

SEAPOINTE VILLAGE MASTER ASSOCIATION
Annual Meeting - Saturday, May 28, 2022
Conducted via videoconference

Meeting called to order at 9:03 am

Roll Call:	SPV I – Joe Panepinto	SPV II – Stan Cach
	SPV III – Ben Martorana	SPV IV – John Ferrara
	SPV V – Mike Szelak	SPV VI – Elly Bernstein - AWR
	SPV VII – absent	

Proof of notice was distributed to homeowners on May 6, 2022.

Approximately 80 homeowners were also in attendance.

Approval of minutes

Upon motion by Panepinto, second by Ferrara, the minutes of SPV Master Meeting held March 5, 2022 were accepted by consent as presented.

Opening Comments: Stan Cach

Welcome to the Seapointe Village Master Association Annual Meeting. During your weekend, we remind you to keep in mind those veterans, first responders, and their families sacrificing for our benefit. Moment of silence in honor of veterans service/Memorial Day. Memorial Day is a day to honor and extend gratitude to the men and women who gave the ultimate sacrifice while serving in the US Military. Across the country there are legion services and exhibits to recognize our fallen brothers and sisters. He also thanked any Seapointe Village residents who have served.

An email was sent to all owners including meeting handouts and the link to this video-meeting. Please make sure you maintain a current email address with the Management Office.

Please keep vigilant regarding infection prevention measures. In New Jersey, reported cases of COVID are much higher compared to the past few months. Seapointe Village will continue to abide by NJ DOH and CDC guidelines to ensure the health and safety of our residents, family and guests. He thanked the owners for their cooperation and thanked the staff for the efforts to keep our residents and guests safe.

The Annual Meeting is the traditional start of the summer season at Seapointe. The landscaping and flowers, colors, coordination and selection are vibrant and magnificent, the pools and beach are inviting and look alive.

The Seapointe Village Mission Statement is to preserve, protect and enhance the quality of life at Seapointe Village. Seapointe Village Master Council continues its agenda to be in line with our mission, while being aware of owner feedback guiding Master Council actions to adjust service levels and enhance/expand amenities

The Master budget for the fiscal year ended 3/31/2022 had an significant deficit, attributed to significantly higher wage costs, increases in insurance premiums and overall inflationary factors. We continue to make improvements and replacement to facilities and equipment this off-season. Details about these items will follow during the Treasurer's Report.

Our biggest challenge this summer is to deal with the severe labor shortage and skyrocketing wage rates. Our primary objective continues to be retaining current staff, compensate them fairly with hopes that we maintain adequate staffing levels to sustain expected services to Seapointe Village residents. The competition for qualified and competent staff this season at the shore has been overwhelming. Morey's Piers is advertising \$16.50/hour for summer staff. (Last year they were advertising \$15.00/hr). The season will be a fragile balance of adequate staff providing expected services.

Shore Protection Project appears to be commencing Fall 2023. North Wildwood and Wildwood Crest have already entered into State Aid Agreements with the DEP. Wildwood and Lower Township have not. The Master Council strategy continues to be to work with our consultants, monitoring government actions, and determining best long-term strategy for Seapointe.

We will collaborate with State, County and local government officials regarding Seapointe's interest and objectives. Brief background; in 2015 we retained Dr. Stewart Farrell from Stockton University Coastal Research Center as our expert and consultant.

This off-season we plan to extend the stormwater outfall pipe on the northern property line 300 ft. Because of sand accretion since 2009, the present outfall is covered with sand and well short of the water. We are awaiting the necessary permits, and our engineers have already received and evaluated the bids.

This past off-season we upgraded the storm water drainage system at the southern side of the Village by upgrading pumps, increasing size of underground pipes and installing a backup generator so the stormwater pumps will continue to operate in event of an electrical power outage.

