

MINUTES OF THE PILOT POINT ASSOCIATION OF OWNERS ANNUAL MEETING

APRIL 24, 2010

LEWES PUBLIC LIBRARY, SECOND FLOOR MEETING ROOM
LEWES, DE 19958

The meeting was called to order by President Ed Kingman at 1:05 pm. Council members in attendance: Ed Kingman, Vince D'Anna, Ron Lee, Richard Ward, Phyllis Hoag along with Tom Sombar our accountant and Angie Howell, Legun and Norman, our property manager.

Phyllis Hoag, Secretary, gave the Proof of Notice: the Notices were mailed on March 31, 2010. There are 24 proxies, 15 owners signed in. Our quorum is met. The Minutes of the April 25, 2009 Annual Meeting were approved as presented.

Minutes of the Special Meeting of August 29, 2010 were available for all in attendance. After time to read the Minutes they were approved as presented.

There is good news and bad news: Money Magazine has named Lewes the number one retirement place on the East Coast. Beebe Medical Center and the Cape Henlopen football coach have negatively impacted the news.

The inclusive Pilot Point website contains the Declaration, the Amended Declaration, Judge Brown's Ruling, RGI Ruling, Ruling of Judge Chandler, the Appeal, City and Board of Adjustment cases, etc along with DUCIOA. Any further information wished, please call or email Angie.

Safety and Security: There were two break-ins over the winter. They were both on the same day in Units one and four. The police are silent on their investigation.

Thanks to Dave Hoag who is our Neighborhood Watch representative along with providing, placing the signs throughout Pilot Point. monitoring the boat/trailer parking area. Call Dave to get a parking tag for your boat.

Deadbolts and sonic alarms are inexpensive options for security. Call Richard Ward with any other ideas you may have. There is no security for boats or trailers.

The National Fire Safety Code pertaining to multiple swellings was available for everyone. ...no hibachi, gas-fired grill, charcoal grill, or other similar devices used for cooking, heating, or any other purpose, shall be used or kindled on any balcony or under any overhanging portion or within 10 feet (3m) of any structure. Anyone leaving a grill for a renter is asking for trouble. There are fines. Please advise your rental companies of this.

Termites: When Pilot Point was built there were no termite shields. The area was treated, however. We have spent over \$100,000 during the past 10 years on a bait-trap system. We are changing to a system known as Termidor which will cost 60 percent less. \$6500 for three years, then \$2700 per year.

Landscaping: We are having more hay bales and plantings to stabilize the sand. The smaller trees at the entrance are dwarf trees, they grow more slowly and not as tall.

Cracks in the streets are being treated with RoundUp to kill the weeds. We are also using weedkiller beneath trees. Road cracks are being treated.

The tennis courts have been a problem for years. We cannot remove the tennis courts as they are in the Declaration and per Judge Chandler's ruling they stay. The extensive repair needed will probably be funded from the Reserve Fund. A tennis court volunteer is needed.

Building Maintenance: The fronts of buildings containing units 47 - 60 are being repaired and painted this year. Next year the backs will be done. After 30 years of cedar siding we have found out that the contractor used staples to attach the siding. Moisture has rusted the staples and the shingles are falling off.

The Community Building is deteriorating. It has had many uses in the past but cannot be used for anything except storage as there is no heat, air conditioning or plumbing. It will be costly to repair. Should we tear it down, move it, sell it? It will require on-going maintenance.

Owners maintenance includes windows, skylights, doors, additions. The Council can only approve appropriate maintenance and repair. We cannot approve anything which encroaches on the common area or approve any changes; i.e., a door for a window, a different type window unless required under the present building code. Unit 23 had replaced the second-story windows with windows of the same size but a different type. This was required under the present building code; must be two ways to egress from second story.

Units one through 32 have T-111 skirting. When these properties were built they were two-story structures on pilings. After the catastrophic fire where it was discovered the fire spread under the units, the skirting was required to be added and maintained by the individual owners. The Council will have the skirting painted; but, the maintenance of the skirting is the owners' responsibility.

Different units have different issues, some very expensive to repair. Contact Angie with any questions.

Be sure to have personal insurance on the contents of your unit. Pilot Point insurance is on the structure as recorded in Georgetown. Everything else is your responsibility.

If deck railings are being replaced, the replacement must conform to current building code: 42 inches high with required cable.

Parking spaces are numbered, please only park and have renters park in your numbered space. There is one space per unit. All unnumbered spaces are available to any person legally at Pilot Point.

Tom Sombar: DUCIOA requires an audit every three years, however, there is provision to waive the audit. As of December 31, 2009 our total assets were \$316,566, total liabilities were \$29,448, fund balances were \$287,118. Our total liabilities and fund balances were \$316,566. Excess revenue is \$42,155. Pilot Point is very healthy. Our fiscal year is a calendar year.

Treasurer: Under DUCIOA owners no longer approve the budget. It can only be disapproved. The Council develops the budget and operates on that budget with the owners having the option of saying "no." Our legal fees are approximately \$30,000. There will be a three percent dues increase for 2011. We have obtained the maximum flood insurance of \$250,000 per unit. The 2010 revised budget was accepted and the 2011 budget accepted. A new Reserve Study will be done this year at a cost of approximately \$3500.

Under DUCIOA disclosure to purchasers of events occurring in a condominium must be made.

There is a three-step process which we are going to be following: 1. legitimize and record in Georgetown changes made to Pilot Point, 2. provide a legal process for those who wish to make changes to their units, 3. figure a process to implement things that have not yet been thought of. (Ron Lee)

Legal: We have two legal cases open, unit 34 - the masonry walkway which goes to trial May 25 and unit 35 - we have no right to develop standards. There is 100 percent approval of owners to make changes. There is a hearing before the Board of Adjustment re continued construction after a stop-work order was issued. Hearing is on May 18. We feel that the City cannot issue a building permit on property which someone does not own. If we lose at the Board of Adjustment we can appeal to superior court. (Vince D'Anna)

Architectural Standards: There was a meeting in September 2009 to form an Architectural Standards Committee. Fifteen people attended the meeting. The purpose of the Committee was a three-pronged one: 1. codify standards, 2. determine the process of approval, 3. the units which have been changed will need to be registered with their changes in Georgetown.

There was lengthy discussion about the DUCIOA disclosure and the owners giving Council authority to work on their behalf.

There will be an Owners meeting end of August or early September to discuss this issue. (Doug Harrell)

Neighborhood Watch and Boats/Trailers: Please give Dave your email address if you wish to be kept informed of Neighborhood Watch matters. If you have a boat parked on Pilot Point boat/trailer parking, please be sure it is registered and Dave will give you a sticker. Unknown boats will be towed. (Dave Hoag)

One owner will have her daughter assist with website.

Phyllis Hoag will not be running this year for a Council seat. There were no volunteers but Roger Campbell, unit 13, was recruited. We can increase the size of the Council for up to nine members. It would be particularly helpful if a volunteer from units 33 through 46 and/or one through 11 would be on the Council. Roger Campbell was elected.

Old Business: Comcast will give you a box if you are unable to get all the television stations you used to get. The box is free.

Meeting was adjourned at 3:15 p.m.

Respectfully submitted,