

**CHESAPEAKE STATION HOMEOWNERS ASSN.
ANNUAL MEETING
Minutes**

Northeast Community Center, Chesapeake Beach, MD.
September 9, 2017 -- 10:00 a.m.

9:30 Registration and coffee

Call to Order, Introductions, Meeting Agenda: After confirming a quorum was present, Keith Pardieck called the meeting to order at 10:06 a.m. Introductions of the Board of Directors, Committee Chairs were made. New residents Al and Yvette Kline introduced themselves.

Mary Mathis raised several issues, which are addressed below. Keith Pardieck introduced two additional agenda items – Mayor’s Remarks and Fidelity Bond. These are addressed below. The agenda was approved as modified.

Approval of Minutes: Paul Doherty, Secretary presented the minutes from September, 2016. The minutes were approved as presented.

Treasurer’s Report: Roland Schlehuber presented the expenditure report for 2017 and proposed budget for 2018. The proposed 2018 budget was attached to the previous mail-out to owners, postmarked August 16. In summary, the HOA is in good financial shape and assessment amounts will remain the same as 2017. Quarterly amounts for 2018 will be:

Townhomes = \$200.63

Single family homes (non-townhomes)=\$190.18

Mary Mathis described a provision in Maryland Real Estate Code Title 11B, Section 112.2 that the proposed budget must be submitted to owners at least 30 days prior to adoption. The budget was mailed to owners on August 16, which is less than 30 days prior to the scheduled date of Annual Owners meeting. The Board will investigate.

Roland stated that a fidelity bond was taken out by the Board of Directors in 2017. The premium is \$867 for three years. Mary Mathis asked if there was a restriction in the policy that required the HOA to be in “good standing” with the State of Maryland. The Board of Directors will investigate.

Ed Solkowski asked about auditing of the CSHOA financials. Roland stated that financials are audited yearly by an independent auditor. Ed also requested a copy of Roland’s Powerpoint presentation. Several owners also requested a copy of the 2013 Mason and Mason Reserve Report. These will be sent out.

After the presentation and comments, a motion was made and seconded to approve the budget. The motion carried and the budget was approved.

Committee Reports:

- Grounds Committee: Bill Leebel
After a competitive RFP process, Highland Landscaping Company was awarded a three year contract for grounds maintenance, beginning January 1, 2017. Two trees were removed from common ground in 2017 – a maple near 7740 C St. that was damaging the sidewalk and pine near 2006 Arcade Ct. who's height was threatening adjacent properties.

Annual beach cleanup was performed by Highlands prior to the June 24 Luau. A drain line was installed parallel to the walkway by 7834 C St. to mitigate a problem with water runoff and dirt/mud incursion onto the walkway. Landscaping was upgraded on common ground in the vicinity of 7789 C St. and 7784 Dentzel Ct.

The Rod and Reel landscaper recently sprayed herbicide to kill all the grass at the intersection of Mears Ave. and C St. The landscaper planned to reseed the area but Bill requested that it be sodded for quicker growth. Rod and Reel management agreed.

Owners made comments (C) and/or asked several questions (Q) pertaining to Grounds:

Q: What are the guidelines regarding maintaining resident's views? - Ed Solkowski

A: The only requirements in the covenants are that sightlines to the street must be maintained for safety. However the Board & Grounds Committee will work with residents to maintain views as they're able and within reason.

C: There is a tree behind the bayfront townhouses at the Overlook that need attention. – Ginny Beauchamp

A: The Grounds Committee will look into that.

C: There are areas around the C St. alley that need attention by the Board. There are several dead trees. Owners have also built on CSHOA common property at several locations in that area. Additionally, there is silt runoff down the alley originating from the south end in the area of 7730 C St. Also the south side of the privacy fence at the south end of the alley is CSHOA common ground and is not being maintained. See Attachments 2 & 3 below. – Mary Mathis

A: The area behind the privacy fence is cleared yearly by Highlands. The Board will also discuss whether the privacy fence should be removed or moved closer to the CSHOA property boundary. The Grounds Committee will look into the needs of the alley areas. The Board of Directors will consider the issue of unauthorized use of common property.

Q: Are there restrictions on tree height in the Covenants?

