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# North Ocean City Condo Owners Continue Dispute; Mounting Legal Fees Worry Board

Jan 01, 2020 by [Shawn Soper](#)

OCEAN CITY — What began last year as a dispute between a group of north-end condo owners and its elected board of directors has now apparently turned into one owner's crusade against some of the board's practices and the same board urging other owners to retaliate.

Last spring, a group of unit owners at the Ocean Place condominium along the beachfront between 145th and 146th streets filed a formal complaint with the Maryland Attorney General's Office alleging the condo's elected board of directors approved a \$2.6 million renovation project at the condo building when the unit owners were led to believe the project would cost an estimated \$1 million to \$1.5 million.

According to the complaint filed with the Attorney General's Office, the board told the unit owners the building's waterproof façade, called external insulation finishing systems, or EIFS, needed to be replaced and that has not been in dispute. However, the initial group of unit owners who filed the complaint have contended the basic EIFS project with a cost of around \$1.5 million has ballooned to a \$2.6 million project approved by the board without the owners' knowledge, according to the complaint filed with the Attorney General's Office.

The project now includes replacing windows and balcony dividers, new railings, new signage, improved landscaping and other additions that have driven up the price. As a result, each unit is now being assessed anywhere from \$18,000 to as much as \$40,000 depending on the unit size and other factors. Some of the complaints have been resolved, but others remain active.

One unit owner in particular, Lisa Gundling, has continued the crusade with an active complaint with the Attorney General's Office, but the complaints are causing the condo association's legal fees to escalate. As a result, the condo board in its October newsletter urged the unit owners to "take action" against Gundling, urging her to cease her complaints which are driving up legal costs. For Gundling, the language in the newsletter appears threatening to her and tiptoes the line of bullying.

"Frankly, I find the board's call for unit owners to unite against me threatening and intimidating," she said. "I contacted the board on Dec. 5 to get to the bottom of this and to clarify their intent and I've contacted their attorney. However, I've received no responses and there has been no retraction of what I perceive to be a threat. I don't live at my condo, but now I'm concerned for my safety and the safety of my property when I do visit."

According to the newsletter, the board's legal expenses have continued to soar past the stated budgeted amount of \$5,000 each year, or an amount believed to be appropriate for routine bylaw reviews and other rather mundane legal action.

"It became obvious to our board members at the October owners meeting and with the vote to cap our 2020 legal fees at \$5,000 that most of you do not fully understand why we have had to incur such large legal expenses over this past year," the newsletter reads. "We told everyone at the meeting that the only time we

plan on consulting with our attorney in 2020, as far as we know, is when we will need his help with rewriting and updating our bylaws. However, what we don't think everyone comprehends is the fact that most of these legal fees are completely out of our control."

While the initial complaints originated with a group of unit owners, it now appears Gundling is out on a limb by herself to some degree. The board's October newsletter even singles her out by name.

"Just since the October meeting alone, where we asked everyone to please stop this constant dissention and work together for the good of Ocean Place, we have already incurred legal fees of several thousand dollars because of Lisa Gundling's most recent complaints that she filed with the Maryland Attorney General's Office," the newsletter reads. "These complaints are forwarded to our attorney, whereas he is obligated to respond. This takes a great deal of his time, time for which we are all being billed. This money belongs to all of us. It is not hers to spend as she pleases with no regard or concern for the rest of the owners' wishes or the continuing costs."

The next section of the board's October newsletter includes an apparent call to action for the rest of the unit owners against Gundling, although it is a rather nonspecific call to action. "It is the opinion of everyone involved that she has no intention of stopping this and she will continue to drain our funds unless we as owners make it clear that we will not tolerate this any longer and that she must stop wasting our money like this," the newsletter reads. "If she continues in this manner, we will be unable to abide by the \$5,000 cap on legal fees next year and it will not be our fault. It is up to all owners to make your voices heard. This must not be allowed to continue. If you don't do this,

then we are no longer responsible for what happens. We have done all that we can do and now it's up to you.”

For Gundling, that leaves her with the decision to continue to pursue the complaints, or simply drop them in fear of retaliation.

“I'm also stuck between a rock and a hard place,” she said. “If I capitulate to the board's demands and drop my Maryland Attorney General complaints against them, then I will essentially lose my rights as a Maryland consumer. However, if I continue with the consumer complaint process, then I risk possible physical harm or harassment from other owners who have been mobilized by the Ocean Place board. It's a difficult situation.”

It's important to note the board's newsletter does not include a specific call to action or a specific form of retaliation. However, Gundling believes the language in the newsletter is threatening and aimed at stifling her complaints.

“When a board calls for owners to take action against me, what action are they suggesting aside from verbal or written harassment, or physical harm to me or my property?” she said. “What other type of action is there under this circumstance?”