

February 24, 2020 Board Meeting

Board Meeting – 6:35:

Board Members present: Teresa Topping, President; Jody Matthews, Vice President ; Peter Schrempf, Treasurer; Sue Brown, Member at Large

From TMT: Ekaterina Henyan

Homeowners/Residents present: 18

Prior Meeting Minutes:

Board Meeting minutes and Executive Session minutes for January 26, 2020 were reviewed and no corrections were requested. **Motion:** Jody moved to accept the minutes as presented; Sue seconded. All were in favor. **Motion passed.**

Financials – Peter

1. Early in year so variances in budget accounts do not have much meaning yet.
2. Working with Ekaterina on some carry over items from last year and initial entries. First good look at yearly finances will be at the April meeting
3. Gully permit fee check cut by TMT. Public notice sign posted at entrance of property and will remain up through “construction” of gully, probably through late May / early June if all goes well. Estimate for all components of SS Landscaping is \$93,670 with the largest item being the logger. Estimate does not include 3-5 year monitoring that will be done by Sound View Consultants. Estimate includes cutting up logs less than 12” in diameter into small sections and haul up to designated place near garden, cutting up remaining logs to use as habitat logs, cleaning up limbs and other debris, removing most invasive species (black berries /English ivy) and planting a 2 for 1 ratio of trees (about 34 total), approximately 300 native shrubs and a ground cover of native grasses. Logger might be able to start before final approval of permit if OK with City. Ekaterina recommended that insurance for all work being done and bonding be checked to make sure all work is covered.
4. **Motion:** Motion to approve \$93,670 estimate for SS Landscaping was made by Jody and seconded by Teresa. All were in favor. **Motion passed.** Payments will need to be staggered.
5. Insurance: HOA Master Policy is coming up for renewal March 8th. Philadelphia chose not to renew our HOA Master policy due to claim history. In last five year we have had one very large claim at \$150,000+ and one smaller slip and fall claim. Philadelphia stated 75% loss of premiums was another reason they did not want to renew. Waiting to hear back from Nate (insurance broker) who is working with 20+ carriers. So far, no carrier has submitted bids. Ekaterina reached out to a few companies that TMT works with. We have aging buildings and need to look into ways to prevent or mitigate future claims. Investigating / study would be paid for under operating funding and any repairs could be paid for by Reserve funding. Association has interests in certain homeowner maintenance issues such as maintenance of water heaters and has a responsibility and right to monitor such owner maintenance. Are there options should we get no bids like a high risk pool? Having HOA master policy is state mandated so there has to be someone out there that will insure us but the question is at what cost. Increase deductible shifts cost to homeowners but higher deductible will be needed going forward.
6. Earthquake Insurance: Current premiums are \$17,000 going up to \$27,000. All premiums going up in the area. Bylaws state that it is optional and that can be provided if the Board approves and is affordable. Can opt to spend the extra \$10,000 on this insurance or drop and reassess for next year’s budget. Can opt to decrease the coverage. Right now it is at \$28 million. Does not

cover what we need right now. Insurance claim would replace at replacement cost and not market value. Earthquake insurance will depend on what happens with Master Policy. Ekaterina will determine if dropping earthquake insurance is legal given that we have already approved budget.

7. Other projects: Fence project is a reserve project. Will come in at \$25,000 to \$30,000. Asphalt cleaning/crack fill/seal/ re-striping drive ways and parking areas was in reserve funding for next year but board decided to move up to this year. Fire alarm system also a reserve item that needs to be taken care of this year. Can move funds from operating budget to reserve funding but can't move money from reserve to operating.
8. Some projects in the reserve planning were moved out and some were moved up. Total expected reserve spending will be at or below planned spending but it will be used on projects deemed more necessary to complete this year.
9. Finances over the next 3 years will be complicated. We will be holding a financial "planning" meeting on March 9th at 6 pm in the Community Center to address how we will be managing expenses for the gully, the increase in insurance premiums and any shortages associated with these issues. Nancy to post on kiosks and Ekaterina will arrange 2 email blasts.

Committee Reports

1. Communications Committee - Nancy: Alan, newest member on the committee, has taken over the website making it easier to find information. Water pipe project goes in spirits. Last week they completed bldg. F, G, H and I. Still need to do some clean up and repaving. Foreman keeping on contact with Nancy so notices can go up the next day on the buildings to be done. Bldg. A, B, C, D, E, K and the Community Center are left to be done. Takes 2 to 3 days for each building. Eddie will help if a building is done when Nancy is gone. City is coming out to give us the replacement glass bins. Will be bringing out replacement recycling bins as well as all the requested stickers for the bins. Garbage cans were purchased by the Association so the City will not replace them. We will need to either purchase from the City or purchase them somewhere else. The same is true with the cardboard bin that has no lid.
2. Welcoming Committee – Sue Brown: Received list of all units sold in past 6 months. Created flyers to put on doors for new comers as well as flyers for those that have moved in over the past months. Another person has volunteered to join the committee. Getting the process set up to get information to committee from TMT.

Manager's Report – Ekaterina

1. Insurance mitigation: Ekaterina recommended several companies that are in the industry for investigating pipes. Information about each is in the Board packet. Ekaterina to contact one or two to see what cost might be for intrusive pipe assessment so that we can build into the budget.
2. N Building outstanding claim: Teresa spoke with Jason about this claim. At this point we really need a determination from Jo Flannery about what our options are. Owner has sought legal counsel but no one has received official notice. Need to move in the direction to get this closed. Teresa and Ekaterina to follow up with Jo.
3. Monitoring projects: Will not be as much of a deal here given that Eddie is on property to help watch how projects are going. Ekaterina suggested a Board member should be utilized to oversee some of the bigger projects (such as the fence). Jody disagreed with this suggestion as the Board are volunteers and pay TMT to monitor projects. Would not expect TMT to monitor anything regarding gully project. Board needs to determine where the line is drawn between what TMT is to do and what Board can do. Needs to be determined project by project. We have

a lot of projects going on and it taking away from time needed by TMT to work in normal day-to-day issues as well as financial questions. Need better communication between TMT and Board. How would TMT staff a big project such as the gully? Maybe we would have to have the Board work with other companies to manage a particular project. Need quote from TMT if they manage a large project.

4. TRAC program: Forces companies that are working on a project to buy insurance from our insurance vendor partner that is specific to the project. Company does not report that project to their current insurance carrier. Use standard language contract.
5. February debit card has been reconciled. Ekaterina suggested that the limit on the debit card be increased from \$500 to \$1,000 to give TMT and Eddie more flexibility. **Motion:** A motion was made to increase the debit limit on the credit card to \$1,000 was made by Sue and seconded by Peter. All were in favor and **the motion passed.**
6. Phone for Eddie: Aubree summarized prepaid plans with different amounts. All phones under \$150. Eddie needs phone for email and text only. Does not need data. Looking for month to month plan. Ekaterina will get board costs for the different plans.
7. Annual fire inspection completed. Forwarded the inspection to companies bidding on fire system. Companies are asking question and show that TMT on right track to determine exactly what we are trying to do. Realizing more to the fire system project than initially thought. Well need to do more research to understand what exactly the scope will be. Looking to have a vendor do a walk-thru.
8. Keys / Key cards: A new owner was given 5 keys but none of them worked on the Community Center or the front pedestrian gate. It was suggested that all new owners that do not have working keys to the amenities, should be given 2 keys from the Board member that manages those keys. Ekaterina stated that it is in the Rules and Regulation that it is seller's responsibility to give the current keys to the new owner and that if the new owners do not have them they need to purchase "replacement" keys. Jody stated that many owners never come to get the new keys after the Community Center / Pedestrian gate were re-keyed so it would not be uncommon for sellers to have old keys. TMT and Jody were to keep up a spreadsheet that tracks who got what keys. **Motion:** A motion was made by Teresa and seconded by Jody to authorized the Board to hand out up to 2 keys to a new owner if they were not given working keys and they let the Board know within the first 4 weeks after move-in. All were in favor and the **motion passed.**
9. FHA certification is coming up for renewal in June. This was tabled until April meeting
10. Rental: Olympic Rental provided 2019 statement. Ekaterina scheduled to meet with them this week.
11. Reserve Study: Ekaterina working on questioner Cedcore sent over. Cedcore needs information about the 2020 projects.
12. Audit bid: Two bids were presented. Andrew McAllister at \$2,000 and Newman & Assoc. at \$2,100. Other firms were contacted including current vendor that was very slow in completing work but none submitted bids. This included at least a couple locally. **Motion:** It was moved by Jody and seconded by Peter to approve Andrew McAllister to use as our audit vendor. All were in favor and the **motion passed.**
13. Certification for Eddie for the Pool and Spa: Check for registration coming down the pipeline. Classes will be 13th – 15th of March.
14. Fan was replaced last Friday. Need Health Department to come in to inspect. Aqua Rec has been maintaining until Eddie is certified.

15. Jetting and clearing of the downspouts: Ekaterina has not been able to acquire any bids. TMT not sure if they are contacting the correct vendors or vendors do not understand what we are asking. Going to ask current gutter vendors and ask for recommendations.
16. Ekaterina will contact Jo regarding the legal opinions we have been waiting for.
17. Aubree looking into annual backflow maintenance behind building E.
18. Flicker holes: Buildings A, B and C done. Will now go on to D and E. Finding new holes.
19. Need to order 3 carport and 3 globe lights
20. One resale in the que.

Unfinished Business

1. Fence replacement bids. Two bids – Economy Fence at \$21,166.95 and KB Fence (came in late so not in packet). KB was post on pipe with an additional \$2,000 for staining. Possibly 10 year warranty. Peter recommended a clear stain and not brown stain. Peter suggested that whoever does the fencing project also stain the fence as they can do it in one day. Waiting on other bids so this was tabled until March 9th meeting
2. Crack fill / seal coating / striping: Three bids presented. TransBlue at \$39,989.50 + tax, Rainier Asphalt at \$39,451.18 and Sealtech at \$21,967. Rainier Asphalt did an onsite inspection. They looked at the carports and reported that they did not believe that the carports needed to be resealed. **Motion:** A motion was made by Jody and seconded by Teresa to accept the bid of \$39,989.50 + tax from Rainier Asphalt with the understanding that if they do not feel the carports are in need of seal coating that this item would be dropped from the bid. All were in favor and the **motion passed.**

Meeting was adjourned at 8:37 pm.