

## **Board Meeting – August 26, 2019**

Board Members Present: Teresa Topping, President; Jody Matthews, Vice President; Peter Schrempf, Treasurer; Jean Homan, Secretary; Sue Brown, Member at Large; Bryson Browning, Member at Large

From TMT: Cindy Sinanian

Homeowners present: 26

Started meeting with a discussion of change in meeting format – instead of starting the meeting with open community forum, the Board will open the floor after each agenda item is discussed by the Board for comments/questions from community members before moving on to the next agenda item. There will also be an open forum at the end of the meeting.

### Prior Meeting Minutes:

-Minutes from June 19, 2019. **Motion** to approve these minutes made by Jean, seconded by Jody. All in favor. **Motion passed.**

-Minutes from August 4, 2019 special meeting. **Motion** to approve these minutes made by Jean, seconded by Teresa T. All in favor. **Motion passed.**

-Minutes from August 4, 2019 business meeting. **Motion** to approve these minutes made by Jean, seconded by Bryson. All in favor. **Motion passed.**

-Minutes from August 7, 2019 meeting. **Motion** to approve these minutes made by Jean, seconded by Peter. All in favor. **Motion passed.**

Teresa T. reviewed all of the items on which the board has taken action since the Special Meeting of August 7, 2019. This included:

- Changing the day of the meeting – now the 4<sup>th</sup> Monday of the month;
- Changing the format of the meeting – as discussed above
- Established a committee to handle the gully remediation – Peter (as lead), Jean and Teresa T.
- Change the office and deadbolt locks due to the inability to retrieve keys from prior board member;
- Approved proposal by GeoResources in the amount of \$1550 for GeoResources to provide the engineering geologist's evaluation of slope stability in the area of the gully that has been clear cut;
- Approved the Archon bill in the amount of \$10,909.80, for the arborist that did the cutting in the gully
- Voted to put in a second lock box for Aqua Rec.

### Financial Report:

Currently running a deficit. The cash carry-over from the prior year creates what looks like a deficit that increases from month-to-month, but this is not truly a deficit as the funds were received in the prior year.

On the expense side, our 2019 budget did not include a \$17,000 earthquake insurance that missed by TMT. TMT is currently showing just under \$7000 in deficit for the year. In addition to that \$7000 deficit, there will be an additional \$8000 deficit due to the remaining amortization for earthquake insurance that was not included in the budget.

Additionally, there is a set of entries reflecting the proceeds from insurance companies from various leaks – income and expenses; at some point, that has to come to zero. Our accounting currently shows an additional \$28,000 paid that has not been allocated to expenses. Since that \$28,000 will eventually have to be allocated to the corresponding expenses, it is likely hiding additional deficit. Our deductible is \$10,000 for the insurance claims, so our expenses should be \$10,000 more than what the insurance company pays, which also adds to the potential deficit. Additional unbudgeted expenses:

GeoResources (engineering geologist) - \$1550;

Soundview Consultants (habitat study) - \$4290 estimated expenses (billed on hours spent)

We are starting to approach \$50,000 in deficit. When we reconcile the income and expenses, it should cut the deficit in half. Additionally, many of the categories that we use to do maintenance and projects are already tapped out for the year, which means that going forward, any additional expenditures in these categories will only increase the deficit. Board needs to be very careful for all remaining expenditures going forward and be very, very conservative in undertaking projects in 2020. Finally, we should have 3 months of cash in the checking account as a reserve for operating expenses. We currently have about one month (one month is about \$50,000).

Questions from the floor:

What will the permitting fees be? We don't know yet.

Will the reports from consultants available to members? Yes

We will be asking the consultants to come down and address the community about their work and their findings.

Adept Invoice \$2,078. 14 – the Board had been asked to approve, but the Board had too many questions to approve. Charge for appointment made where the plumber couldn't get access – N103. Eddie accessed first. Board decided that we need an itemized bill showing exactly what they are charging for, determine whether they are charging us for travel time. Additionally, the Board wants TMT to confirm that the plumber made appointments for each of the visits on the bill. Finally, the Board challenged the amount of the charges. For example, there is a \$520 for the visit to N203 (third visit) – it was a 10 minute service call (per the resident of N203); there was another time where N203 had an appointment and the plumber did not show up.

TMT asked to advised the Board as to the circumstances of a leak in F101 (invoice from Perez Plumbing contained in the APs). Cindy indicated she would research that and report back to the Board.

The Board expressed an interest in TMT using local vendors, as opposed to vendors from the north sound.

C201 – The resident raised the issue of a refund that TMT owes her and she has been waiting for four months. **Motion:** Teresa T. moved to approve reimbursing Mary for gardening expenses of up to \$50;

Jean seconded. All in favor. **Motion passed.** Cindy explained that TMT's accounting now requires board approval for all check requests and reimbursements.

