

Kendall Overlook Condominium Association (Kendall 1)
Snowden Overlook Clubhouse
December 14, 2016
Board of Directors Meeting

Call to order by President, Marion Thompson at 7:00 PM.

BOD members present:

Marion Thompson, President

Pat Harrington, Secretary

Karen Keane, Treasurer

Joe Socha, At large

Absent: Debora Plunkett, Vice President

A quorum was present.

1. Motion to approve Agenda was made and seconded. Passed 4/0
2. A motion was made and seconded to approve the KO BOD meeting minutes of November 9, 2016. Passed 4/0
3. Presidents Report. Marion Thompson
 - a. Our lawyer, Ray Burke has advised us that a mediator has been agreed upon and a conference with council is to set up schedule by next week.
 - b. Two BOD positions will expire January 2017. Deadline for return nominations was December 9, 2016.
 - c. Election will be held at the annual meeting on January 11, 2017.
4. Treasurers Report. Karen Keane
 - a. See attached
 - b. A motion was made and seconded to approve borrowing from reserves \$15K if needed by year-end. Passed 4/0
 - c. A motion was made and seconded to accept/approve the Treasurers report. Passed 4/0
5. Committee Reports
 - a. Maintenance, Susan Gearing- no report
 - b. Architectural, Leon Thomas- no report
 - c. Landscaping, Jim Banahan not present The 13 Ruby Plums on the hill between DEB and EOW are shallow rooted and blow over easily. Eight have been staked back up at a cost of \$150 each occurrence. We need to think about replacing the trees with a different variety sometime in future.
 - d. Welcoming. Becky Socha –not present
 - e. Social, Judy Morrison, not present
 - f. Parking, Ann McCleaf. Not present
6. SOCA report, Pat Harrington
 - a. There are 2 new elliptical machines in Gym. Old ellipticals were sold to residents determined by lottery.
 - b. A new set of weights with rack has been purchased for gym.
 - c. Clubhouse front door policy of being locked working well. Has solved the problem of the doors blowing open.
 - d. Clubhouse rentals do not include use of the Sonus system.
 - e. Budget was passed.
 - f. Automatic gym door opener will be repaired.
 - g. Guard at gate will be given “barrel key” to lock door in case it remains unlocked after an event. FYI...the guards telephone # is posted on the table near the front door in case a resident finds the door unlocked..
7. Management Company Report, Patricia Lall.

- a. The coupons for SOCA have been mailed
 - b. 8733 EOW garage door not repaired. Fines began on Oct 12th. The door is not repaired at this time.
 - c. 8794 EOW left garage door has been repaired, but damaged right door panel has not been replaced by Sept. 30 deadline. Fines are being assessed.
 - d. Two previous violations are in compliance.
 - e. New violation: Owner notified of cable hanging off side of home at 8825 EOW.
8. Completed Business
- a. Becht drawings for repair cost estimate received.
 - b. Landscaping and snow removal contracts approved.
9. Old Business
- a. SRS repair cost estimate in process. Deadline for completion is 12/23/16.
 - b. 8819 EOW mold remediation repair to be completed by 12/16/16. Drywall and carpet bids are being gathered for Board approval.
 - c. WPM software (SenEarth Co) is being considered at cost of \$40/month. It will allow us email notification and voting options, faster way to send info to unit owners, owners can see their payment information, submit maintenance requests directly, access architectural forms and submit them. Webinar will be held in January for training of BOD.
 - d. Chart of Maintenance responsibilities in process.
 - e. Investigating options for dealing with delinquent unit owners.
 - f. WPM Spring covenant inspection form has been drafted by WPM for BOD approval.
 - d. Gutter/Downspouts Discussion Facts
 - 1.) Handout attached. Discussion followed
 - 2.) A motion was made and seconded that the Maintenance, Repair, and Replacement of Gutters and Downspouts are the responsibility of the unit owners based on our interpretation of the documents. Passed 4/0
10. New Business
11. Open Forum
12. Adjournment was at 8:26 PM.

