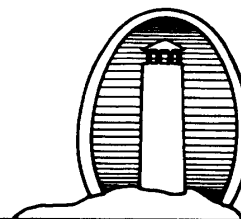


Breakwater Estates

Homeowner's Association, Inc.

2 Rusty Anchor Drive
Rehoboth Beach, DE 19971



Breakwater Estates Board of Directors Meeting Minutes Saturday, September 16, 2017 2:00 pm

The Breakwater Estates Board of Directors met at the home of Board Secretary Brian Eichenlaub on Saturday, September 16, 2017. Present at the meeting were Board members: Brian Eichenlaub, Doris Walsh, Karen McGavin, Lana Warfield, MJ Melah, Bonnie Wootten, SeaScape Property Manager, Grace Gannon, and Mike Forry.

Call of Order

Co-President Doris Walsh called the meeting to order at 9:00 am.

Review and Approval of Two Architectural Applications

Application for solar panels on the rear of the house at 19 Lighthouse Drive. Brian Eichenlaub motioned to accept, Lana Warfield seconded, all approved.

Application for standalone garage at 3 Lightship Drive. After contacting the owner to clarify some information, Doris Walsh moved to accept, Karen McGavin seconded and all approved.

Welcome to new Board Member, Mike Forry!!!!

Thank you for joining the Board on behalf of the community!

Approval of Minutes

Minutes of the Community June 10, 2017 Meeting

Minutes of the June 10, 2017 Community meeting were submitted. Board members reviewed minutes, and suggested several changes. The changes will be made for the next meeting so that they may be presented to the community next June for approval. Lana Warfield moved and MJ Melah seconded. All approved of the minutes as amended. These minutes will be the ones to be submitted to the community for approval at the community meeting on June 9, 2018.

Minutes of the Board of Directors April 22, 2017 Meeting

Brian also presented the draft Minutes from the April 22, 2017 Board Meeting. Board members reviewed changes made via email. The minutes were read by all with no changes made. Doris Walsh made a motion to accept the minutes as presented, and Karen McGavin seconded. The motion was carried by all.

Treasure's Report

MJ Melah, BWE Treasure, presented the treasure's report. The community has a total of \$181,028.94 in laddered Money Market CD's, including \$23,072,70 in the Checking account. Three of the CD's are coming due October 17, 2017. Unfortunately, rates are very low. MJ will be looking into rates at credit unions and other banks in and outside the area for the best rates.

Five property owners have late community dues. Two of the owners are very behind with a large late payment fees. All five property owners will be called by Bonnie from SeaScape and try to encourage them to pay, or set up payment plans. If payment plans are set up, the late fees stop, as long as the payments are made as agreed too.

Late fees, are calculated as follows: \$50 from BWE and \$35 from Sea Scape for a total of \$85 late fee accessed each month. The pros: high late fees encourage folks to pay on time and to pay their share of the community costs and not let it fall on others. Cons: high late fees cause folks to fall behind and have very large sum to pay to get up to date. After six months of being late (\$510 in late fees) it is more than the yearly dues of \$480/year.

Brian suggested that we survey the community members and see what they would like to do with the late fees – keep them the same; lower them; assess them at a percentage level, have the late fee apply quarterly instead of monthly and so on.

Fidelity Bond – Again, the Board revisited the need for a fidelity bond. A fidelity bond is insurance for community funds. If the funds would be stolen, the bond covers the losses. At this time, BWE does not have such a bond; very rare for a community association. The cost would be \$297/year. Karen McGavin moved that the community purchase such insurance. Lana Warfield seconded. All voted in favor of purchasing the fidelity bond and it was placed in the budget for the community meeting.

President's Report - None

Property Manager's Report

9 Breakwater – Shed door needs to be repaired. The dumpster was removed.

Wire Grass – Community was sprayed for wire grass.

Community Website – MJ Melah and Mike Forry will work on it and take it over from Sea Scape and the community will maintain it.

Old Business

Review of Community Finances – In lieu of the Dewey Beach financial scandal, a resident wanted to review the BWE books to make sure there was no fraud. MJ Melah, the community Treasurer, will meet with the member and go over the books.

Stop signs – The stop signs are showing their age and are in need of repair. Bonnie will call for quotes so we could move forward with refurbishing them or replacing the ones in need of replacement.

New Business

Officer Selection – With the Board members elected at the annual community meeting on June 10, 2017, officers of the elected board members were selected. They are the same as this past year. The Officers for this year are: Co-Presidents: Grace Gannon and Doris Walsh; Treasurer: MJ Melah; Secretary: Brian Eichenlaub; Webmaster: Mike Forry; and Board Members: Karen Gavin and Lana Warfield. Karen motioned to accept this year’s Officers, Lana seconded and all approved.

Information Distributed About Dealing With Difficult Residents – Two articles, “Harassment in HOAS: Defining and Preventing Unacceptable Behavior” and “Deal with Difficult Residents” were distributed to the Board members to read and review. Unfortunately, due to a current community homeowner’s behavior, which has been very inappropriate and abusive with Board members and employees at our property management company, SeaScape, and who has a history of belligerent and unstable behavior, Board members were looking for best practices as to how to deal with these type of individuals.

Road Collapsing – At corner of Beacon and Rusty Anchor. Bonnie will get bids for the fix.

Bushes in Roadway – Bonnie will remind residents to trim any trees or bushes growing into the roadway. Residents are having seeing around some corners due to the growth of some of the bushes

Roads – Bid came in from Jerry’s paving - \$5350 for crack fill. Bonnie is getting two other bids.

Flowers at BWE two entrances – Several residents would like flowers to be planted at the community entrances. While the Board likes the idea, upkeep, watering, weeding and so on came up. And who will pay? Is it the wisest use of community money? Fieldwood hires a landscaper for their front sign flower bed. Bonnie will contact the community to see what the costs are and present to the Board.

Sealing the New Mailbox Roof – Bonnie will get bids for sealing the mailbox roof and report back.

Next Meeting – The next Board meeting will be on Saturday, December 9, 2017 at Grace Gannon’s home at 9:00 am.

Meeting adjourned at 11:47 am – Brian Eichenlaub moved to adjourn and Lana Warfield seconded. All approved.

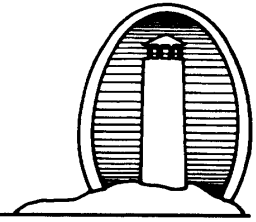
Respectfully Submitted,

Brian E. Eichenlaub
Secretary, Breakwater Estates

Breakwater Estates

Homeowner's Association, Inc.

2 Rusty Anchor Drive
Rehoboth Beach, DE 19971



Breakwater Estates Homeowners Association Board of Directors Meeting Agenda

Saturday, September 16, 2017

9:00 am

**17 Rusty Anchor Drive
Rehoboth Beach, DE 19971**

AGENDA

- 1. Call to Order – 9:00 am**
- 2. Welcome Mike Forry!**
- 3. Approval of Minutes**
- 4. Treasurer Report**
- 5. Property Managers Report**
- 6. Old Business**
- 7. New Business**
- 8. Adjourn**