BAYBRIDGE HOMEOWNERS ASSOCIATION, INC.
OWNERS MEETING
JANUARY 16, 2010

MINUTES

CALL TO ORDER

The meeting was called to order at 9:35 a.m. by Association Manager, Ray Etheridge. The roll was called and proxies certified. There were sixteen (16) proxies on hand, and seven (7) owners present for a total of twenty-three (23) units represented. A quorum was not established for the meeting. A quorum requires a majority of owners and only twenty-three (23) were present in person or by proxy. The options were discussed as whether to have another meeting, or proceed with this meeting, informing all owners through these Minutes, that a quorum was not established. Owners present decided to proceed with the meeting.

Ray Etheridge presented a signed affidavit stating he had mailed a "Notice of Meeting" to all owners. Mr. Butler made a motion to wave reading and approve the minutes of the Owners Meeting on January 24, 2009. Doug Caddell seconded this motion, which passed unanimously.

2009 PROJECTS COMPLETED

Ray Etheridge briefly discussed a number of projects that the Association has completed in 2009.

Additional sand and sea oats had been added to the beach, the drain at the north end of the property had been repaired and improved to better take the water from that end of the property, and a retention pond added on the immediate west side of Building #14, a tennis court building. Additional riprap had also been installed in some areas of our seawall. In addition, panels had been installed to help prevent wind from entering into the units on blustery days on the waterside units. The biggest project was painting. Painting is near completion except for touch up or any peeling that may have occurred on doors or the like, due to perhaps some inclement weather. Owners asked a question regarding the steps that were painted, which were not part of the original contract. Ray informed the owners that there had been some calls regarding the painting of the steps. Some looked bad and needed painting, and others were not so bad. The decision was made to paint all steps on the property. The total cost of this was $2,800.00. (Upon checking the invoice, the cost of the painting of the steps was actually $2,300.00) There was also a brief discussion regarding the painting of the entry doors and the garage doors. These items are normally an "At Owners Expense". The Association had painted them when the buildings were painted, as part of the contract.

2010 BOARD OF DIRECTORS

Ray Etheridge announced the Board of Directors for 2010 as follows:

Dick Baker, Unit #84
Doug Caddell, Unit #118
Michael Dricoll, Unit #98
Gregory Harrison, Unit #110

There was discussion following regarding the number of Directors at the Association. The Association must have a minimum of three (3) Directors, with a maximum of eleven (11). An owner present discussed that we needed to have an odd number, that this helped us establish a quorum. With four (4) Directors, you need three (3) for a quorum, and with five (5) Directors, you still need only three (3) for a quorum. A suggestion was made that the Board of Directors appoint another Board Member at their next meeting. The Board also will have to elect Officers at their meeting. We do not have the quorum of Directors present in order to establish a meeting to elect Officers as we normally do, immediately following our Owners meeting. There were three (3) owners present who stated that they would be willing to serve on the Board if appointed by the current Board of Directors, as listed above.

PROPERTY UPDATE

Several items of business were discussed. Sam Tucker had taken pictures and had looked at some areas on the north end of the property. Sam suggested that some additional riprap might be needed at the north end, particularly on Building #9. Sam also stated that he and Betty Cornett had been assigned to define the word "betterment" and to suggest changes to the Declaration of Condominiums, or the By-laws of the Association. Sam stated that he had looked in the dictionary and "betterment" was obviously an improvement to the property. The Board has guidelines that they should follow anytime "betterment" is done on the property. In addition, he and Ms. Cornett recommended no changes be made to the Declaration of Condominium or the By-laws.

CONTRACTORS

We also discussed that the Association may need to do a better job of checking contractors and that some or our recent painting contractors had been convicted of offences and probably should not have been allowed on the property. It was discussed "when" our general contractor was made aware, and this owner was not sure if our general contractor was aware of these offences before the contract, but at least he knew about them during the middle of the contract. This owner suggested that we investigate contractors before we bring them on site.

