

# Minutes of Special Board Meeting

May 6, 2008

**D R A F T**

## **I. Call to Order:**

Speedy Watson called the meeting to order at 08:12 am

## **Members Present:**

Anthony Romano, Richard Jark, Speedy Watson, Jason Mitchell and Mory Bonakdar were present.

## **Others Present:**

Bill Whitecloud, David Page, Margaret Belcher, Thomas Gilman, Samora and Maria, Margaret Speelmon, Marsha McCrea, Helgard Niewisch, Lenny Septoff, Don Friedman, Debbie Lee, Bill Zeldow, Shelly Reeve, Noelle Murphy, Mary Thomas and Pat Donley and several others were present.

## **VIII. New Business:**

- A. **Fence Design along Stoneybrook Lane:** Speedy pointed out the existing fence along our back road is a block wall with an iron fence on top. We need to know now, that when the time comes to replace it, what materials are going to be used.

Rich indicated we need to give the engineer an idea of the weight of what is going to be used when the existing fence is replaced. It is for information.

There has been tree roots aggravating the existing wall's problems, the church next door may not have compacted the adjoining land properly when they excavated next to the wall.

Rich suggests we plan to have the ground designed and prepared for a block wall which is heaviest. That way whatever we decide what material is to be used later on, the underlying ground will be strong enough to hold it. A combination of iron on top of wall would be most expensive and probably the heaviest.

We had five holes drilled by an engineering study for compaction level of the ground at that time. We have not done anything else about it since then. Anthony suggested the City may send an Inspector if they are notified of a problem with our wall.

We understand the neighboring church is planning on doing extensive additional building of school buildings and improvements.

Helgard asked to have as an alternative consideration a chain link fence that could act as trellis for plants that would provide privacy.

Rich pointed out we would still need a foundation for any kind of fence or wall. A wall requires compaction down well below the foundation even if it has a four foot foundation.

Noelle asked about landscaping and places for trash bins.

Mory reminded us we spent large sums of money for studies that determined there was a problem that could result in some liability on the part of the church and that a letter should be drawn by attorney to put the church on notice that we think they have some responsibility. Anthony thinks it would be short sighted to pick a fight with the church.

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Anthony said he votes for an iron fence as number one, and a block wall as the number two alternative. Jason wants a block first, iron second. Speedy pointed out we are not picking which fence to use, just what to plan for in soil compaction and foundation preparation. Rich moved to have structural engineer base their study on the use of a block wall, Jason 2<sup>nd</sup>, Mory opposed, all others voted in favor.

- B. Review of Reserve Study Items:** In order to properly consider the next agenda item we need to consider what is missing from present reserve study.

We need to consider what are the costs of water intrusion and of termite infestation problems. We have never had ours buildings tented. We have received estimates of about \$50,000 for each building for tenting for termite treatment. Shelly asked about Orange Oil termite treatment. Does it work and how is it applied? Shelly says our termites are dry wood termites, not subterranean termites.

The present reserve study is short about \$3-million for the cost of components according to Richard.

Bill Whitecloud suggested we use the reserve study on a cash flow basis.

Shelly commented that the reserve study recommended funding is impossible to achieve. We don't have the money. Rich explained the reserve study is a guide as to what is realistic.

Speedy explained that if there is a special assessment it would only be for those items that it is raised for. It is not going to be to take a portion and spread it around for other projects. Noelle wanted to clarify that the special assessment can be specified for more than one item though.

Shelly was insistent that the Board should offer some kind of quid pro quo in return for the members approving a special assessment, such as that there would be no more increase in regular assessments. Speedy and other board members were equally insistent that it is impossible to predict future expenses due to increasing costs.

Bill said the big part of our prior increases in dues is going to reserves. Speedy says it is a short term financial crisis that we are going through. Anthony says we need flexibility. Prior reserve studies were not properly budgeted for the actual cost of our roof replacements, so we need to get back the \$1.2-million.

Mary suggested an alternative would be to special assess on a building-by-building basis, like for waterproofing. The response was that asking the members to vote on four or five special assessments in a year is not appropriate. Speedy says doing nothing is not an alternative. Our assessments go up because our expenses go up.

Shelly wants to know if we approve a special assessment now will she be assured that assessments will not go up in future years. She does not hear any quid pro quo. Speedy says we can't give assurances that there will not be additional assessments. The Board is trying to mitigate the increases in regular assessment and that is why we are considering and proposing a special assessment. Rich

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explained that our current reserve study Funding Plan #3 says the increase in the reserve portion of our assessments will go up for two years, 27% and 87%, respectively, then it shows they will go up zero for the next several years.

Buildings 6 (412) and 7 (576) have water intrusion with flowing water and other areas have moisture problems and we have stairwell issues, all of which need to be addressed.

Bill is strongly in favor of \$2,500 special assessment if it is budgeted properly.

- C. Vote By Members on Special Assessment:** Rich moved to put to vote of members a \$1.2-million special assessment for the purpose reroofing the remaining four roofs and it is to be assessed based on square footage per unit, payable within 6-months from notice of approval of the special assessment with the roofing work targeted for no later than the fourth quarter of 2009. Anthony 2<sup>nd</sup>. Mory opposed. Speedy abstained. All others approved. The motion was approved.

### **Adjourned:**

The meeting was adjourned at 09:55 a.m.

### **Minutes recorded by Don Appleby:**

\_\_\_\_\_ Approved as submitted

\_\_\_\_\_ Approved as corrected

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Jason Mitchell, Secretary