**Motion:** Teresa T moved to approve the financials for June and July; Sue seconded. All in favor. **Motion passed.**

By email, the Board had approved payment to All Wire in the amount of \$1,425.19 for the G building irrigation clock and light bulb by compactor, with junction box repairs. **Motion** to ratify approval Jody; seconded by Teresa T. All in favor. **Motion passed.**

#### Management report:

As of 8/19/19, there were delinquencies totaling \$27,610. 4 units will be getting liens

Portal – Peter and two other people need access to the Portal to approval signatures and so that Peter can get access to the Portal

In the Management Report section of the Board Packet, Cindy Sinanian included a section whereby she recounted a verbal legal opinion that was obtained by TMT from Greg Ecklund, whereby Cindy questioned the validity of the removal of the prior Board at the August 4, 2019, special meeting, and concluding with Cindy's recommendation that the Board obtain a formal legal opinion to confirm the legality of the prior Board's removal. Jean Homan pushed back on Cindy's recommendation, asserting that Cindy is offering a legal opinion that she is not qualified to offer. Mr. Ecklund's legal opinion was free; the Association was not being charged for this.

Finish the signage project – need the street signs – ambulances go the wrong way; community feel that we should do the street sign. Also a request for a solar light on the map. **Motion** – Jody moved to get street signs and caps for the existing post, in an amount not to exceed \$150; Teresa T. seconded – all in favor. **Motion passed.**

Hole in the asphalt in front of the Community Center – it is approximately 2 feet deep. TMT has requested bids. Received one from Drain Pro for \$4000. The hole by the curb by the mail kiosk in front of the M building is only a few inches deep; not an immediate problem. Board advised that there is another hole starting on Skyview Lane just past the mail kiosk next to the L building.

Update on gully project: GeoResources has issued a report; we are asking a couple of questions, but the report has been provided to the City of Tacoma. Trying to schedule the counseling meeting for this week; just need to confirm that Soundview is available on Thursday for the meeting. Soundview has advised that they will be on site tomorrow to do a site visit; Peter will try to meet them.

Board agrees that reports can be shared with the community as they become available (email blast; copies in the Community Center; add to Dropbox).

Pool losing water – prior board member indicated that it has been happening for years. Think it might be evaporation. Pool might also need a deep clean at the end of the season, due to people not showering prior to using the pool.

Eddie and TMT both need the code to the contractor box and the office. (Keys were changed because prior board member declined to return keys upon removal from the board)

M204 leak – found out it was a homeowner to homeowner issue. TMT called out the plumber. **Motion** to approve the Adept invoice for the M building leak in an amount not to exceed \$500 and then that amount to be billed to the appropriate unit. Peter seconded. All in favor. **Motion passed.**

Discussed having Eddie handle all cleaning of the Community Center and to handle the monthly vacuuming of the stairwells, instead of having a separate vendor provide that work. Cindy confirmed that Eddie has capacity to undertake this work. **Motion:** Jean moved to have Eddie take over the monthly vacuuming of the stairwells and clean the Community Center; Peter seconded. All in favor. **Motion passed.** Community Center cleaning schedule - at least once a week, and spot cleaning as needed. Monthly for the stairwells. This will be effective as of September 1, 2019.

Sharkey has list of flicker holes that need to be repaired and he is working on it.

Draft budget tabled – budget meeting September 22, 2019 at 1 pm. Want budget materials and assumptions on website prior to the meeting. Also need 12 month account payable listing at least one week prior to the budget meeting. Finally, need a final reserve study for the budget process. Cindy indicated that they had asked the questions Peter posed and was having trouble getting answers. The board indicated that if Cindy did not get answers from Cedcore, then the reserve analyst needs to come meet with the Board.

For the fences attached to the buildings on the ground floors (the wings that extend from the buildings) dry rot was discovered at the wing attachment to the building and going into the building (photos included in Board packet). Cindy was not sure what building the pictures depicted (probably the C building). Eddie covered the dry rot to keep additional water out, but the Board needs to talk about how we are going to approach this issue. First step is for Eddie to do an inventory of all of the building “wings” and identify how many units are affected.

Cindy raised the issue of broken carport light fixtures and asked whether the Board wants to replace all carport fixtures. Board said that given current budget situation, Board is not interested in pursuing replacement of all. **Motion:** Jean moved to approve the LED square light fixture type; Sue seconded. All in favor. **Motion passed.**

We need a baby changing station in at least one bathroom (health code requirement). Has to be installed prior to the opening of the pool. Suggestion to make the bathrooms unisex and install baby changing station in one.

TMT directed to remove board members’ unit numbers and phone numbers from the board packet.

Board has approved TMT posting draft minutes to website as soon as received by TMT.

Shut down pool by 9/30

Asphalt – time for us to seal the cracks; need bids. Need asphalt companies to evaluate the condition of the asphalt for permanent repair work that needs to be done and need to determine when we are due for a seal coat.

Meeting adjourned.