

**ESPLANADE CONDOMINIUMS
BOARD OF DIRECTORS' MEETING
ESPLANADE CLUBHOUSE
February 19, 2008; 6:00 PM**

Board Members Present

Andrew Arnott
Jacqueline Brinker
Joey Earls
Ro Agarwal

President
Secretary
Vice President
Member at Large

Other Attendees

Kathi Scully
Justin Sudweeks
David Bach

Property Manager
Levin & Stein
David Bach & Assoc

Call to Order 6:05 pm

Approval of January 2008 Minutes

Motion to Approve
Second

Andrew Arnott
Joey Earls

President's Report

- Investigation of Verizon FiOs installation
- Annual Meeting at month end
- Investigating repairs for roofs – building D & E
- Investigating enhanced security for property
- Wall in front of Phase III has been repaired

Treasurer's Report

Treasurer not in attendance

Construction Defect Q&A – David Bach & Justin Sudweeks

- Q - In David's appraisal of roofs were there any additional (to R, S, D, E) requiring replacement? A - Most are currently in need of replacement and we're trying to balance the funds to repair until replacements can be made with the actual replacement timing so that we don't spend additional money repairing when replacement will be scheduled very soon.
- RoofTight has been competitive in pricing for repairs because they want the replacement business coming.
- To be consistent with documentation, existing conditions, etc we're better off maintaining RoofTight, especially if deposition or testimony is required, rather than trying to move forward with another, maybe less expensive vendor.

- Additional consideration is that RoofTight is willing to do this job knowing that everything is being inspected by David Bach & Associates and that legal proceedings
- Board agrees to obtain additional bids to cover all bases. David Bach & Associates to obtain bids so that we're comparing apples to apples and to ensure we don't impact any possible litigation going forward.
- Currently we're in the Investigation Stage – investigate buildings/property and get homeowner responses.
- Homeowner surveys prompt intrusive investigations by forensic engineers to assess conditions and identify repairs, estimate costs to use as baseline damage amount to present to the developer.
- Amendment to declarations makes the playing field even for the HOA and Board – right now the declarations only benefit the developer.
- Board can set up committees or building captains to get the information needed from homeowners to proceed, as responses to amendment are low.
- Justin to draft language to help us communicate the issues better to homeowners and to get better response on amendment changes.
- Q – Timeframe we should expect to receive a proposal for the investigations to start? A- Should be in next 3-4 weeks, then we can get the forensic investigations started.

Old Business

Parking lot seal coat & striping – first bid

- NW Asphalt bid is for annualized amount (seal and striping to be done every 2-3 years). Also includes removal of tree roots under asphalt near P building.
- Expect to receive second bid shortly.

Water intrusion K301-K101

- Homeowner forwarded bids to Kathi – bids for repair only address grout not being sealed and re-tile. They do not take into account issues identified by MaintCo wrt slope, removal of gypcrete, and replacement – but no replacement of tile because it was not approved for install. Bids from homeowner and from property management are not comparing apples to apples.
- Second contractor requested to bid by Kathi will not be able to get out to property until tomorrow.
- Homeowners will have one consistent \$ payment monthly for the year rather than fluctuating amounts each month.

New Business

Water/Sewer billing

- Kathi forwarded spreadsheet averaging out utilities by % of ownership (minus common expenses) per month.
- Separate coupons will be provided to homeowners with explanation.
- People on ACH will not receive coupons, but will receive the explanation letter.

Developer write-off

- \$199.75 at end of delinquencies in question – one month of dues that the developer owed but never paid - building Q. Wasn't paid and also was not charged to new owner. Board agrees to write this amount off.

Water damage denied by insurance companies

- Insurance companies don't want to pay for water intrusion events related to water heater leaks. Kathi to set up meeting to discuss with Brian and Levin & Stein for next month.

Capital Reserve transfers

- Kathi sent email in January requesting approval of transfer – not responded to
- Two transfers to reserves were missed at month end because HOA didn't have enough money – do we want to add these to this year's transfers?
- Board agrees this might put us in the same situation next year because amount wasn't budgeted for this year and because HOA isn't receiving funds from Homeowners for water/intrusion events (which were expected to be paid by insurance companies) so operational account is lower than expected.
- Board agrees not to add these funds to add these transfers to transfers budgeted for this year.
- What has David's reserve study accounted for?

Other Business

- Board agrees to change time of all BOD meetings to 6:00
- Verizon – Comcast is not coming any time soon and they're not interesting in marking agreement. Homeowner response to Fios installation has been very positive. Technical questions are still outstanding to Verizon engineer including asphalt cutting (Ro). Andrew to sign marketing agreement and send in.
- Parking – Suggestion: modify parking violation letter and provide to homeowners so that they can tag cars and report to the board.
- Discussion of homeowner email regarding city ordinance wrt requirement on number of parking spaces available to homeowners. Pending homeowner response on law.
- Wood Floor Installation Requirements – city of Kirkland mandates rating of 60 IIC; minimum for luxury residence is 50. Let's get some information, websites to point people to. Andrew to send another response to homeowner requesting approval.
- Bidding Process – on hold
- Pressure Washing Stairwells – on hold
- Landscaping – on hold
- Spa – heater needs to be replaced (gas meter detected the issue).
- Upcoming Annual Meeting – Karen has signed paperwork to rent room at church for annual meeting. Payment of \$60 is required and space will be set up for 50 people. Someone needs to pick up the keys. Andrew picking up keys by 4:00 Thurs.

Delinquencies

- 2 large checks received from homeowners
- 8 currently in collections

Homeowner Forum

No Homeowners in attendance

ACTION ITEMS

- David Bach to obtain 2 additional bids for roof repairs.
- Justin Sudweeks to draft draft communication to homeowners for Board to use in obtaining responses for amendment changes.
- Board to go door to door to get homeowner response to amendments.
- Kathy to update annual meeting agenda to include Leonard
- Andrew to locate summary from David Bach or let him know if we need another copy
- David Bach to make copies of all pertinent (cash flow, reserves, etc) association information for annual meeting.
- Kathi to set up meeting with Brian at Levin & Stein to discuss water/intrusion events.
- Andrew to sign and send marketing agreement with Verizon.
- Ro to address outstanding technical questions with Verizon engineer.
- Andrew to send another response to homeowner requesting approval.
- Kathi to send check to church for annual meeting.
- Kathi to have spa heater replaced
- Andrew picking up keys by 4:00 Thurs.
- Andrew to stop by cabana prior to annual meeting to pick up proxies dropped in box
- Karen to follow up with Trammel Crowe

Adjournment: 8:20
Seconded

Andrew Arnott
Jacqueline Brinker

HOMEOWNER FORUM: *(During the first 15 minutes of the meeting, individual unit owners may address the Board with specific concerns or suggestions. The Board may address these items, or defer them for further study or investigation. After the Homeowner Forum, owners may observe the working part of the Board meeting, but are requested not to comment or participate in the meeting, unless called upon by the Chair. Time constraints require meetings to be conducted within these guidelines.)*