

Kendall Overlook Condominium Association (Kendall 1)
Snowden Overlook Clubhouse
July 13, 2016
Board of Directors Meeting

Call to order by President, Marion Thompson at 7:10 PM.

BOD members present:

Marion Thompson, President
Debora Plunkett, Vice President
Pat Harrington, Secretary
Karen Keane, Treasurer
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 June 8, 2016. Passed 5/0
3. Presidents Report. Marion Thompson
 - a. Information from Ray Burke, our attorney: Cal Atlantic, 5 third party Defendants, and our lawyer Ray Burke will conducting a site inspection by end of July or early August. Awaiting 2 subcontractors to respond.
 - b. Burke has instructed us not to fix any units until the visit from defendants has occurred.
 - c. Pre-trial conference date is scheduled for January 4, 2017.
 - d. Trial date is scheduled for February 13, 2017.
 - e. Becht is to finalize the engineering report today.
 - f. Questions of homeowner addressed.
 - 1.)What is the status of the lawsuit against Ryland?
 - 2.)How much have we spent on attorney's fees to date and how much is that expenditure expected to increase by the time the lawsuit is adjudicated?
 - 3.) What is the status of the repairs on the prototype home, what repairs were completed, and how much did it cost to complete the repairs?
 - 4.) What is the expectation of the Board for the extent of the repairs for inner and outer ring homes?
 - 5.) Will homeowners share the cost of home repairs to other than common elements when the damage was caused by a failure of common elements?
 - 6.) Will the Association cover the cost of home repairs to other than common elements when the damage was caused by a failure of common elements?
 - 7.) Has there been any long tern financial planning for Kendall 1 anticipating many expensive home repairs for the community?
 - 8.) When will there be a comprehensive schedule of repairs established for the homes in Kendall 1?
 - 9.) What should homeowners do who have active leaks, mold, or other potentially hazardous conditions (for example, the deck and ledger board situation)?
 - 10.) How will the Association pay for all of the needed repairs and what impact will that increased spending have on future assessments or increases in Condo Association fees?

- 11.) Has the Board investigated obtaining a construction loan and what impact will the ongoing lawsuit have on the Association's ability to secure such a loan?
- 12.) How will routine maintenance issues such as exterior painting, sealing of roads, and landscaping be addressed during the period of home repairs and potential deficit of funds?
- 13.) What is the Board's plan to keep the reserve fund at legally required levels during this period of unanticipated and significant new expenditures?
- 14.) How is the Board using the Maintenance committee and other Committees in their decision-making process?
- 15.) What is the Board's homeowner communication strategy going forward and how will the Board ensure complete transparency in its activities, especially with the very important issues of the lawsuit, ongoing home repairs, and budgetary matters?
- 16.) What can the Board do to instill confidence in our community during these difficult times?
- 17.) What can homeowners do to help?

4. Treasurers Report. Karen Keane

- g. Report based on May and June financials that have been reviewed with no exceptions noted.
- h. Cash Balances: Operating \$882
Reserves \$354,264
- i. Including \$100,000 previously borrowed from reserves we were short of operating cash in June due to the prototype repair. We borrowed \$50K from reserves. Current projections estimate a shortfall of around \$100K by December due to legal bills being higher than estimated.
- j. A motion was made and seconded to approve borrowing \$85K from reserves to be used as needed. Passed 5/0
- k. Reserves are currently \$151K less than amount in reserve study. The minimum reserve funding for our reserve study is \$127,000. We do not anticipate going below this figure.
- l. Income for month was \$20K and expenses \$79K resulting in a loss of \$59K.
- m. YTD revenue is \$118K, expenses were \$234K for a YTD loss of \$116K.
- n. Through June spending for engineering and legal expenses for water intrusion issues was \$174K. Our current projected total spending for engineering, testing, and litigation is \$289K
- o. The BOD met with a representative from M&T Bank to discuss potential loan to fund repairs in any excess of any settlement received. We are good candidates for a loan since we have a Reserve study, have made efforts to fund the reserves and most homes are owner occupied.

4. Parking Report. Debora Plunkett

City Wide towing company contract was signed but we have decided to postpone installing the larger parking signs until we can evaluate the impact of having the parking spaces labeled "visitor" (scheduled for August 9th)

5. Committee Reports

- a. Maintenance, Susan Gearing
The report from Becht on water infiltration and other defects expected soon. Carpenter bee holes in wood trim will be filled.
- b. Architectural, Leon Thomas. No report

- c. Landscaping, Jim Banahan
Letters will be sent out reminding residents of their responsibility to replace dead shrubs in front yards. A motion was made and seconded to accept Mainscapes proposal to treat the tree at 8731 EOW with Bio-stimulants, cost is \$175. Passed 5/0
 - d. Welcoming. Becky Socha
Introduced new resident of 8713 EOW, Shelly Boswell.
 - e. Social, Next event is a brunch on September 17th.
 - f. Parking, Ann McCleaf.
The violation of residents parking in visitor parking comes mainly from 4 units. The committee would like to see the BOD go forward with implementing towing.
6. SOCA report, Pat Harrington
- a. HVAC 1 year contract signed with Knott Mechanical.
 - b. Heaters have been installed in the Terrace room under awning.
 - c. Ovation unit obtained by SORE has been foreclosed. Final rent check was paid for May.
 - d. Crape Myrtle poolside has been replaced and other poolside trees pruned.
 - e. IT committee: New router was installed in Clubhouse providing stronger signal. The "Clubhouse" Wi-Fi connection is encrypted so is safest. Password is clubhouse. Other network is "Clubhouse Guest", not encrypted. The internet speed was increased and surge protectors were installed in Clubhouse and Guardhouse. An "opt out" letter will go out to SO residents requesting SOCA not use their email addresses for correspondence
 - f. The 55+ Community sign has been installed on wall at entrance.
 - g. Please return the age survey letter to WPM. Requirement of HOA documents.
 - h. Mainscapes will replace buckled sidewalk concrete slabs on DEB.
 - i. Pool rule change, "during SOCA scheduled water exercise sessions, only session participants may be in the main section of the pool. Others may use the alcove/seating area during sessions. Exception may be authorized by the BOD or management."
7. Management Company Report, Patricia Lall
- a. Concrete work was satisfactorily completed at 8778 EOW. Retaining wall will be reinstalled.
 - b. Hearing notice sent out to 8733 EOW for failing to repair damaged garage door.
 - c. Non-compliance letter sent to 8768 EOW. They are to paint garage doors by July 25, 2016.
8. Old Business
- a. The residents at 8723 EOW in violation of the under age residents by-law living in home have signed the legal document and agreed to move children out by July 1, 2017.
 - b. KO BOD members are now members of CAI.
 - c. Continue to work on chart of maintenance responsibilities.
9. New Business
- a. Waiting for proposals to inject epoxy in 8819 EOW foundation wall.
 - b. Dormant wasp nest removed at 8825 EOW, need cleanup of debris.
 - c. Contracts for landscaping will be re-competed this year. Meeting with Mainscapes on Tuesday July 26 at 1:00PM

- d. Precision Concrete Cutting grinded the trip hazard at 8728 EOW and will come back out to do same at 8738 EOW.

12. Open Forum

13. Adjournment was at 9:05 PM.

Respectfully submitted
Patricia Harrington
Secretary