

**MINUTES  
KIRKLAND CENTRAL OWNERS ASSOCIATION  
ANNUAL ASSOCIATION MEETING  
March 29<sup>th</sup>, 2010**

**Date and Time:** Pursuant to Article 2 Section 2.2 of the Kirkland Central Association By-Laws, the third annual meeting of the Association was held on March 29<sup>th</sup>, 2010, at 7 pm at the Kirkland Central lobby, 211 Kirkland Ave, Kirkland, WA 98033.

**Officers:** The President, Marna Hanneman, opened the meeting at 7:00 pm. Secretary, Greg Peszek, was present to record the meeting.

**Quorum:** The following Board Members were present:

Marna Hanneman – President

Stan Hill – Vice President

Greg Peszek - Secretary

Melissa Lising – Treasurer

Bill Anspach – Member-At-Large

Sally Barkley – Facility Manager

Andrew Person – Member-At-Large

Bob Dodson – Member-At-Large

**Suhrco Residential Properties, LLC:** Jean Norberg

**Absent:**

**Call to Order:**

The meeting was called to order at 7:06 pm.

**Roll Call:**

The requirement for a quorum was met as set forth in Article 2 Section 2.6 of the By-Laws. Marna Hanneman introduced the officers and members of the Board, Sally Barkley and Jean Noberg.

**Proof Of Notice of Meeting:**

Notice was distributed in accordance with Article 2 Section 2.5 of the By-Laws.

**Approval of Minutes:**

- **Greg Peszek motioned to approve the minutes of March 9th 2009. Andrew Person seconded and was unanimously approved.**

**President's Report:**

- Washington State law provides for 4 years from the first occupancy (May 26, 2006) to bring claim against the developer. Marna signed a tolling agreement earlier this year which will stop the clock and provide for much needed time to complete.
- FHA approval complete, but in jeopardy with the high renter levels. Rental cap will be discussed at this meeting.
- Some reserve budget was spent on new tile and carpet on the parking levels. The new tile is much more durable and is expected to last much longer.
- Move in fee for internal moves and courtyard units reduced to \$300 to reflect wear and tear.
- Hard surface flooring policy has been finalized, first unit owners are putting in hardwood floor.
- FiOS is in the building, we are expecting compensation soon (\$110/unit).
- Board members are meeting weekly with Continental (developer) to work through the building inspection. Continental has agreed to remedy the toilet situation at their expense, scheduled work within the month.
- A personal thanks to the Board for their hard work.

**Vice President's Report:**

No report.

**Secretary's Report:**

No report.

**Treasurer's Report:**

Operating Funds	\$ 12,381.57
Petty Cash (included in Operating Funds)	\$ 500.00
Reserve Funds – Chase Common (58.3%)	\$ 46,972.86
Reserve Funds – