

DRAFT
THC HOA Board Meeting
11-17-05

Participants: Steve McWilliams, Gayle Voyles, Chris Sanders, Ron Falcon, Cynthia Selder, and John Clock. **Committee Members:** Tom Scanlon and Linda South.

The meeting was called to order at 5:30 PM.

Minutes from the October 20, 2005 TC HOA meeting were unanimously approved.

Treasurer's Report: John Clock hit the high points: legal was 36,000 over-budget (Pauls settlement and exhibitionist fees). Landscape \$2,500 over budget (back-billing). Janitorial Contract (one cleaning a month budgeted, but actually getting cleaned by-weekly), \$400 for pool; for closing the pool expenses. Water \$4,000 or \$5,000 over-budget. Fountains and Ponds (issues and fountain repair) drainage issues, \$451 for keys and locks (key track system --computerized systems). Front door's lock to clubhouse had to be repaired. Sprinkler system was leaking; some have been repaired. Cynthia called the water department about possible readings that may have been in error. \$103,018 over-budget this time. \$27,000 operating expenses are over what was anticipated. \$30,905 additional dollars. Settlement money helps us address the issue (used \$57,000 of the \$100,000 from Pauls Corp.) \$40,000 for concrete was never anticipated when the budget was set; painting was also over. Capital expenditures were our problems. We have \$150,337.12 in the money market account as of 10-31-05.

Under-budgeted for \$62,000.

The TC HOA board voted to install Chris Sanders onto the TC HOA Board, filling a vacant seat due to Kevin Lew-Hanson's move to the East Coast.

We do have time, weather-wise, to replace the piece of concrete in front of 11620 – F? John, said, "Yes, we do." A discussion arose regarding whether there were other patching jobs are *as bad* as the job at 11620-F. What do we do if others hear of us replacing 20-F's front door section? Did 20-F's owner demand that the section of concrete be replaced? John Clock said, yes she does expect it to be replaced.

Steve: Do we act on a visual issue that doesn't cause a safety issue? Or, do we stand firm that the patch did meet the "safety issue and protection from water damage? Do we have her take it to the Covenants Committee—our budget doesn't allow us to deal with aesthetics, at this time?

Gayle said that she thought the concrete company should be held accountable. John thinks it is a valid point, but because of The Tiehen's Group experience with the owner of the company probably they would say, fine. So, get someone else to handle the job next

year. John's suggestion: Express the fact that we have this complaint and see if the concrete company would give us a discount, due to the nature of the problem. He is the professional, and he really should have talked to The Tiehen Group before completing the patch job, as they did.

Steve: Another aspect, how well will the patches hold up. If they hold up and last, we might want to keep the concrete company. Steve says, if it is due to aesthetics we do not replace it. That was not something we could worry about at this time. 11620-F condo owner called the work "shoddy" in her email to Cynthia.

Being the squeaking wheel—she keeps putting notices up in the mailroom. Others that complained were fine once Cynthia explained that this was a temporary way of dealing with the issue. Should we really reward 20-F's condo owner for constantly complaining.

Cynthia thinks we shouldn't replace it, because then we would need to replace all condo owners' similar patch jobs. Steve believes that we shouldn't because the work meets the safety issue and deterioration goals. Let's say we will re-evaluate the patching next year. Tom and Ron both felt the patched jobs were shoddy workmanship—not feathering it out.

How close are we to finishing Phase One? Pretty much done, but missed buildings 14 and 13. We are having them come back to do these two areas. John has already talked with Jim Tiehen and notified the condo owner of 20-F that we will have it replaced (\$800). We will try to negotiate with the concrete company.

Steve mentioned that in the future probably in cases like this it would be nice if The Tiehen Group would consult with the Board before making a decision and informing a condo owner. It may make future claims harder for the TC HOA Board to deal with.

Another viewpoint: John and Jim have determined the workmanship to be shoddy when they told the condo owner that the section of concrete will be replaced. It could make it harder for the TC HOA Board to deal in the future. This is a process issue; better communication between the management company and the TC HOA. We need to tighten up the bid process—more specifications, so things like this don't happen again.

Jim Tiehen needs to let the concrete company's owner know how unhappy he is with the job. Concrete next time: will it be "no patching", or "only in areas away from the condo units' front doors"? Jim needs to decide how he will handle the conversation with the concrete company.

Clarification issues regarding how unhappy he is with the patching jobs. Then determine what is "fixing" it. Jim thought the patching was fine, but in 20-F's case the area was too large and it shouldn't be done by the front door.

TC complaints website was on the flyer that the condo owner of 20-F.

Tom Scanlon thinks that Jim's long history with the suppliers that he should also have leverage with them because of their wish for on-going work. Steve thinks we should be careful; we don't want to upset good vendors that we may need next time. Is it reasonable to ask the concrete company to split the \$800 replacement fee? Could they eat \$400 and we pay an additional \$400? John would love to see someone from the Board involved with negotiations with contract vendors—our opportunity to help communicate the specifics/criteria. These things often are very subjective. We don't have an architectural committee, at this time.

Steve mentioned that the TC HOA Board hires the management company to make good decisions, based on their expertise and experience. Steve said there are a couple of things that leap to his mind: contract (means and methods). Liability shifts if the TC HOA Board members are making the decisions of what is a trip hazard and what isn't. The board is protected on liability issues if we leave those decisions up to the management company that is hired. Steve suggested that the board table this issue until the January meeting when contracts will be on the agenda.

