

Westbrooke Condominium Association dba
MEADOW CREEK CONDOMINIUMS

MINUTES OF REGULAR BOARD MEETING
Community Room, 823 Old Settlers Trail, Hopkins
Wednesday, February 2, 2011

ATTENDING: Anne Denelsbeck, Doug Harbrecht, Sandy Miller, Pat Olsen, Cecelia Timm, Enrique Torrano, Veronica Virtue, John Ward

ABSENT: Koleen Saifa-Bonsu

STAFF (Omega): Dave Stendal, Ben Fotland, Patty Tomaino

GUESTS: 8 -12 Owners signed in

Meeting called to order by President John Ward at 6:07 pm

Member Concerns

An owner asked whether the Hopkins police have been asked to help with the parking lot cameras, as the police liaison indicated at the Annual Meeting that they have this service available.

Response: Patty spoke with police liaison. She clarified that police department can help us with a review of camera placement, but this is not a technical evaluation.

An owner asked about plans to replace a damaged grill in the pool plaza area, and was concerned that users and kids turn on the gas and leave it on.

Response: Found out there is a design flaw with the grills, the lids are too heavy and fall back when opened and break the hinges. Will look into replacing the damaged grill as the season approaches. Have looked into timers on the gas to prevent it being left on, but have not been able to find such a device, will continue to look.

In absence of further member questions, the business meeting commenced at 6:24 pm.

APPROVED the meeting Agenda.

Motion: Cecelia Timm. Second: Pat Olsen. Passed.

APPROVED minutes of the following meetings:

December 1, 2010 Board Meeting

December 6, 2010 Board Meeting that followed the Annual Owners Meeting (with correction in minutes for the day of the week, from Wednesday to Monday).

January 8, 2011 Special Meeting of Owners

Motion: Sandy Miller. Second: Pat Olsen. Passed.

December 6, 2010 Annual Meeting – Sandy Miller noted that the minutes should be revised to indicate that she had called the meeting to order.

Minutes will be approved at the next annual meeting.

A revised draft will be posted to the Association web site in the meantime.

Management report

December/January Financials

There was a surplus in December and a deficit in January (due primarily to gas bill) with a surplus of about \$8,000 for the two months combined.

Reserve contributions were begun in January, in the amount of \$36,837.

Reviewed major expenses.

There was an error in last three trash removal bills, we will be getting a credit.

We will have negative cash flow in winter months due to high heating bills..

Had approximately \$248,000 in the bank at the end of January.

Accounts Receivable stood at \$99,343 at the end of January 2011.

With the economy still in a recession and foreclosures at an all-time record high level, expect this to continue to rise.

APPROVED the following collection actions:

Motion: Enrique Torran. Second: Sandy Miller. Passed.

■■■■, request O&E.

■■■, has not kept up with payment plan, no payment since November, substantial equity in property. Accelerate assessments and foreclose. Owner still has opportunity to pay up and stay in the property.

■■■, foreclosed by bank, we will bill bank for 6 months of assessments. Could go after the former owner, but this is a corporation so unlikely to collect. Recommend to write it off, but table this until the May meeting by which time the foreclosure will be finalized.

Patty will check if the former owner owns another unit at Meadow Creek.

■■■, request O&E.

■■■, wait 6 months and try skip trace again.

■■■ unit is currently listed for sale, lien will be paid off at time of sale.

Request O&E.

■■■ has not kept up with payment plan, No payment since October. O&E determined no equity. Accelerate assessments and file judgment.

■■■, owes \$9,667, would not collect on judgment. There was a sheriff's sale in October, redemption ends in April. Will then collect 6 months of assessments from the bank.

Enclosures in the Management Report include accounting of all collections actions taken for all member's accounts receivable.

APPROVED a \$10 fee for replacement of lost laundry cards. Initial card is free. Dave suggested a fee of \$10 for a lost laundry card as this has occurred quite a bit. \$10 is pretty close to our cost.
Motion: Cecelia Timm. Second: Anne Denelsbeck. Passed.

Sewer Pipe Investigation

Figured out where the slump in the line is by further looking at video.
\$27,000 without interior unit costs or temporarily relocating residents.
All of cost is association because we are repairing common elements.
Not figuring that walls would need to come down.
May be 8 feet down.
Project would take about a week.
Laundry will not be useable.
Water and sewer for entire building will be out briefly.
Will affect two buildings (connected).
Dave has worked with contractor for 20 years, high comfort level, they are ethical.
Contract needs to be based on time and material.
Who coordinates? Can we get temporary water/sewer?
Not covered by insurance (Dave).
Check on possible insurance coverage for restoration expenses within units.
Will be funded from operating account (not a reserve expense).
Options to replacing the sewer line:

1. Accelerate rate of sewer cleanouts, such as monthly. Stuff gets hung up due to sag in line. Charges have been about \$370 a time. Should be able to do for less. Will get another quote. Not a guarantee, we had a backup just a few days after a cleanout, but have had no problems in the last 8 months (with 3 or 4 preventative cleanouts).
2. John asked if there is any way to "mudjack" under the sewer line to lift it?

Omega will get more details. Table the issue for now as we would not do this until the weather gets better and adequate notice can be given to residents.

Snow blower

Cedar Trails has Simplicity 38 inch snowblower that we can purchase from them.
Great price (asking \$1,700, new is \$2,598). Pretty much brand new. Has not been used last 3 winters.
Have had it here for 6 weeks, day before the big snowfall, works well.
Ron likes it, Simplicity is a good brand.
We currently have 21 inch Toro's and a 24 inch. Sidewalks are 5 feet wide so could clear in two passes. Small ones work well for up to 8 inches.
Were considering a utility vehicle instead, but with the ice dam expenses we will not be spending the money on a utility vehicle for a while, if ever. Could budget utility vehicle for 2012 if we decide to purchase. May not need it if we have a larger snow blower.
APPROVED to buy Simplicity snowblower from Cedar Trails for \$1,700.00.
Motion: Cecilia Timm. Second: Veronica Virtue. Passed
APPROVED to postpone utility vehicle purchase decision.
Earliest purchase would be 2012.
Motion: Sandy Miller. Second: Enrique Torrano. Passed.

Ice Dams

Count is now at 38, with water coming inside.

19 buildings have heating pipes running through attics. Added 12 inches insulation over these a few years ago.

Received quote to improve insulation – install vent chutes, blow fiberglass insulation to increase to R50, seal openings to attic. \$2,400 to do one building.

About 15 buildings have leaked both this year and last year or more than once this year.

Treat these first, especially those that leaked both years.

Funds are available in reserves. \$36,000 to do these 15, equals just 1 month's reserve contribution.

Who did the previous buildings? Enrique recommends against using them.

Who will evaluate quality of work? Omega.

Eventually insulate all of them, budget for next year.

The cost of ice dam damage in December was \$9,000, so should do insulation as soon as possible.

Ben is looking into energy rebates.

APPROVED to insulate 7 buildings first, authorized John Ward to OK doing the rest of the 15 if the quality of work is acceptable.

Motion: Veronica Virtue. Second: Anne Denelsbeck. Passed.

Omega is starting to track plumbing leaks and sewer backups to help with future decisions, and an update will be included in future Management Reports.

Comcast offer

Attorney determined that we are free to enter into agreement (no issues with WPC).

APPROVED to have attorney review the Comcast contract.

Motion: Sandy Miller. Second: Doug Harbrecht. Passed.

FHA recertification

Despite what may appear on the FHA website, we were recertified in 1995 so the new deadline for recertification is 31 July 2011. There will be no lapse in certification.

The Board packet indicates we were in the older group so already lapsed, but this is not correct. FHA website said 1983, which was the original date of certification, but should be the recertification date of 1995.

Our paperwork has been submitted and is being processed.

D&O Insurance

RJF Agencies received a call from Mel Pittel of a potential D&O insurance claim. CNA requested information as a result. About 500 pages of information was prepared and sent to CNA so they can't later deny a claim should one occur. (Note that owners do not make claims against the D&O insurance. The Board would make a claim to cover the costs of defending a lawsuit against the directors and officers.)

Formation of Committees

Need to have structure and charter.

Dave suggests:

Grounds beautification; to make recommendations, not necessarily do the work themselves.

Social/Special events.

Welcoming committee.

Patty also suggested a Recycling/green committee.

Need to have charters written, then reviewed/approved by Board.

APPROVED to have Omega prepare a charter for the 4 committees above and have reviewed by Board.

Motion: John Ward. Second: Doug Harbrecht. Passed.

Newsletter

Newsletter will help with getting committee volunteers.

Dave suggests quarterly.

Need an editor.

Make available electronically also.

Want tenants to get newsletter also. Place them in buildings.

Difficult to stuff into Omega billing envelopes if not mailing to all owners.

Ask for a volunteer editor in March billing statement.

A Board member should review before newsletter goes out, need to decide who that will be.

Editor's job is to organize, edit for spelling, grammar, and style, and produce, not write the content.

APPROVED to ask for volunteers in March billing statement.

Motion: Enrique Torrano. Second: Pat Olsen. Passed.

Website

Patty reported that Doug Strandness said he told his nephew Eric, whose company owns our domain name, that he needs to respond (about a week ago) to our requests that he release the Meadow Creek domain name to the Association.

Not paying the invoices from Manna Studios or Real Page related to above.

Recapped annual meeting voting results.

Records Management

On Saturday, January 15, Dave and Ben of Omega and Patty worked through old files and destroyed documents per the approved record retention policy.

Re-organized storage space, now have room available.

There is an 8 year retention period on paid invoices.

We will have 7 years of paid invoice records on site. The current year of records will be held at Omega until stored here following year.

