

June 24, 2024

Call to order 6:34 pm

Last minutes approval to do via email

### **Financials for May**

- See minutes for numbers

### **Megan Update on special assessments**

#### **SUMMARY AND ACTION ITEMS**

- Board approved to borrow from reserves to cover January loss
- notify residents about transfer - Megan may have something boilerplate and share with board
- Decide on tentative date to start repayment, between October 1 and January 1 (not binding, we can change it). Purpose is to allow home owners time to prepare. Board to confirm offline
- special assessment to cover what we borrowed and to recoup funds to be able to support upcoming projects. Run these at the same time to alleviate confusion on timeline, but still technically two line items
  - One will go back to reserve
  - One into project fund
- Target “up to 24 months” for repayment plans (leaving us room to repay it early if needed) but offer no interest payment plans for people who can’t cover it

#### **Full Notes**

- Special assessment to repay reserves
- No cap in Washington state nor in Mercer Park governing docs
- Megan on Special Assessment Process context

- board can borrow any sum of money from reserves, not limited as long as it's benefiting the association
- Needs to be announced in letter to members that board has authorized transfer, explain payment process
- Choose start date, 24 month repayment. Start in January 1 since that's when water damage happened
- Borrow from reserves is different from special assessment. Special assessment is for funding upcoming projects to garner funds
- Repayment will be funded from special assessment, choose starting date for repayment plan
- the borrow from reserves is the thing we have to cover within 24 months
- Other payment for special assessment can do collection over the course of a year or two to recoup losses, extra \$500k (and prepare for future stuff)
- Can do this at the same time to alleviate timeline confusion
- Estimate about 30% of people pay up front, the rest usually do payment plan. Condominiums are commercial, can price interest rate at whatever the market rate is

## **Incoming Coverage Approval for 4-101**

### **SUMMARY AND ACTION ITEM**

- 4-101 damage was denied by insurance and so we need to approve bids from Steadfast and Cascades for repairs
- Juan to add discussion about prevention of drain overflows in below ground units to next meeting's agenda so he can gather info for discussion

### **Full Notes**

- Megan notifies incoming coverage approval for building 4-101 regarding bids from Steadfast and Cascades (was denied by insurance)
- Curtis requests agenda item regarding this issue as this issue has happened multiple times before, what can we do to systemically to prevent this issue in the future

- Kris wonders if we can do something with landscaping (mulch issue)

## HomeOwner Open Forum

### ACTION ITEMS

- Assess a number of topics at Wednesday's walk-through
- Juan to put agenda item for next month about HOA organized yard sale

### Full Notes

- Carol B (8-201)
  - Should we be more aggressive in collecting delinquent funds? This rate is especially high compared to the past
    - Juan: lump sum for 2 owners, not dues delinquencies (which are less than \$5k)
  - What is happening for preventative measures?
    - Recent board planning planned for this in a planning meeting.
    - Currently addressing this issue plus looking for future preventative measures
  - Asks about the trailer parked outside our buildings 8 and 9, is this for the repairs? Doesn't seem to be Steadfast
    - Will check on the walkthrough
  - Building 11, decorative things in the front of the building
    - Will check on walkthrough
  - Building 9, upper unit for sale, for sale sign in front of the building (which is not appropriate)
    - Will check on walkthrough
  - Car sitting idle without moving
    - 45 days limit but will check on walkthrough
  - What happens to people who don't pay the assessment?

- Same collections process as with dues
  - What does the assessment do to the resale value of our units? Considering our current high dues
    - Real estate agents curtis interviews, counsel prospective buyers, only look for pattern of special assessments and upcoming special assessments. One off hopefully will mitigate effect on resale value
    - Carol says last assessment was only \$2k compared to \$8k
    - Kris: some homeowner policies include assessments
- Travis
  - Joined late, asked for clarification on the assessment
- Joan (8-302)
  - Is there a timeline for reviewing and approving a bid for repairing the garages?
    - Juan: those are in what Steadfast is working on. Living spaces first, garage only at end of the line. No fixed timeline but almost done with interior
    - Send message to the mercer park inbox and copy insurance adjuster so Danielle can give transparency on the process
- Jim
  - Bottom Unit issues with landscapers, apparently landscapers blow debris down stair well which probably affects the drain. Let landscaper know to not do this.
    - Juan notes it's most common request to landscapers, will talk to Dan, but may change with a new technician
    - How can we communicate to any new technicians?
    - Pictures help, note that landscapers may be on the hook for blocking drains in future issues
  - Garage insulation. Insulation unit above was not blown-in insulation. Issaiah probably doesn't need to get into garage to assess pipe freeze problem, but wants to assure that insulation is restored above to its state prior state
  - Unit above left a bunch of stuff out. Are Garage sales permitted on site?

