

Kendall Overlook Condominium Association (Kendall 1)
Snowden Overlook Clubhouse
April 10, 2018
Board of Directors Meeting

Call to order by President, Marion Thompson at 7:01 PM.

BOD members present:

Marion Thompson, President
Debora Plunkett, Vice President
Karen Keane, Treasurer
Pat Harrington, Secretary
Joe Socha, At large

A quorum was present.

1. Motion to approve Agenda was made and seconded. Passed 5/0
2. A motion was made and seconded to approve the KO BOD meeting minutes of March 13, 2018. Passed 5/0.
3. Presidents Report. Marion Thompson

a. Ryland Update: Report from Ray Burke:

The suit has been re-filed. The new Complaint and Demand for Jury Trial incorporates the identification of specific defects referenced in the Becht report, which had not yet been produced at the time suit was originally filed. Accordingly, the new suit is far more specific in its allegations of the defects at issue.

We have just received the summons for service on Lennar, and George Brown has been authorized to accept service on Lennar's behalf. We will serve the suit papers promptly, along with an initial request for production of documents. The fact that George has been authorized to accept service indicates that Lennar may employ him as defense counsel. In that case, we know that George is disposed to pursue claims against the subcontractors and be in favor of attempting to negotiate a settlement.

My conversations with George suggest that it is Lennar's strategy to use the pending law suit for additional leverage against the third-party defendant contractors and their insurers. Lennar has 30 days to respond to the Complaint, and we can expect that a new third-party complaint will be filed by Lennar soon thereafter. I would anticipate that Lennar will have filed both an answer and a third-party complaint within the next 45 days. Assuming that there are no agreed extensions of time, the third-party defendants will have 30 days to respond to Lennar's Complaint, at which point the case will be at issue as to all parties. At that juncture we will be able to determine if settlement discussions can then resume, or if the parties intend to first pursue discovery and motions. We should also have a scheduling order from the court at that time, which will likely include an order for mediation.

While it was beneficial to the Association to avoid litigation expenses by dismissing the law suit while we pursued what appeared to be a reasonable likelihood of a mediated settlement, I am not inclined to do so a second time, even if all parties agree to mediation; that is, I would prefer that the suit remain pending during any further mediation. Nevertheless, we will re-visit that strategy if and when the time comes.

b. Real Estate Report

- House bought by SOCA at Sheriffs sale is being foreclosed on by mortgage holder. The sale is scheduled for April 25, 2018 at 10:00AM. SOCA's lawyer will monitor the

foreclosure proceedings and hope that the lender rather than SOCA will shoulder the cost of eviction.

- Courts granted Chapter 7 bankruptcy for another delinquent home owner. Since then the homeowners are up to date with monthly assessments.
- A house that went to foreclosure is still on the market.

4. Treasurers Report. Karen Keane

- a. See attached
- b. A motion was made and seconded to approve the Treasurers report. Passed 5/0

5. Committee Reports

a. Architectural, Debbie Ritchie

Meeting scheduled with Patricia on Thursday. Both front door colors have been identified. Dryer vent cleaning of 10 homes was accomplished yesterday (receiving group discount).

b. Landscaping, Pat Harrington

- Three trees were blown down recently by strong winds adding to 3 trees that were already downed. Mainscapes has been asked for a proposal for replacement of 6 trees. The tree replacement is in the 2018 budget.
- Turf damaged at 8724 EOW and tire is stored in driveway. WPM will send letter of violation to the homeowner.
- Patricia will ask Mainscapes for proposal to repair turf in front yards where needed. However, this is a homeowner responsibility.

c. Welcoming, Becky Socha – no report

d. Social, Judy Morrison-

Next event is a Dinner at the Royal Taj, 83354 Benson Dr., Columbia, May 21 at 6:00PM. Leave your RSVP in notebook on Judy Morrison's front door or contact her.

e. Parking, Ann McCleaf. No report

6. SOCA report, Pat Harrington

- Resident data base has been updated to include pool pass information. A camera was installed on office PC to use registering residents for pool passes. Dennis Echenlaub was instrumental in this process
- Still working on replacing lights with LED's. It is much more complicated than expected.
- Clubhouse events need volunteers for set up and cleanup. Consider volunteering when you sign up to attend an event. Usually need 2 couples.
- The fabric has been replaced on the pool lounge chairs and are ready for May 5th pool opening. We hope to have a few new chairs with higher seats for easier accessibility.
- Looking for interior decorator to help with planning upgrading aging/worn Clubhouse furniture
- Howard County Health Department is requiring that the pool be closed by sunset. Therefore, closure times will vary from 7:00 PM to 8:30 PM. Times will be posted on fence by gate.
- Pool deck and upper deck will be power washed this spring.
- Joe Socha is now chairman of the IT committee
- Ten Crape Myrtles around the pool have been up lighted and 3 trees in front of Clubhouse. New spot lights have been installed for the SO entrance monument sign and the Clubhouse sign. Wiring has been buried in conduit for protection.

7. Management Company Report, Patricia Lall.

- a. SOCA approved the write off of \$10,063.34 attributable to the KO unit granted bankruptcy, reducing debt from \$16,710.74 to \$6,6647.10 for 8719 EOW.
- b. A letter of violation was sent out to resident for front yard maintenance.

8. Old Business

- Senearthco website instruction will take place on either April 24, 25. or 30.
- Patricia Lall will assist Debbie Ritchie establishing procedures for submitting architectural applications.
- Architectural committee will review and update current KO Rules and Regulations referencing Long Reach guidelines and the KO documents.
- The updated guidelines will then be posted on SO website.
- Patricia Lall will have the storm drains inspected for damages.

10. Open forum

11. Adjournment 8:00 PM

Respectfully submitted
Patricia Harrington
Secretary

ATTACHMENT

Treasurer's report – April 10, 2018

1. Financial statements for March 2018 were reviewed. No exceptions were noted.
2. Cash balances – Operating - \$12,938
Reserves -\$519,224
3. We originally took loans totaling \$306,000 from reserves. Our current outstanding loan is \$110K. We are planning only minimal paybacks of an additional \$10K in 2018. Mainscapes reviewed our current status of payments versus services performed and elected not to bill us for February and March, which substantially improved our cash forecast and allowed us to pay for the mediation meetings without additional borrowings against reserves.
4. Reserves are currently \$95K less than the amount in the reserve study (\$615K) due to the loans taken since we began the lawsuit. The projection is to be for reserves to be \$575K by December 2018 or approximately \$89K under the recommended full funding (\$664,000) per the reserve study.
5. Revenue was \$23K for March and expenses were \$27K (\$17K for the lawsuit) resulting in a loss of \$5K for the month.
6. Through March, spending for engineering and legal expenses for water intrusion issues was \$465K. We budgeted spending of \$43K in 2018, and forecasted spending is \$63K. The actual year to date is \$27,000.