

*Sandpiper Cay Condominium Owners Association
Board of Directors Meeting
January 18, 2010*

The Sandpiper Cay Condominium Owners Association Board of Directors met on Monday, January 18, 2010 at Village Realty. Steve Kinnier, Pat Ambrose, Liz Puma and Linda Craig were present. Emily Lewis and Ansley Miller were present representing Village Realty. Owners representing five units were present as well.

Mr. Kinnier welcomed everyone to the meeting and asked the Board, the management staff from Village Realty, and the guests to introduce themselves.

Mr. Kinnier opened the floor for comments from owners. Barbara Lawrence asked if there were any frozen pipes with all the cold weather. Ms. Miller stated that she was not aware of any. Ms. Lawrence stated that she had a high water bill and was having a hard time finding out where she had a leak. It was noted that it had been determined that the leak was inside the unit. Ms. Lawrence asked if Village Realty checks units and water meters during the cold months for possible problems. Ms. Lewis replied that they do periodically check on the meters, but not inside any units. Mr. Kinnier asked Village Realty to come up with a recommendation for a standard procedure for inspecting and checking water meters during the winter months.

The approval of the Minutes from November 16, 2009 was next on the agenda. On a motion by Ms. Ambrose and a second by Ms. Craig, the minutes were approved as submitted.

Mr. Kinnier stated that all the owners who had sent letters regarding the Complaint, whether their position on the Board's action was positive or negative, were mailed a response letter at the end of December. The response letter thanked them for their letter and included an excerpt from the November minutes that discussed the Complaint.

Mr. Kinnier went over the Financial Report. A current Balance Sheet, Income Statement, General Ledger Detail Report, Accounts Receivable Report and a year to date Income and Expense Report was presented. Mr. Kinnier stated the numbers on the reports are preliminary and are subject to change once the audit is completed. The Board briefly discussed the charges for the repairs to unit 1807 where the septic backed up in the unit. There was no further discussion on the financial reports.

Ms. Miller presented the Management Report. She stated that she has emailed the accountant the year end numbers that she needed to start the field work for the 2009 Audit.

All approved 2009 financial statements are now posted on the website as requested at the last Board meeting. The approved 2010 Collection Policy is also posted on the website.

The portable basketball system was ordered and has been installed in the tennis courts. It was noted that the alignment of the backboard needed to be adjusted. Ms. Miller stated that maintenance had some difficulty putting it together and that they are still working on getting it straight.

Letters were sent to the mortgage companies of the owners with delinquent accounts. At this time there has not been any response from any of the mortgage companies.

Septic Tanks: Mr. Kinnier had asked Village Realty to check with Atlantic Sewage on what can be done to prevent septic backups and the replacement of drainfields. Brad Granger, Foreman at Atlantic Sewage, said when a combined total of five or more people in both units that share a tank, then the tank should be

pumped every two years. The septic tanks with four or less people should be pumped every three years. This is difficult to track with the visits of some homeowners being sporadic. He recommended a maintenance plan that they are now offering. A brochure was included in the meeting packet. The normal charge is \$125 per tank, but they will offer Sandpiper Cay a discount rate of \$100 per tank. There are a total of 140 tanks, so the total cost would be \$14,000 per year. The plan includes a yearly inspection, a treatment of Bio-Clean, a recording of the solid level and cleaning of the filter. The tank is pumped when the solid level reaches 25% and the inspection fees are waived the year that the tank needs to be pumped. Village Realty recommended going on this program. Although there is no absolute way to prevent a backup, this will help find potential problems sooner and will eliminate having to pump each tank every 2-3 years. After discussion, Mr. Kinnier asked Village Realty to find out if Atlantic Sewage would be able to do the maintenance plan every other year instead of yearly. Ms. Craig stated that she talked to the Dare County Health Department about septic tanks and drainfields and that they indicated they give presentations to the public to educate on both topics. She thought this would be a good presentation to have at the Annual Meeting. The rest of the Board agreed and Ms. Craig stated that she will coordinate this for the Annual Meeting.

An updated spreadsheet on the septic pumping was included in the meeting packet. It now includes a list of the drainfields that have been replaced. Village Realty recommends having the tanks that have not been pumped in the last three years pumped or inspected. Atlantic Sewage initially only pumped the tanks that had not been pumped in the last 7 years, which is the reason some of the tanks were not pumped in 2008. Mr. Kinnier stated that once the Board finds out if Atlantic Sewage can do the septic maintenance plan every other year, then they can decide on what to do about the tanks that have not been pumped in the last three years.

The 1000 roof and the 3400 roof have both been replaced. The 2010 plan for roof repairs and replacements was discussed. Ms. Miller stated that she had prepared a spreadsheet that was included in the meeting packet that shows the information on all the roofs. She stated that the 1100, 1300, 2400 and 2700 buildings had the most number of leaks reported in 2009 and recommended that they be the next roofs to be replaced. Mr. Kinnier asked Ms. Miller to include the spreadsheet in every meeting packet and add the date to the report. He also asked that the warranty information be included on the spreadsheet and also for an explanation on what a PVC Membrane roof is and why it is the preferable roofing system for flat roofs.

An updated proposal for the purchase of new pool furniture was presented. This included two new tables with umbrellas, five new lounge chairs and four new lounge chair cushions for the chairs that maintenance will be able to repair. The total cost for this purchase is \$2654.21. On a motion by Ms. Ambrose and a second by Ms. Puma, the purchase of the new pool furniture was approved.

Mr. Kinnier gave an update on the Complaint. Susan Seay amended her pleadings in December to add some new defenses and a cross claim against Doug Seay. The association's attorney, John Leidy, has responded to Ms. Seay's amended response. Mr. Leidy is now in the process of finalizing the response to a formal request for information submitted by Doug Seay's attorney and is preparing an extensive request for information to both Doug and Susan Seay.

There was discussion on the Collection Policy. Mr. Kinnier asked Ms. Miller to find out from the attorney if the letter to the mortgage company should be sent immediately after filing the lien.

Ms. Craig gave a report for the Nominating Committee. She stated that she had received a completed Nominating Petition from Ms. Ambrose. There was another owner interested in running for the Board, but he was unable to complete his Nominating Petition by the January 4, 2010 deadline. Mr. Kinnier passed out a draft ballot for the Board to review.

Ms. Craig gave a report for the By-laws Committee. She stated that the committee would like to start a review of the current By-laws. She stated that anyone interested in serving on the committee should contact her.

Ms. Lawrence gave a report for the Social Committee. She stated that the committee will be having a meeting at the end of January to discuss social events.

The next Board meeting date was set for February 22, 2010 at 1:00 p.m. at Village Realty.

With there being no further comments and on a motion by Ms. Ambrose and a second by Ms. Craig, the meeting was adjourned.

Following the regular meeting, the Board met in Executive Session. No actions were taken.

Respectfully Submitted,

Ansley Miller
Assistant Property Manager