

August 19, 2010TC HOA Meeting:

Participants: Don Lickteig, Daphne Reitz, Gerald Clamors, John Clock, Jo So and Gayle Voyles

Financials Report: John Clock

Income: Total Income year-to-date was \$3,371 more than anticipated.

Expenses were \$1,303 over budget as we paid \$10,046 to payroll that included Cynthia Selder and Mike Carroll and overtime for Bill Gates.

Service Contracts: Expenses were \$1,514 under budget.

Repairs and Maintenance: Expenses were \$11,760 over budget as we paid \$16,264 to Bordner to repair 20 roofs; \$3,198 to Westside for smoke detectors; \$2,000 to Walsh for concrete work at 7L; \$2,095 to repair the fountains for April, May and June.

Utilities: Expenses were \$783 under budget.

Non-Operating: We paid Midwest \$4,729 for asphalt repairs; \$6,869 to Solution System for painting, wood rot and siding repairs; \$13,006 to Bordner for roof repairs above soffit issues.

In Summary: Total expenses year-to-date were \$124,325 less than anticipated as we were late in stating the painting project and net income year-to-date was budgeted at a loss of \$79,289, but was a gain of \$48,407, again due to the painting project being delayed.

Next on the list:

Delinquency Report: The updated copy was distributed to board members.

1 pre trial conference

2 bankruptcy/foreclosure

3 foreclosure

4 Lien

5 – moving into foreclosure

By the end of the year – may have a new owner

6- Bankruptcy – letter from attorney – cease and assist trying to collect money from homeowner – responsible for after filing bankruptcy

7 - Court date 9/16

8 Judgment/payment plan - worked out, but should have had \$6,000, but haven't received 1 cent; attorney is hassling them; but John Clock told them in July we accept their plan as long as legal fees will

be included – we're dealing with people in NY; they keep maneuvering the numbers. They insist they will pay; attorney was told today if we don't receive payment we will garnish wages. Of course to do that which will cost us money.

9 judgment/payment plan – same as above

John will stay on top of the attorney. If he feels we should go ahead with garnishment of wages; John will check with the board; board believes it is best to take the next step.

John: Tell me what you can live with – that is in stone; if you miss it we will go to the attorney. The fact that they have missed that, John doesn't trust it. Daphne: Take the next step forward – they have missed the payment plan. After board members discussed the issue they decided to wait for two weeks Sept. 2nd; if no payment has been received we will garnish wages. Jo made a motion to wait two weeks and then move forward with garnishment, Gayle seconded Jo's motion; it was unanimously approved.

Are there other questions for John?

Don – We looked at a unit with a utility issue twice of last year's It was like \$4,000 more – would – Gayle looked at July minutes – Building 3 was in question. John and Cynthia were to look into it and Building 30 – are the pond fountains part of it? Water and Sewer for Building 5 – over \$2,000 – John: water and sewer – that is sprinkler/underground sprinkler system is part of this building's expense.

Board question: Page 4 of 5 – building 10 - \$1,000 T – what does T stand for? John will check on this one.

Has there been any variance for clubhouse electricity (comparing this years from previous years) I'm asking since we have the new thermostats.

John: We're \$1,000 under budget year to date. Daphne shared that she had cut down the temperature in the workout room to make it more comfortable.

Don: KC P&L will install a thermostat and take it off and turn it on. Do we have that privilege; where they control usage during high usage times.

John: It really isn't a good plan – at another site we manage we had a big meeting with angry homeowners – cycling of KCP and L was at 85 degrees instead of 75 degrees. KCP&L doesn't recommend this plan with vaulted ceilings. You may not want that for the clubhouse. They decrease air off and on every 15 minutes during business hours.

John – Are there any other questions? There were not.

John said he would check the utility bills for buildings 3, 5, 10 and 30.

Don – Cynthia said that when we do get bills that seem out of line, she writes the utility company – John said we call the utility company. Generally, we contact them to see if there is a leak in the line, or could it have been an estimated reading; they always come back and say there is no problem. Then, we look

for a leak – we’ve had undergrad breaks in the line, we have gone to the lawn company that finds it to report to the utility company. When we proved the problem we received a credit.

John: I assure you bills are reviewed on a weekly basis (last year to this year discrepancy); often when one is higher than usual the next month’s bill sometimes is so much lower that it all averages out.