PAINT COLOR/LEAKS

The color of the paint was also discussed. Some owners present felt that all owners should have had an opinion in any decisions made as major as changing the color of the property. They stated that this should have been on the Agenda, so that they would have known that there was a color change being discussed, and could have had some input into this important decision. It was also discussed that the contractors still have paint on decks that they need to clean, the aluminum railings that need to be removed, and on windows. Ray was asked to call Marty Esposito and have these corrections made as quickly as possible. Also, we still have some leaks on the property. One (1) of the leaks is located in the garage. Ray stated that he will get with Marty next week and see where we are, and if Marty is unable to make the needed repairs to stop these leaks, a Contractor will need to be called in order to make every effort to get these leaks repaired. Mr. & Mrs. Butler in Unit #70 reported that they have had a leak in their master bedroom for some time, which has not been repaired. Ray stated that this had been a common problem in the past that he knew probably where the leak was coming in at, and again, he'll get with Marty next week and make repairs to this area of the roof over Unit #70. Any other owner who has a garage window or any type of leak, please call Etheridge Property Management at 484-2611 and report it to Ray, who will then get with Marty.

SEA OATS/BALCONY & DECK RAILS

A question also arose as to where we purchased the sea oats and who actually planted them. Ray stated that the sea oats were purchased from a separate company, a landscape company Garden Gate. Garden Gate also installed the sea oats. The total cost of the sea oats and installation were $1,071.00. The rails on balcony and decks were discussed. It was asked if these had been part of the painting contract and if all contractors had bid on the same specifications. These rails were not part of any of the proposals. It was said that it may cost as much to repair these rails, as would be to replace them. Ray stated that repairs should be done on an as needed basis and if anyone present had a spindle, or any balcony rail that needed repairs, to please call his office and he would have Marty make these repairs as needed. Owners present stated they did not want another big project at this time. Mrs. Cornett in Unit #90 stated that she thought her unit might be settling, and that this building was not jacked up after the hurricanes. Ray stated he had no knowledge of this, but would discuss with Marty and see if he could find any details and pass them along to Mrs. Cornett.

CLEANING UP AFTER PETS

It was discussed that some pet owners are not cleaning up after their animals. Also, some owners are allowing their pets to run loose, even though they may be with them. Pet owners should ALWAYS have their pets on a leash and must always clean up after them. DO NOT LEAVE ANY FECES ON THE GROUNDS.

Mr. Belcher stated that his wife would be interested in serving on the landscape committee. Ray will present that to the Board of Directors at their first meeting. Also, owners present requested and updated Resident list. We will mail that to all owners with these minutes. In addition, an owner requested that we look at the north entrance. There are some curtains that are hanging down, some lights that are unattractive, and we need to dress up the north entrance into Baybridge. Ray will check on this next week.

2010 PROPOSED BUDGET

Ray Etheridge discussed the proposed budget for 2010. Dick Baker had prepared this budget and was unable to attend this meeting; however, the budget will not require an increase in assessments for 2010. Also, there is no contribution to our Reserve fund for 2010. Ray reviewed the budget by line item and informed owners present that the budget for 2010, shows an increase in management fees and in our maintenance contract; however, the increases went into effect in 2009 and neither one (1) of these contracts will get an increase in 2010. It was also pointed out that our insurance was under budget by approximately $10,000.00 in 2009, and the budget has been decreased somewhat for 2010. The general maintenance was over budget for the year by a substantial amount. Most of this is contributed to the work on the north end of the property for drainage, repairs to the drain, as well as the new retention pond being installed. Ray answered several questions from owners present regarding the budget. It was also discussed that Dick Baker has prepared two (2) scenarios for "painting" reserves. One (1), that painting reserves start in 2011. The other, that they not be funded. This would take owners approval and next time we paint, a "Special Assessment" would be required. These will be looked at in 2011.

2009 AUDIT

It was discussed to have an audit of our 2009 records. Dick Baker reviews the records on a monthly basis and prepares a financial statement, which is usually discussed at our Board of Directors meeting. Owners present felt that an audit was not needed. Tom Belcher made a motion to wave an audit and to have a compilation. Sam Tucker seconded this motion, which passed unanimously.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:45 p.m.

Respectfully Submitted,

Ray O. Etheridge