The dunes in front of the plaza deck serve to protect our property from tidal surges in event of severe tidal flooding, but you may not be aware that the dunes were constructed to also serve as a stormwater drainage field. We periodically inspect and clean the access chambers, which we did this Spring.

Reminder to all owners to replace original appliances, minimize chances of water damage by changing water heaters, ice maker lines, washer hoses, and to turn off water when leaving your home. And we suggest homeowners have insurance and make sure the contractors they use to perform services in your homes also have insurance certificates.

Also, for those owners living in the multi-family buildings, please consult with the Management Office if you are having any plumbing work to ensure your contractor knows where the water shut off valve to your unit is located within the building. Remind all owners that should you hire a contractor, guidelines are available in the Management Office. Contractors should be licensed, bonded and insured.

For many owners that have not been at Seapointe Village since Fall, please be aware that longtime Master Council member Gene Rozzi passed away in January. A memorial will be held sometime this summer.

Also, a special thanks to longtime Master Council member Anton Lemli. Anton and his family were owners at Seapointe Village since 1998 and recently purchased in Cape May and sold their townhome.

Manager's report: Jim Yost

The staff has been working to maintain the village infrastructure, facilities and amenities, plaza deck beach and pools.

The biggest challenge this summer is maintaining staffing levels to provide expected services. Staffing shortages are impacting the Shore and almost all seasonal businesses. High starting wage rates, lower than expected number of foreign student workers, fewer workers from outside mainland US, lack of affordable housing and the change in how younger workers approach employment are all impacting the labor market. The hourly rates being offered this year are at least 10% higher compared to previous years. Economic conditions at the shore have reduced housing inventory for summer staff.

Master Council continues to monitor the Shore Protection Project, FEMA flood insurance concerns, and the impact of graduated minimum wage increases.

Safety continues to be of importance: the inter-local agreement with Wildwood Crest providing first response coverage for fire alarms continues, LTPD and First Response will be present in Diamond Beach.

He noted Village strengths: landscaping, pools and the beach. He noted the staff experience and professionalism – supervisors, full time year round staff and many returning seasonal staff.

Swiftreach community outreach notification service in place, broadcast email & text.

ACH for automatic condo fee payment is in place. 35% participation at present. There is no charge to participating homeowners. Participation is voluntary.

Resale activity continues to be strong - (by end of May there will be 7 sold year to date). Few units in the multi-list. SV Realty reports rental activity year to date is ahead of last year.

The ParkMobile parking ap started on Memphis Avenue last year remains in place and has been extended to the diagonal spaces on Seaview Avenue. Use your parking tag to avoid paying.

Association Management Office hours are 9 AM – 5 PM daily thru Labor Day.

Coronavirus related

We closely monitor announcements by the State of New Jersey Dept of Health and the CDC and follow their guidelines.

If you feel more comfortable wearing your mask you may continue to do so. If you have not been fully vaccinated, we are strongly encouraging you to follow CDC guidance and wear a face mask in any indoor public setting.

Treasurer's Report

Financial Review – Preliminary financial statements for fiscal year April 2021 through March 2022 operating performance compared to budget indicate:

Income is over budget by \$45,259. Expenses are over budget by \$308,067.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$2,881,879	+\$45,259	1.6%
Administrative fees	\$31,124	+\$13,874	Resale activity
Reimbursable payroll	\$206,023	+\$1,023	Custodial / Maintenance
Miscellaneous income	\$101,512	+\$30,362	Beach tags, parking
TOTAL EXPENDITURES	\$2,857,123	+\$308,067	12.1%
Professional services	\$68,365	+\$12,115	
Insurance	\$187,401	+\$21,701	Com Pkg premiums
Maintenance expenses	\$98,612	+\$47,613	
Beach related expenses	\$64,603	+\$16,603	Tent/lockers/grading
Pool Operations	\$109,438	+\$39,438	
Security supplies	\$14,917	+\$2,417	
Payroll & related	\$1,411,038	+\$181,538	
Trash	\$16,356	-\$11,644	
Electric	\$98,856	-\$11,244	
Gas	\$38,103	-\$14,647	
Water	\$154,432	+\$19,432	
NET INCOME	(\$42,921)		1.51% negative variance (including PPP funds)

2021-2022 fiscal year account balances & related fiscal issues

As of May 5, 2022, Master Association cash is \$1,192,014. Total combined reserve accounts equal \$1,019,520 (\$1,127,794 last year).