A: No (Note: *Subsequent to the meeting it was pointed out that that latest revision to Resolution 3 in May 2016 specified a limit of 12 feet for trees planted after 1 September 2015*).

- **Architectural Committee:** Heidi Daniels reported for Penny Schmidt
There is an outstanding architectural issue with one owner in the HOA. Heidi reminded owners that an Architectural Change Request Application is required from any owner planning to change the outside appearance of their property. The form is available on the CSHOA web site. Printed copies can also be provided by the Architectural Committee to owners.
- **Social Committee:** Cathy Diggle
The Octoberfest will be October 21 with a rain date of October 22. In the past the Christmas Caroling event was less than successful. The Social Committee is considering a Holiday gathering instead at someone's home. CSHOA has an opportunity to participate in the Town's Pat Carpenter Holiday Parade. If there is enough interest, the Social Committee will look into building a parade float. Interested owners should contact Cathy Diggle.

The Happy Hour events recently started by the Social Committee have been a success. Plans are to continue scheduling these on Sundays @ 5:00PM on the beach, dependent on weather.

The Social Committee has started a practice of providing Welcome packages of information to new residents.

The Social Committee would like to send out Sympathy or Encouragement notes to families in Chesapeake Station who might be struggling with health, financial, or family issues. Heidi Daniels asked owners to notify the Social Committee if they become aware of these situations with neighbors.

- **Yacht Club:** Keith Pardieck reported for Dave Ferguson
Invoices for boat rack rentals will be going out in September to users. Some kayaks are being kept at the boat racks without permission by unknown persons and without paying rent. Keith asked owners that if anyone knows who the unauthorized users are to contact the Board.

Mayor's Remarks:

Mayor Pat Mahoney spoke briefly at the meeting and took questions.

The Town will hold a public meeting on September 19 in the Town Hall where the State Highway Administration will provide information about the Fishing Creek bridge project. A Town Planning & Zoning Commission meeting is scheduled for September 13 to review the final site plan for the Chesapeake Beach Resort and Spa expansion.

Owners raised several issues pertaining to CBRS operations. It was suggested that the Town look closely at traffic issues arising from the expansion. There have also been some problems with overflow parking onto the streets during CBRS events. However, CBRS management has taken steps to alleviate this including hiring Sheriff's Deputies to block unauthorized parking.

Bruce Wahl expressed gratitude to the Mayor for attending and answering questions.

Old Business:

- **C St. Storm Drain**
Erosion has been noted around the walkway behind the homes on the east side of C St. and it is believed that the cause is failure of the storm drain in that area. The Board has investigated the problem and received expert opinions that the drain should be replaced at an estimated cost of \$40-\$50K. The most recent suggestion is to visualize the interior of the drain with a fiber scope to attempt to identify specific areas where the drain has failed. If specific areas are identified and the failures are not too severe, the HOA may be able to save costs by repairing only those specific sections.

Mary Mathis asked if the Board has given consideration to carving out the cost of repair; i.e. specifically assessing the owners in that area who might most directly benefit from the repair to carry to cost burden.

Another owner suggested the possibility of a “natural” solution such as rain-garden landscaping to absorb water.

The Board is continuing to investigate the problem and develop a solution.

- **Shopping Center Lights**
The Board contacted the owners of the Chesapeake Station Shopping Center earlier this year to raise the issue of bleed-over of lighting onto CSHOA property along the C St. alley. The Shopping Center has since corrected the problem. An owner stated that trash pickup at the shopping center has been occurring about 4:30AM and it is disruptive.
- **Summit Quote for Full Management Services**
There have been discussions of contracting Summit to expand their service to CSHOA and take over some of the management duties that the Board and Committees currently perform. The additional cost for this expanded service would be approximately \$638/month (\$7656/year).

Board of Directors Election:

Keith Pardieck announced that he is stepping down from the Board of Directors. Nominations for the new Board made prior to the meeting were: Paul Doherty, Roland Schlehber, Warren LaHeist, Dave Ferguson, Charlie Pritchard, and Ginny Beauchamp. No additional nominations were made from the floor. Charlie and Ginny are new candidates and introduced themselves.

The election ballots were gathered, counted and tabulated by a representative from Summit Management Company. Elected to the new Board for 2017-18 are: Paul Doherty, Roland Schlehber, Warren LaHeist, Dave Ferguson, and Charlie Pritchard.