Manager’s Report – Mike Carroll

We’ve had a request to host the elections on April 5, 2011 and March 1, 2011; I wrote them a letter to explain that after the last election that they scratched our floor and left the clubhouse open all night. They called and apologized, and said they were taking care of the issue. I also let them know that we’ve changed locks.. **A motion was made by Gerald to host the elections on April 5th and March 1st, 2001; Don seconded the motion; board members voted and unanimously approved it. The board agreed that a board member would open and close the building on those days.**

HOA Associations – new rulings/ January 11 – we will get more information. We’re doing it right. Others float meetings around and don’t have them on regular basis. Homeowners must be notified of all HOA meetings – if you have them on the Third Thursday of every month – you’re ok.

Mike –Clubhouse Cleaning -- As I contacted the firm to reduce the cleaning schedule to once a month I learned that it costs more to go from twice a month to once a month cleaning because it is harder to clean on a once a month schedule. After negotiating with the firm I was able to get the same price for the once a month cleaning. They have also agreed to wipe down all windows within reach.

Work Update – Today Bill learned how to operate the sprinkler controllers and will be training me for the same. Tomorrow Bill will meet with the irrigation specialist and walk through the repairs on several units. From there we plan to stockpile a modest inventory of rotors and set them up on a par stock of sizes so we can make quick repairs. The price of each rotor runs \$2 - \$8 depending how far the water is spread, etc. – Building 1 – need to move the head out from under the bushes – we have a couple hundred of irrigation heads that are in the middle of the shrubs.

Gayle - Epic – Should be making sure shrubs are trimmed around air conditioning units. John agreed that Epic should be taking care of this issue.

Moving Ahead – Drainage Issue

Mike has a list of what has been done; he will follow up with residents to see if the work has resolved the issues. The vendor is hard to reach concerning the concrete bid. Concrete work is scheduled; getting calls back (on bids) is difficult with Walsh Concrete.

Question Raised: Is it true that our attics don’t have fire walls and that homes need to have firewalls in the attic; as per city guidelines? Gayle shared that she believed the HOA should look into the HOA responsibilities related to this issue. She asked John to look into legal responsibilities of the attic space – limited common element.

Mike – other issues – Bill’s weatherproofing of clubhouse – great start – Example of Mike and Bill working together. Bill is now making the pool area look better by making sure all chairs are set at the same level. We are also meeting with the City of Leawood regarding the raccoon issue.

Pool to be closed – Social Committee Issue

People party to be held on September the 18th and pool closing on Sept. 26th. Doggie swim party on Sept. 26th. Meat, buns, and drinks have been provided in the past. The board unanimously approved the social events and for them to be put in the newsletter and post on the enclosed community bulletin board.

Jo and Gayle will arrange the Pool Parties for Sept. 18th and 26th. Main meat catered; ask people for side dishes – we do meat and baked beans or some other side dish, and drinks. We have at least \$500; beverages at cost – Don. Napkins, plastic utensils – plan for 50 – ask homeowners to call and tell Michael what dish to bring. Jo and Gayle – time (4 – 6 PM) Entree/side dish, and beverages will be provided. Showcase Michael. Give aways – Doggie Parties – 2-5 pm.

October Fest – on the Tennis Courts – Don –

Building 18 – Vendors Update – Don has met with some people

Brief report –Don reported - Dave Nelson and Buddy Cougar, and Mike – proceed as we all suggested they proceed – roles are Nelson (Norton and Schmidt) Crougar – done to engineering specs – license and approvals from City; David Norton – get bids for each phase of the project; up to Buddy to be sure everything is done up to specs. Proposal will spell out specifics

Norton and Schmidt Engineering \$150/hr. Their role is to help evaluate bids as they come in

KTI – GeoTech (what about other bid/comparison) Consultants on the job to be sure the job is being done correctly.

Written proposal to be submitted next week; Gayle asked that Arrow be allowed to bid – compare the cost if we went with them.

We’ve picked a good time to do this work; because of the economy the groups are hungry for work

Presentation to residents of the building; special assessment: TC HOA will pay for part; attorney would be present for the meeting.

Don – We wait until we receive the proposals – then we’ll vote

Daphne: Additional bids – other than KTI – while David Nelson did say he suggested KTI – we wanted more than one firm’s bid.

Michael – There seems to be a misconception of what different companies do. When we talked about them hiring the subs; they do specific work, but would act as the third party to be sure that what is

being done by the engineering firm is being done correctly. Norton and Schmidt will review the designs and report out which they would go with.

Don – not getting bids from KTI – what if I meet with KTI and want to visit with other – Terracon – cream of the crop – more expensive

Daphne – we agreed we would talk to at least two firms who could handle this – KTI – is the one Daphne says Don is working with.