<u>Account Balances</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating/Payroll	\$172,494	\$105,334	\$88,705	\$204,537
Capital Reserve	\$940,902	\$1,048,405	\$810,703	\$484,445
Deferred Maintenance	\$78,618	\$79,389	\$47,218	\$146,763
TOTAL	\$1,192,014	1,233,128	\$946,626	\$935,745
Rehab Assessment		\$97,773	\$202,827	\$457,508
TOTAL	\$1,192,014	\$1,330,901	\$1,149,453	\$1,293,253
Balance on line of credit		-\$0-	\$137,789	\$784,463

Year end accounting

RKL will perform the 3/31/2022 work for Master and villages. Draft financial statements will be issued by early August, and final statements by Labor Day. This is their first year of service.

Plaza Deck Assessment Update

\$10,743 (0.26%) is still outstanding from 6 owners. Open balance report is attached. Should be paid off by December 2022.

Reserve Replacement / Deferred Maintenance expenses fiscal year to date - \$261,100

Reserve Replacement / Deferred Maintenance expenses during 2021-2022 fiscal year to date are \$261,100, \$246,446 of which is classified as Reserve Replacement and \$11,354 is classed as Deferred Maintenance. Detail shown below.

<u>Reserve for Replacement</u>	<u>\$246,446</u>	<u>Deferred Maintenance</u>	<u>\$14,654</u>
Beach walkways	\$56,704	Plaza deck caulking	\$11,354
Tractor	\$43,978	Drainage field cleaning	\$3,300
Centre Court pumproom	\$22,500 (pending)		
Stormwater upgrades	\$20,861		
Lounge chair restrapping	\$18,411		
Stormwater outfall engineering	\$24,319		
Gatehouse architecture	\$10,115		
Security system wiring	\$14,055		
Access gates (3)	\$9,000		
Golf cart for Security	\$5,651		
Sitework	\$8,905		
Pool sitework	\$3,395		
Memorial benches	\$3,416		
BBQ grills (3)	\$2,716		
Beach mats for tent	\$2,576		
Beach Tiki hut canopies	\$2,163		

2022 Master Association Budget - \$3,008,244 (6.1%) Increase

The 2022 Master Association budget was finalized with a 5.5% increase in condo fees.

The 2022 operating budget increases by \$171,624. (6.1%)

What increased and why:

\$125,960 (10.2%) increase for payroll and wage taxes, most of which is driven by the difficult local labor market and the minimum starting wage at \$15

\$18,200 (13.5%) increase in water expense (high usage in summer quarter)

\$15,000 (21.4%) increase in pool/spa operating and maintenance expenses

\$9,000 (20.0%) increase in gas

\$9,000 (16%) increase in engineering fees

\$8,172 (2.8%) increase in reserve contributions

\$7,000 (4.2%) increase in insurance premiums

Master fees for the 2022-2023 fiscal year (compared to prior year) are as shown below.

	<u>2022-2023</u>	<u>2021-2022</u>	<u>Change</u>	<u>%</u>
One bedroom	\$344	\$327	\$17	5.2%
One bedroom / den	\$387	\$367	\$20	5.4%
Tow bedroom	\$429	\$407	\$22	5.4%
Two bedroom / den & larger	\$513	\$486	\$27	5.5%

Same as last year, the budget handout includes a 3-page handout explaining components of each of the budget line items.

Treasurer's report was accepted 5-0.