Office computer sale

Got rid of old computers above, but one in good condition but not needed. Dell 2007.

Patty interested in buying it. Or give it to her for her efforts in the office.
Owners at meeting had no issue with this.
Make sure hard drive has been scrubbed.

Community room hours

Suggest to shorten community room hours to 10 pm instead of midnight to reduce potential for noise bothering residents upstairs.

Usually people want it for all day events.

Room gets used a couple of times a month.

Hopkins ordinance is 10 pm for noise.

APPROVED to limit community room hours to 10 pm.

Motion: John Ward. Second: Doug Harbrecht. Passed.

Rules for conduct at Board meetings

Doug suggested some revisions. Better not to state that Board members can record meetings. A couple of places should use "may" instead of "shall".

Make limitations on recording the same for Board and member meetings and add cell phone prohibition (use wording from "Board meeting" section).

Board concern over recording meetings is the potential for abuse such as editing, grandstanding, or use of recordings for ill intent. Written minutes are required and legally are sufficient.

Reviewed rules governing office access and records review.

E-mail

Routine e-mail requests from owners should go to the office, not mccboard.

Dave noted that having e-mails go to the entire Board results in e-mail pile-on. Omega is not able to respond to all the comments and discussion from multiple Board members.

If an owner is concerned that they are not getting a response from management and wants to assure that the Board is getting the information they can always send e-mail to mccboard. Requests for records should go to Omega, not mccboard.

APPROVED acceptance of rules with revisions as discussed above.

Motion: Enrique Torrano. Second: Sandy Miller. Passed.

Dave asked for modification to the Omega contract to allow them to charge the Association for requests made for records that exceed 1 hour per year. State law allows the Association to charge the member.

The Association will require payment before releasing records. Additional requests from the same person will not be responded to until earlier requests have been paid for.

The Board has responsibility to curtail the ability of members to tie up staff and management time that may prevent them from doing their jobs.

APPROVED amendment to Omega contract to allow charging for time to respond to records requests as described above, effective 3 February 2011. This will be documented as a signed amendment to the current management agreement.

Motion: Sandy Miller. Second: Doug Harbrecht. Passed.

Insurance deductible policy.

Enrique opposed, does not think owner should shoulder the cost.

Dave's approach is to have HO6 insurer pick up part of the Association's deductible.

If owner has no insurance, would be on the hook for all but the \$500 deductible that the Association is willing to pay.

Actually is in interest of owners, further encourages them to have insurance and reduces the amount the Association will pay out each year, allowing those funds to be used for other needs.

Don't want to turn property damage claim into liability claim.

Property claim based on replacement, liability on actual cash value. Insurance companies will pay property damage claim, but would be very likely to deny liability claim.

If person has repeat damage, policy might get cancelled. Could happen with ice dam or water damage. Then can only get high risk insurance and that hurts the owner. Need to decide if they put in a claim for every incident. People who have little money may not have that choice.

People may object to filing a claim on their policy.

Probably pay for small losses themselves to reduce likelihood of having repeat claims if they can afford it.

Enrique moved to keep as is. No second.

APPROVED to limit our payment to owners of \$500 for deductible per recommended policy in October 2010 Board packet. To begin 1 May 2011 after ice dam issues have been taken care of.

Motion: John Ward. Second: Anne Denelsbeck. Passed. Opposed: Enrique Torrano and Veronica Virtue.

Send out info and examples to owners.

Tax petition

Money was rebated to owners by city. How does Association charge back cost of tax petition to owners who benefitted? Rental units dismissed if paperwork not provided. Should get information from attorney who did the tax petition.

Rain garden

April 2 deadline to apply.

Should also include biofiltering due to poor absorption here. Overflow drains into Old Settlers Trail drain, to be filtered first. MetroBloom or BlueThumb.org.

Get a master plan from one of these, generic, and identify the piece we want done this year (\$10,000 of work). Must get credible plan to watershed district by April 2.

John will work to keep cost of plan down.

Program covers 75% up to \$10,000.

APPROVED to pursue master plan for rain garden and submission by April 2 for grant.

Motion: Anne Denelsbeck. Second: Sandy Miller. Passed.

Discussed suing the engineering company responsible for the original rain garden.

Can have lawyer handle on 1/3 contingency for \$250 up front (J. Kevin McVay attorney).

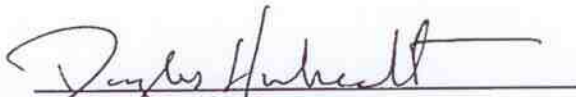
If engineer/firm fights it, may bring in others (DS etc.) to try to get out of it. More likely is a settlement.

APPROVED to engage attorney to proceed with claim against original rain garden engineering firm.

Motion: Anne Denelsbeck. Second: Cecelia Timm. Passed.

Meeting adjourned, 9:58 pm.

Respectfully submitted,



Doug Harbrecht, Secretary