BAYBRIDGE HOMEOWNERS ASSOCIATION, INC.

BOARD OF DIRECTORS MEETING
AUGUST 10, 2011

MINUTES

BOARD MEMBERS PRESENT	**OTHERS PRESENT**	
Laura Ford	Sandra Wilkins	Mr. & Mrs. David Donaldson—
Michael Driscoll	Clayton Jennings	(tenants of #50)
Dick Baker	Sam Tucker	Marty Esposito
Thomas Belger	Gale Larkin	Ray Etheridge
	Rebecca Echsner	

CALL TO ORDER

Michael Driscoll, President, called the meeting to order at 5:00 p.m.

Dick Baker made a motion to approve the minutes of the June 8, 2011 meeting. Tom Belger seconded, and the motion passed unanimously.

FINANCIAL REPORT

Dick Baker reviewed the financial statements for July 2011. Assessments are under budget by $4,000.00. Insurance is over budget as are our professional and legal fees due to our ongoing roofing litigation. Several other items of maintenance are under budget year-to-date. Sam Tucker asked about the contract for maintenance being over budget by $897.00. It was pointed out that the grounds labor contract is under budget by $897.00, and this difference is attributed to our budget for 2011 not being adopted until February 2011. The adjustment could be made to balance both of these accounts.

Dick made other comments to the owners present regarding the financials and answered several questions. Dick then made a motion to approve the financial statements for July 2011. Tom Belger seconded, and the motion passed unanimously.

PROPERTY UPDATE

The garage roof leaks and the lawsuit with Hydro-Stop regarding this was discussed. Marty has recently been to a deposition and explained in his opinion why the garage roofs are leaking. As stated previously, there are some differences between the way the roofs were installed—which was how Hydro-Stop, the contractor, wanted—and the way the engineers thought they should be flashed. It was also pointed out that a representative of Paramount had been onsite along with an independent roofer and attorneys to look at the situation, and Marty showed them the problem areas. Marty also stated that, in his opinion, the damage caused by these leaks needs to be address as well as the repairs made to stop the water intrusion.

The Mediacom contract was briefly discussed, and even though requests have been made, Mediacom has not provided a written response to the letter sent to them on May 24, 2011. Ray has called several times to no avail; another call will be made tomorrow requesting this response be sent promptly. Our contract with Mediacom will not expire until August 2012.

Laura Ford has spoken with Baybridge's monthly pest control technician. He works for Anchor Pest Control. Because we are having problems with mosquitoes, the technician suggested that his schedule be changed to spray outside every other month and inside the units every other month. This was discussed by the Board, and Laura made a motion to put this spray schedule change into effect immediately. Dick Baker seconded, and the motion passed unanimously.

The drainage at the compactor area was also discussed. The drainage here is bad because there is a concrete pad poured for the compactor to sit on, and there are only two cuts which are each approximately six inches wide in this concrete to allow water to percolate. Trash and other debris washes downhill into these drains which furthers the problem. After discussion, Dick Baker made a motion that these trenches be dug out and gravel installed to aid percolation for an amount not to exceed $1,500.00. Tom Belger seconded, and the

motion passed unanimously. In addition, Anchor Pest Control will be asked to spray this area for mosquitoes at least every two months.

Two estimates had been obtained to trim trees at Baybridge. One estimate was from Tree Works Plus with a total amount of $7,885.00. The other estimate was from Tri-State in the amount of $7,900.00. There was also a breakdown of work and how it would be accomplished. After discussion, the Board felt that the trees in our property needed to be trimmed. Laura Ford made a motion to approve the Tree Works Plus estimate for a complete trim-out in the amount of $7,885.00. Tom Belger seconded this motion which passed unanimously.

Michael Driscoll reported that a contract had been approved to make repairs to the tennis courts. This was approved at the previous Board meeting. The amount of the proposal was $3,968.00 plus a small up-charge to paint the tennis courts blue. It was decided to paint them blue because it would create a cooler playing surface. Ray will let the Board know when American Tennis Courts, Inc. will be making these repairs, which should begin within the next seven to ten days. Ray was also asked to call this contractor to see if there was any preventative maintenance that could be performed to prolong the life of the newly repaired courts. In addition to the courts' surface repairs, a new tennis net strap will be installed.

The recent purchase and installation of the flag pole was discussed. Some owners felt that this was a betterment and should have been approved by the owners. It was the opinion of some Board members that this was not a betterment because it did not improve the value of the property. There was discussion regarding both sides of this issue for several minutes. Because the flag pole has already been purchased and installed, it will remain. Further betterments or capital improvements will be made according to this policy:

POLICY, for Baybridge capital improvements for/to common property

The Association's By Laws include in paragraph 5.2 Budgets a provision for "Betterments", funds used for capital expenditures for additional improvements or additional personal property that will be part of the common elements. This is different from funds used for maintenance, repair and replacement of common property.

Annually in the fall the board of directors prepares a budget for the following calendar/fiscal year which may (or may not) include specific items of "Betterments". Additionally, the budget may include a general allocation for "Betterments" which may not exceed $5,000, which can be used for items during the year voted and approved by the board. No such voted single expenditure of the general allocation for "Betterments" may exceed $500. It is anticipated that in most years no expenditure for Betterments will be made, and amounts included as a general allocation in the budget which are not spent or committed during the year may not be carried over to future years.

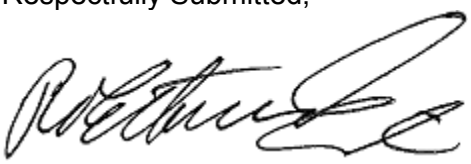
Should you wish something to be considered for such a capital improvement, please now contact Etheridge Property Management to discuss it. (850-484-2611)

Marty Esposito had presented a bill to the Association for repairs in #106 in the amount of $300.00. The question had arisen whether this should be a part of Marty's contract or a separate item. The Board discussed and decided to approve payment of this $300.00 invoice from Marty.

ADJOURNMENT

There was no further business, and the meeting adjourned at 6:20 p.m.

Respectfully Submitted,



Ray O. Etheridge