Ron asked the minutes to reflect that he finds replacing the patch job's section of concrete as a big mistake. He spoke with Sandra (20-F) today—Katy gave her Ron's email address. Ron shared that he believes she is a real religious woman and she says she was accused of placing the flyer in the mailroom when she didn't. Ron believes he will have problems with the people in his own building if we replace 20-F's section of concrete.

Cynthia said she has had a few residents complain about the storm door issue. They are asking that we do a proxy vote before making these decisions—like the storm/screen doors.

Drainage issues should be done by the end of next month. Fountains, should be completed sometime after the holiday. Leave the fountains on as long as possible. Snow—we need to get our ducks in a row for that. Steve will take responsibility for calling the contracted company when we expect to get 2 inches of snow, or more. John wanted to be sure Steve understood that he must call them as soon as possible. Service will be delayed by not leaving it up to them to make the call. If there is a big storm coming (3-4 predicted) Steve will go ahead and call to get on the list. Main phone number is answered at all hours during a snow event. John is giving them his, Cynthia's and Steve's.

The snow company wants to be able to come in the middle of the night/early morning because of the size of our property. The board approved having the contracted company start the snow removal process during the night.

Once the storm has passed, and ice is gone Fred can remove the excess salt to help keep our sidewalks in good condition.

Federal Tax ID Issue: There is a tax id number. We need to get it to the insurance company. John said Pauls Corp. needs to contact the IRS to initiate the change. Their

address is listed with our tax id #. Accounting Dept. found that TC Condominium Assoc. Inc. is set up in KS. Ron says this is a for profit organization, but our By-Laws indicate that we must be a not-for-profit organization. Steve told John Clock to get this situation resolved as soon as possible. Jim Tiehen is the registered agent, since 2002 (prior to being involved); how did this happen? What is going on? Our by-laws and insurance are in this name. We will lose our insurance if this doesn't get straightened out. Our insurance can't be renewed until this is resolved. Have there been tax reports filed? Our checking account is in a different name. Steve told Ron that when homeowners contact him about issues like these, he should direct them to the management company.

The Covenants Committee made the recommendation that everything get straightened up and aligned, as soon as possible. Broader issue: we can't make assumptions that things are all in order. By-Laws have Inc., but the checking account doesn't.

January 1, 2006 Steve wants all i's dotted and t's crossed. Homeowners have been posting complaints about the way the board and management company operate. Please don't give them an actual issue to complain about. We need to know that everything is operating correctly, and by legal specifications.

Tom Scanlon led a discussion regarding an effective way to deal with bulletin board items. The TC Board should have to approve any signed flyers before they are allowed to be posted on the bulletin board. We will continue to use the enclosed bulletin board to remind homeowners of upcoming board meetings and social events, in hopes to increase the participation rate. The board decided that in the all postings are to be submitted to Cynthia. If there isn't a name and a condo address it won't be posted. A motion was made to that effect, Chris seconded it, and the motion was unanimously approved. Cynthia was instructed to post a memo stating the new legislation.

A question was raised with the homeowner who emailed the board regarding the removal of heavy duty trash received communication from the board. Steve shared the need for us to print out and bring homeowners' email issues to the monthly board meetings, so decisions could be made and follow-up communication planned and implemented.

A motion was made to approve the additional concrete repairs at \$4,700.00. Gayle seconded, Chris voted "YES", Ron abstained; the motion was approved, with the understanding that the Tiehen Group would try to negotiate with the concrete company.

A discussion relating to billing the flasher for the legal expenses occurred. Since the board approved this action at the 10-20-05 monthly board meeting, the management company was asked to double-check to see if the case has made it completely through the system. If so, then to start invoicing the homeowner \$100/month until the \$1,800 is paid off.

Kate never got back with Steve about her water damage issue.

Proxy letter is being sent out to homeowners that do not live at TC. Ballots will have places for nominations from the floor. We can have the proxy votes entered in ahead of time.

Ryan Gerstner is supposedly contacting an attorney as soon as the designated parking plan is in process (stencils painted). Ryan also reported to Andrew that individuals on the Covenants Committee slandered the Pauls Corp. saying that if he was told that he was guaranteed parking Pauls Corp. mis-represented the actual by-laws. Andrew called the Pauls Corporation and told Margaret Heirs; she said if we continue slandering the Pauls Corp. she will get an attorney.

Linda South shared that Ryan has a spot, but his brother doesn't. Linda said, Pauls Corp. is in the business of renting apartments. Linda suggested that anytime a committee, or board, meets there must be a recording/minutes of what was said, to protect the committee and board members.

Ron suggested changing the codes on the financials. We show Cynthia and Fred as a payroll line item, an auditor would want to know where the workers comp. is. John Clock said that he would talk with their accountant.

Holiday Party – Cynthia wanted to know what the budget would be for the holiday party. Cynthia was instructed to get an estimated budget proposal to Steve in the near future. Social Committee: Ann Rudder, Larry Rudder, and Patti Fogerty will work with Cynthia on planning the party.

Ken Patrick, Realtor and wife is an attorney, are homeowners of a townhouse. Ken informed Cynthia that we can't tell them they can't have a storm door on their front door. He mentioned that he wouldn't have to pay legal fees because his wife is an attorney. Steve suggested that Cynthia refer those type of complaints/comments to the board.

Linda mentioned that we should think about reviewing the management company. Ron mentioned that the By-Laws state that we can not hire a management company for more than one year. If we are happy, we can renew the contract for the next year. The review should be done annually, in November, and then extend an offer for a renewal contract in December.

Linda South presented a packet to board members regarding the election procedures that must be followed. Pauls did give us a golf cart and some things. Five units are left to close in December.

Linda will help sign people in at the door of the Dec. 15th Meeting; Ballots will be posted in the enclosed bulletin board.