Respectfully submitted
 Patricia Harrington
 Secretary

Treasurer's report –December 14, 2016

1. Financial statements for October were reviewed. WPM was asked to move some expenses from maintenance to the accounts for the construction defects. Corrections will be made in December. Preliminary statements for November were reviewed.
2. Cash balances – Operating October - \$ 17,000
 Reserves October - \$ 285,999
 Operating November - \$ 1,046
 Reserves November - \$ 292,100
3. We have taken loans totaling the \$246,000 from reserves through October. We were short of operating cash in October and took \$40,000 that was previously

- approved. Current projections estimate shortfall of another 60K by the end of December. We took 20K on December 8. Another 25K has already been approved, and I move to approve borrowing another 15K if needed by year end.
4. Reserves are currently \$240K less than the amount in the reserve study due to the \$240 loans taken in September, February, June, July, and October. They are expected to be \$304K under by the end of December.
 5. Revenue was \$20K for October and expenses were \$51K (\$29 for the lawsuit) resulting in income of \$31K for the month. YTD revenue was 197K, expenses were \$384K for a YTD loss of \$187K.
 6. Through October, spending for engineering and legal expenses for water intrusion issues was \$259 K. Our current projected total spending for engineering, testing and litigation is \$325K through December. We have budgeted an additional spending of \$70K in 2017.
 7. Becht completed the specs and drawings for the cost estimate work just before Thanksgiving, and passed the information onto SRS for costing. We anticipate receiving cost estimates for the repairs soon. This information along with bank requirements will allow us to develop a longer term strategy and alternatives for funding repairs.

Handout from 9. d.

(note: all references to HOA should be Condo Association)

Gutters and Downspouts Maintenance, Repair and Replacement (MRR) responsibility 12/14/16

NOTE: 1. With the exception of \$1800 paid by the HOA for one owner in 1/15, about \$300/year has been spent on average for all 78 homes for the last five years (per Maintenance Com).

2. In either case, a resolution is necessary to clarify ownership.

If HOA responsible

There is legal support for the conclusion that the Gutters and Downspouts are the MRR of the Association

- Because the gutter is attached to and functions the same as the roof, it makes sense they would be treated the same way.
- It is in conformity with the past practices of the Association.
- Art 5, Sec 3 of By-Laws says the Association should provide for the care and upkeep of Unit Exteriors in a manner consistent with the Declarations and By-Laws.

Then.....generally...

- HOA can be responsible for water damage from downspouts per the attorney
- If it is determined the gutters are working deficiently, we could pay for gutter reconfigurations, but not upgrade. Have to determine amount.
- If it is determined the gutters are working deficiently, we may pay a percentage of slab jacking, remainder due to poor compaction, animals,...
- HOA pays cleanouts as in the past 2/yr, this item is currently in the budget
- HOA pays for cost to make gutters and downspouts work properly going forward
- May have higher HOA fees to address future costs
- Anyone who has done modifications to Gutters and Downspouts must submit Architectural request after the fact to insure consistency and long term documentation.

If Unit owner responsible

- There is legal support for the conclusion that the gutters and downspouts are the MRR of the unit owners
 - You revert to the general rule provided by Maryland Condo law 11.108.1 that states that responsibility for parts of the unit, if not explicitly excepted (e.g., roof) belongs to the unit owner

Then....generally...

- As a convenience, HOA pays cleanouts as in the past, 2X/yr, this item is currently in the budget
- Owner would pay back \$1800 for gutter work, that way, everyone who incurred a large expense will have paid for it, and everyone will be treated the same. The \$300/year small charges will be forgiven.)
- Unit owner may make modifications to Gutters and Downspouts (those parts attached to the building) with Architectural Com/HOA approval.
- Anyone who has done modifications to Gutters and Downspouts must submit Architectural request after the fact to insure consistency and long term documentation.

Future.... Future boards may wish to establish the rules, documentation, infrastructure and fees to take on take responsibility of MRR of Gutters and Downspouts.