# BAYBRIDGE HOMEOWNERS ASSOCIATION, INC.

OWNERS MEETING

JANUARY 21, 2012

******Effective February 1st: dues will increase to $454.00 per month.******

MINUTES

**CALL TO ORDER**

Michael Driscoll, President, called the meeting to order at 9:30 a.m. The Board of Directors introduced themselves. The roll was called, and proxies were certified. There were sixteen (16) owners present and twenty-one (21) proxies on hand for a total of thirty-seven (37) units represented. A quorum was established for the meeting.

Ray Etheridge presented a signed affidavit stating that he had mailed a "Notice of Meeting" to all owners.

Dick Baker made a motion to approve the minutes of the 2011 Annual Membership Meeting. Greg Harrison seconded, and the motion passed unanimously.

**OFFICERS REPORT**

*BAY BRIDGE REPLACEMENT*

Tom Belger and Michael Driscoll reported on the Bay Bridge replacement. Michael stated that the city is leaning toward the east corridor because of the business interest on the west side of the existing bridge. Tom Belger discussed that the committee, which is now an ad hoc committee to monitor the bridge replacement and present the interest of Baybridge Homeowners Association, be made into a permanent committee. After a brief discussion, Greg Harrison made a motion that this ad hoc committee be made permanent. Dick Baker seconded, and the motion passed unanimously. The committee presently consists of Tom Belger, Laura Ford, and Gale Larkin.

It was further discussed that if the east corridor of the new bridge is approved, it would impact Baybridge heavily. The traffic lane would be almost under the windows of unit 46 at Baybridge and may even impact some homes in the Baybridge Villas area as well as possibly impacting the tennis courts. It appears that many entities are now leaning toward the east or west central location. There is also a study being made, and a toll for the new bridge is being considered. This is being pushed, to some degree, by the state. Clay Jennings requested that Baybridge send a letter to the authorities stating the Baybridge position on the location of the new bridge.

*PARAMOUNT/HYDRO-STOP LAWSUIT*

Dick Baker reported on the roofing litigation against Paramount, Hydro-Stop, and Roof USA. Several units are still leaking and have been for some years. We are currently in litigation, and the Association is advised not to make any repairs until this litigation is settled. It is hoped that our attorney fees, which now total over $20,000.00, will be reimbursed as part of the settlement. Any repairs by the Association at this time would likely void the warranty and damage the Association's case against these contractors.

One owner stated that he had recently lost his garage opener because of the water leaking into his garage. It is hoped and believed that this lawsuit will be settled soon so these repairs can be made.

*BOARD-APPROVED PROJECTS*

At its August meeting, the Board clarified "betterments".

**POLICY, for Baybridge capital improvements for/to common property**

The Association's By Laws include in paragraph 5.2 Budgets a provision for "Betterments", funds used for capital expenditures for additional improvements or additional personal property that will be part of the common elements. This is different from funds used for maintenance, repair and replacement of common property.

Annually in the fall the board of directors prepares a budget for the following calendar/fiscal year which may (or may not) include specific items of "Betterments". Additionally, the budget may include a general allocation for "Betterments" which may not exceed $5,000, which can be used for items during the year voted and approved by the board. No such voted single expenditure of the general allocation for "Betterments" may exceed $500. It is anticipated that in most years no expenditure for Betterments will be made, and amounts included as a general allocation in the budget which are not spent or committed during the year may not be carried over to future years.

Two projects which had been approved by the Board—one in 2009 and the other in 2011—had been questioned by owners, who considered these projects to be betterments.

One item discussed was the Beach Restoration Project completed in 2009. The cost of this project was $16,020.91 broken down as follows:

- Rip rap, the grey granite stone—$8,000.00
- Sand replacement—$6,000.00
- Mobilization costs—$800.00
- Sea oats (purchase and installation)—$1,220.91

***The Board decided in 2009 that this was NOT a "betterment".***

The new flagpole, which was installed in 2011, cost a total of $2,153.00 broken down as follows:

- The cost of the flagpole—$1,653.00
- Installation of new pad—$500.00

***In August after its completion, the Board agreed this was a "betterment", and our policy would require different procedures.***

Dick Baker read the policy of the Board regarding betterments, which was approved at our August 2011 meeting. The Board further iterated that this policy would be followed.

*DECEMBER BOARD MEETING*

Tom Belger brought up the subject of our budget meetings and made a motion that the Board have their meetings in December (rather than November) for budget purposes. This motion was seconded and passed unanimously.

**2012 PROPOSED BUDGET**

Dick Baker discussed the proposed budget and whether to reserve for painting as part of the new budget. Currently we are not budgeting for painting, and when painting is done several years from now, a large special assessment would be required. It takes a vote of the owners to not reserve for painting. Dick asked for opinions from the owners present regarding the reserve for painting. It seems that the owners are split on this decision, and the vast majority of the proxies which were returned voted in favor of not funding the reserve for painting. Several owners commented that the proxy language was confusing.

The budget, without reserve for painting, would require an increase in monthly assessments from $399.00 per month to $454.00. This is primarily due to an increase in insurance costs. After some discussion, Dick Baker made a motion to approve the 2012 budget without painting reserves. Tom Belger seconded this motion, which was approved.

**ELECTION OF DIRECTORS**

Michael Driscoll announced the Directors for 2012 as follows:

- Dick Baker
- Tom Belger
- Doug Caddell
- Michael Driscoll
- Laura Ford
- Gregory Harrison

**GENERAL DISCUSSION**

It was discussed that an owner is using the Association's tennis courts to give lessons and is charging a fee for this. The question arose about the Association's liability in this case. Ray was asked to check with our insurance, and possibly attorney, to determine if this increases our liability, and what should be done in this regard.

Mrs. Jennings discussed having a dinner for the Association owners. She was asked to proceed with setting a time and date, and to post a notice on the bulletin board for all owners to attend at their discretion.

**ADJOURNMENT**

There was no further business, and the meeting adjourned at 11:40 a.m.

Respectfully Submitted,

Ray O. Etheridge