New Business:

- **Adjacent Property Owned by Chesapeake Station Shopping Center**
It was discovered earlier this year that two small strips of land behind the CSHOA properties on the west side of C St. have been maintained by CSHOA for many

years but are actually owned by Steuart Investment Company as part of the Chesapeake Station Shopping Center. See Attachment 1 below. The Board initiated a discussion with Steuart. The Board proposed that the shopping center owners deed the land over to CSHOA at no cost. Steuart Investment responded with a proposal to grant an easement to CSHOA, agreeing to not develop the land in the future.

There has not been a final resolution and the Board will continue discussion and negotiations.

- **Fidelity Bond**
As Roland mentioned in his financial report, the Board has taken out a Fidelity Bond to protect the HOA against financial theft by a CSHOA Officer. Mary Mathis pointed out that according to the Business Express web site maintained by the Maryland Dept. of Assessments and Taxation the CSHOA is not in "Good Standing." This is apparently due to a missing Personal Property tax return. Mary asked if this standing might affect the protection provided by the Fidelity Bond. The Board will investigate this.

12:10 Adjournment of Business Meeting

Attachments:

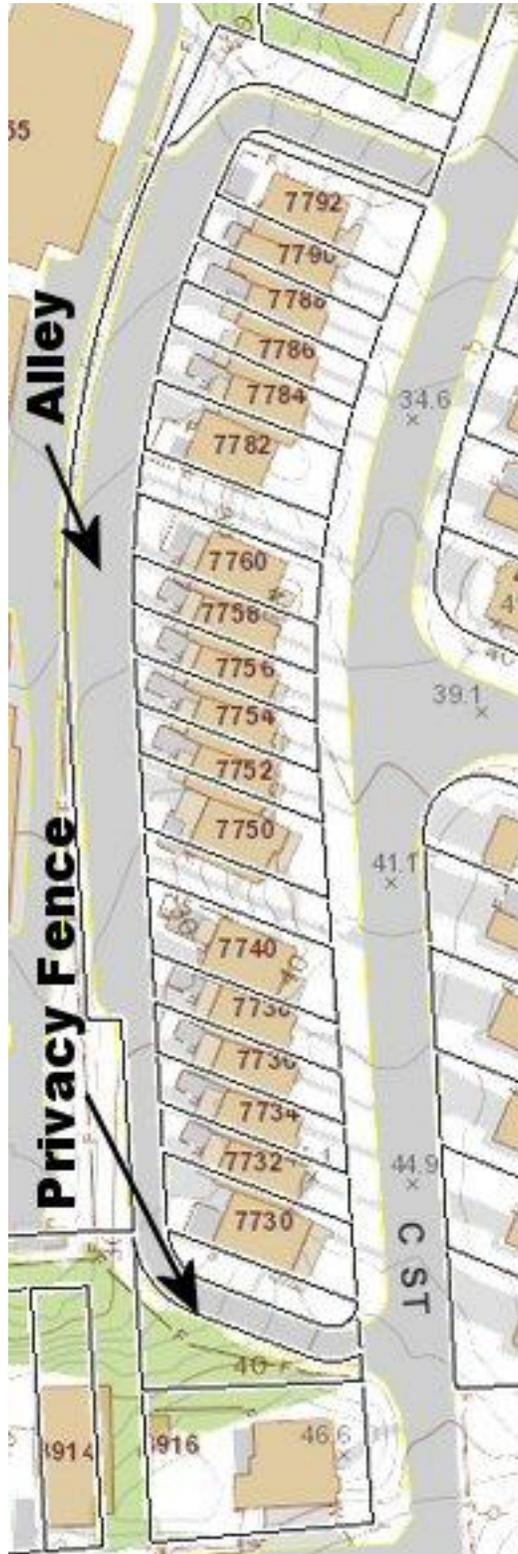
Land Owned by Shopping Center but Maintained By CSHOA
Plat 4 – C St. Alley
C St. Alley Silt Runoff

Attachment 1

Land Owned by Shopping Center but Maintained By CSHOA (highlighted in yellow)



Attachment 2
Plat 4 - C St. Alley



Attachment 3

C St. Alley Silt Runoff