Landscaping

The pre-season landscaping work is complete. Flowers arrived April 26th. The flower plan for 2022 includes with begonia salvia, verbena and geraniums. Red annuals have been planted on Dune Drive. The week after we planted, overnight temperatures dropped to freezing, which adversely affected the pots. We have some additional plants to add to the pots. The landscaping and arborist have been closely monitoring the shrubs and trees throughout the village.

Beach

Amenities were placed on the beach starting the last week in April. The beach layout and additional amenities, including walkways and connectors, the Ibis Lane landing, tiki umbrellas, volleyball and tetherball generally follow past years layout.

Total of 90 beach lockers, of which 18 storage lockers have been placed at the north end of the beach.

The beach grill will be open Friday through Monday of Memorial Day Weekend, then weekends through June 12th. It will be open daily from June 18th through Labor Day. The fall hours of operation will be occupancy dependent.

Once again this year, beach tents and canopies are restricted to back beach areas. Also, our northern and southern boundaries will be delineated with decorative bollards and rope along with signage, to assist our beach ambassadors in monitoring activity.

The US Fish and Wildlife Service has again closed the beaches south of Diamond Beach from April 1 thru September 30 to protect migratory shorebirds.

Pools

All the pools and spas are operating, and all equipment is working.

Mike Damico is supervising the department. Jen Ricker is returning as beach staff supervisor. A few from last year's pool guard staff will be returning and have had a few locals apply.

Mike has been certified as a CPO and to perform pool lifeguard training and certification. Training and certification sessions are scheduled in June. Staffing is expected to be a significant challenge in Aquatics this season.

Cape May County Dept of Health conducted an unannounced pre-season inspection of the aquatics facilities in mid-May and all facilities passed the pre-season inspection.

Personnel & Security

Seapointe Village benefits from experienced department heads, pre-season planning, and (hopefully) returning seasonal staff.

Mel Casanova leads the Custodial Department. Besides the full time year round staff, most expected seasonal staff are returnees. Currently have 11 staff members, staffing standards call for 20 in peak season.

Mike Siner oversees the Maintenance Department, which did an efficient job this off-season completing projects throughout the village. Currently have an opening for one full-time, year-round maintenance mechanic.

Roger Eckhart is the Security Supervisor. The department has mostly returning staff. Staffing standards call for 540 hours per week in peak season, we expect to be 120 hours short at this time.

Unfinished Business

Shore Protection Project

The Project is currently scheduled to start in the Fall of 2023 and last through Spring 2024. The Project will take 6-8 months to complete. The Project involves constructing approximately 25,000 linear feet of dunes 16 ft nav height and 25 ft crest width. Sand for the Project will be taken from beach and underwater areas of Wildwood and Wildwood Crest and pumped to the dunes throughout the island. The initial cost of the Project is \$21million, funded 65% by the federal government and 35% by the State. Renourishment for the remainder of the 50-year project is funded 50/50 between the State and federal government.

Chris Constantino, DEP Project Manager offered no new details on the Project beyond what has been presented in the 2018 version of the 65% Plan. He stated the DEP is working on the 90% plans which still show no sand harvesting south of Jefferson Avenue. The DEP expects the Township to sign the SAA before 90% plans are made public. His powerpoint presentation has been posted on the spvma website.

So far, North Wildwood and Wildwood Crest have signed their respective State Aid Agreements. Wildwood and Lower Township have not at this point in time. Agreements are expected to be signed by the summer. Once this Agreement is signed by Lower Township the DEP will begin to negotiate easements with the private beach owners in Lower Township for construction of the dunes. The DEP will require the private property owners to sign a perpetual easement that allows the State to construct and maintain the dunes for the 50-year life of the Project.

Since all of the oceanfront in Lower Township is privately owned, Township officials made it clear they want no responsibility for maintaining the beach nor incurring any cost going forward

Seapointe will be requesting to include the dune walkovers within the construction costs funded by the State/Federal governments. Construction on our property is being planned for an access pier/ramp system for all four private property owners.