- Curtis says HOA would organize annual garage sale, but HOA sponsored event. Wouldn't be opposed to personal garage sales but have people park on street
- Juan has the info on the people who left all their stuff and is in the process of getting removed (covered by move in/out fee for tenants, \$400)
- Jim suggests increasing that amount
- Juan will put that on the agenda for next time

## **Old Business**

### **ACTION ITEMS**

- Regroup offline to discuss timing on replacing AAA for all things including inspections
- Put Eastside landscape schedule of work in the public documents, and full contract once it's signed
- Review landscape work at Wednesday's walkthrough
- Go with Miracle Vent for dryer vent cleaning

### **Full Notes**

- See agenda for details
- Building 4 panel replacement - Kris asks if Compas or Innovative are possible replacement for AAA for things in addition to repairs (inspections, etc)
  - Juan confirms this is a one stop replacement
  - Quite a few other communities use Innovative and Compass, but try not to overload vendors
  - Want to have this done before inspections happen in the Fall, put on next month's agenda to get it decided
  - Tabled until regroup offline
- CONFIRMED we're going to Eastside for landscape contract renewal

- Curtis mentions that this is the least problematic landscape contract we've had so far. Suggests more board and community involvement to improve details
- Carol mentions they never pick up after tree trimming, can we talk to them about it. Dan appreciates pictures so if we could send them to Juan
- Kris mentions landscaping day is same day as walkthrough so we can do
- Get copy of landscape contract on public forum (schedule of work, and then full thing once it's approved)
- Dryer Vent cleaning
  - Miracle Vent did it last year, Juan gives them a B+, can use as leverage for them

## **New Business**

### **SUMMARY AND ACTION ITEMS**

- Pressure Cedcore to get in bid before end of week. If they do, we can review offline
- Otherwise move forward with RSG with one year
- Juan to investigate what raising property damage and water damage deductibles to \$50 k will do to insurance premiums
- Kris and Jim will check their coverage to verify what would shift with the deductible increase in order to draft a message to homeowners
- Garbage enclosures: ask Steadfast to review last year's work in addition to this years, to look at reports of paint peeling up from not sanding first
- Look at garbage enclosures in walkarounds to see which ones are in dire straits
- Discuss pressure wash alternatives offline

### **Full Notes**

- See agenda for details
- Reserve study
  - Cedcore is Juan's preference, but they haven't gotten back on the bid yet.

- Not a huge amount of differences study to study, so okay to go with cheaper option. RSG super responsive
- Curtis Looking for more cooperative process, value added in switching up companies every 3 years
- If price difference isn't huge just do 1 year instead of 3 year term? There's literally no cost difference
- SUMMARY AND ACTION ITEMS
- Insurance Renewal
  - Increase water damage deductible from \$25k to \$50k
  - Kris: We should message that we're raising the deductible to home owners so they have the opportunity to adjust their personal insurance, let them know what their personal coverage should be
  - Kris and Jim will check their coverage to see what this might be to verify what that would be in a \$50k shift
  - Juan will see what that does to premium with increase in property damage and water damage
  - Renewal is 13th, would send notification
- Seal coat bids in progress
- Garbage Enclosure bids
  - T&M with Steadfast. Do one garbage enclosure with Steadfast to see cost
  - Take a look on walkaround to see which ones are in dire straights.
  - Curtis points out debris build up behind enclosures at bottom of hills (it's gone above metal flashing and is rotting out wood). Propose doubling the height of the metal flashing
  - Carol notes that they painted without sanding so the paint coat didn't last very long
  - Painting cap like we did last year?
  - Action ITEM

- ask Steadfast for assessment of areas he did last year if painting is pulling up, as well as new areas
  - Will look at issues on walkaround
- Pressure wash
  - On walkaround assess if we need full buildings or just entries and walkways
  - Can we not do pressure washing during growing season?
  - Can we just buy 5 of our own pressure washers? Need rules for people use it so we don't fuck up our siding. Would need to come up with an agreement for use.
  - ACTION ITEM
    - discuss this further offline

Adjourned at 8:07