

13 responses of the 45 indicate the odor persists for more than a flushing/draining of the water heater tank. The 13 are located in the North Beach, South Beach, Pinnacle and Garden Residences. Of those, 7 have new (less than 2 years old) water heaters, six have heaters more than 4 years old. Six of these same 13 owners report some degree of sulfur odor from cold water as well as hot.

It is difficult to draw a conclusion as to the source and extent of this sulfur smell problem based on responses. There is no apparent commonality or pattern as to why these 13 unit owners are having problems and other unit owners (located in immediate vicinity either next door, or in the unit immediately above or below these 13 units) are not.

The Wildwood Water Utility (WWU) has been conducting testing at the water mains serving Seapointe. The most recent rounds of testing shows low plate counts (desirable) and no iron or sulfur bacteria in the water supply. Their test results for all bacteria and nitrates were significantly below State and Federal Standards.

WWU workers have been flushing lines in Diamond Beach every other day thru the winter. Flushing the lines to prevent stagnation is alleviating some of the issues, but intermittent use is the problem. He commented that stagnant water loses its chlorine residual, which in turn can contribute to bacteria growth which by-products cause the sulfur smell.

This same sulfur smell has been reported by other condominiums in Diamond Beach, most recently a strong odor reported about 3 weeks ago by 15-20 units in La Quinta Towers. All domestic water service in Diamond Beach is provided by the WWU.

New Business:

Gatehouse expansion

Master Council has been considering expansion and improvements to the security gatehouse to improve functionality and for future modernization. Plans are in preliminary stage, and Jim Yost met with Jack Morey and Rich Stokes at Seapointe on Sunday February 16th to discuss ideas and design concepts. They have been working on the proposed expansion plan, with improvements can be made to accommodate the existing needs as well as to make quite an enhancement to the pedestrian walk up crowd, and at the same time integrating the appearance with better landscaping and a better parking placement for the security golf cart.

Bottle Wine Sales on the Beach

Brian Balestreire made a presentation to the Master Council regarding a proposal to team with Hawk Haven Winery to permit sales of bottle wine at the beach. He is looking to enhance afternoon and evening activities and deli-hut sales.

His plan includes a separate gazebo for the wine sales; price per bottle in the \$20-\$40 range; expanding sales of appetizers, more healthy food choices, and theme evenings with movies and music.

Master Council will follow through to ensure proper safeguards, insurances, licenses and indemnifications are in place. A survey will be distributed for homeowner feedback to Master Council to determine if Brian will be allowed to pursue this plan.

Public Comment

7-320 supports ideas to improve the beach experience

3-610 Supports the beach firepit and movie nights, suggests a pig roast.

1-410 concerns about safety at the beach firepit

4-316 would like to see Master Council do more about complaints about rental guests and to protect owners to the realtors. Ben Martorana accepted the role to followup with local realtors to improve awareness of SPV rules, regulations, policies and procedures.

5-110 concerned about dune height and sign lines under the proposed shore protection plan.

5-203 commented that realtors don't talk to the SPV owners.

2-715 commented that leases have the rules included as part of the lease form.

2-404 not just realtors, issues are with rental guests.

1-410 suggests Master Council change policy about color of balcony furniture.

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