Seapointe Village wants to retain ownership of the dunes and will suggest an access easement, to allow the USACOE and NJ DEP to come onto Seapointe property to inspect and enhance dunes to the current standard, while the Seapointe Village retains ownership.

Club License

The Club License application and supporting information has been submitted to Lower Township and forwarded to the State. A club license does not permit a profit. In order to qualify for a club license the applicant must be a bona fide club meaning “an organization, corporation or association controlled by and consisting of 60 or more persons, of legal drinking age, operating solely for benevolent, charitable, fraternal, social, religious, recreational, athletic or similar purposes and not for private gain.”

The Master Council will prepare an online homeowner survey asked if they support this, and if so, what would they like to see.

New Business

Stormwater Outfall Extension

The stormwater outfall waterfront development permit application has been submitted to the DEP. Lower Township has granted our site plan application for the 306’ extension. The outfall pipe is 36” diameter and the bottom of pipe would be about 1’ above the seafloor.

Our project engineer Mott MacDonald prepared the bid documents and handled the competitive bid solicitation and evaluation. Six contractors were identified and solicited for bids. Four responded. A Larsen Construction was the low bidder at \$269,250. Next lowest bid was \$419,000 from Walters Marine (Walters performed the 2009 outfall extension). The outfall extension will start no earlier than September 26,2022 and is expected to be complete by November 30, 2022.

Upon motion by Ferrara, second by Panepinto, the stormwater outfall extension proposal submitted by A Larsen Construction in the amount of \$269,250 was accepted and authorized by a 5-0 vote. This project will be funded from the reserve account.

Dune drainage system

Video-Pipe Services attempted to clean and video the drainage field under the dunes in April. They worked for 2 ½ days, of which almost 2 days was just pumping out water from the system. They were able to clean two of the catch basins on the south side of the dunes. Cost was approximately \$18,400.

Reserve for Master Plan / Anticipated Projects

<u>Project</u>	<u>Timeframe</u>	<u>Budget</u>
Outfall extension	2021-2022 off-season	\$350,000
Gatehouse / front entry	2022-2023 off-season?	\$200,000
Dunes / walkovers	2022-2023 off-season	\$450,000
Street repaving	in the coming 5 years	\$200,000 Twp participation?
Garden pool & lagoon	2023-2024?	Unknown
Centre Court pool	after Garden pool	Unknown
Storm water system	TBD	Unknown

Main Entry / gatehouse

We are working with a consultant to develop options for a refreshed design of the main entrance and gatehouse. The gatehouse will be expanded to allow a security function upgrade to properly monitor the village and to perform their tasks and duties.

The gate access system has had periodic operational and communication issues. The system is over 10 years old. We are looking into a new access control system that satisfies our requirements and has a comprehensive service program for support. The Board authorized \$15,000 for a new access control system. These projects will be funded from reserve account.

Sales/Rental Report

Few Seapointe Village condos (SPV & Ibis) is currently in the multi-listing. There have been seven resales to date this calendar year.

SV Realty reports their rental inventory has decreased approximately 20% in just 2 years. They report strong rental demand and their inventory of rental periods is nearly sold out.

Homeowner Passings

Phil Schettone	Pinnacle 712	March 16 (original owner)
Other passings of note		
Buck Purdy	Merrell & Garaguso	January 5
Tim Fitzpatrick	Crest Tavern	March 9

Public Comment

Question about club license. Only bona fide members are allowed to purchase alcohol. Seapointe will follow ABC laws.

Comment that the pool monitors should rotate and move around the pool facilities.

Suggestion that a QR code should be used for gate access.

Question about the Shore Protection Project. Response that the draft State Aid Agreement has many mis-statements of fact that Seapointe has challenged.

There were no further questions, and the meeting was adjourned at 10:15am.