KTI – I want this put in and at this angle – they enforce the rule

KTI – foreman on the job – who hires the people to do the work?

Don – if we go with Norton and Schmidt write up engineering specifications – send out to various contracting firms – then when those bids are returned; they evaluate which ones they would recommend; then it is up to the TC HOA Board to make a decision on which one to go with.

Board member question: So for each thing that needs to be done they go get bids and get those to us. Don, there are not a lot of little things – 6 points to the project (four contractors).

For each of the four contractors Norton and Schmidt makes recommendations and the board votes.

Michael – we haven't used this word but when we actually accept the bids – they submit designs which are reviewed by the engineers

Newsletter out to vendors – requesting bids – Norton and Schmidt takes them; look at the plans (not the dollars); mesh them together and advise us on which company to work with.

Gerald – Dave Nelson (Nelson and Schmidt) design-build firms (like Arrows) will submit plans and bids to Dave Nelson; they look at them and then make a judgment on which plan looks best. KCTI – cops – make sure the vendors do what they were told to do.

Gerald – KTI – onsite cops – maybe they are drilling underground – KTI may tell them if they are not handling it appropriately.

Daphne: What the board needs to do: KTI – do we want a different cop entity?

Jo – Comment and Question: I understand what Gayle is going for: as an option, if we went with a one stop shop company that does everything – warranty would be with that company. Don's proposal is complicated – Gayle's concern (and mine) is if there is any issue who did what wrong who would be responsible – maybe KTI – because they are the cops. Do we get multiple bids on the cops.

Why don't we also get the one stop shop bid as a parallel bid – Don - we have a bid coming from Arrow. \$ 108,000 - \$120,000 they would work on their own.

Daphne: Would we have to start over from what we know from Dave Nelson? Can they take Nelson's report and go from that?

Gerald – they could submit plans to Nelson. When you have an architect will they go build it? Dave Nelson diagnosed the problem – he’ll send out requests for plans and bids. KTI is there to assure that whoever follows Nelson and Schmidt specifications. Alternatives: for the KTI position is Terracon – that is about it for our area.

Jo – If we went with another plan with Arrow (start to finish) would we really need a KTI cop – they are supposed to police themselves.

Don – One reason we came to this conclusion (Gerald and Don) it is beyond our expertise --- we’re layman. Norton and Schmidt has been in from the get go. Norton and Schmidt were a second firm to assess the issue. Board decided on Norton and Schmidt – logical thing is to turn it into someone with the expertise to handle for us.

Michael – Norton and Schmidt – Do we need a cop?

Board Member: Shouldn’t Tiehen Group have the experience and expertise to help us find comparable firms?

31A – The board received an email from the homeowner notifying it that due to incorrect grading issues around the building, down spouts not working properly, and gutters not being correctly installed, as well as mulch being piled higher and higher each year her unit incurred substantial/expensive damage:

- Moisture removal/drying \$1,000
- Wall and baseboard repair \$1,958
- Carpet replacement \$1,699.60

She stated that she should not have to pay the expenses since the problem was caused by issues that the TC HOA is responsible for maintaining. TC HOA – board members discussed this issue at length-

Gayle will contact Howard Barewin; Michael will put it out on national association institute to see what feedback he gets.

-Michael – another rider policy that will pay the deductible –

Daphne: What if we pay a portion of this? Part of this was an act of God/flooding? Figure out the portion we feel responsible –

Michael – can of worms – was the association aware of the problem?

Gerald – we knew we had drainage issues on the property, but did we know of Building 31’s issue?

Did Anita let us know about the mulch bed build up?

She has five neighbors having similar problems –

Jo – Question – policy in the past?

Comment – same problems year after year – on Don’s unit. I don’t know the first or second time rule – way beyond that. We’re lucky it is only damage to baseboard – because I know they’ll get damaged the next year. Jo’s unit is on the list of work to be done. 13A work not completed – - the bed; work with the drainage issues. In the past, they re-caulked the brick ledge and pulled away some mulch from the building and re-tarped below.

Don made a motion to wait 60 days after final approval of the repairs on the outside before the TC HOA makes the interior repairs; the motion was seconded by _____ and unanimously approved.

The board then discussed what would the HOA then cover (related to inside repairs): 16 inches of sheetrock replacement and texturizing, (Paint?) baseboard, cleaning carpet ?

Gerald –the landscaping has been the same for years – except mulch has continued to get higher. Rains were 50 year flood/rare occasion. Point – it seems that if I bought a house and a 50 yr. flood came by whose responsibility is it.

Don – 1A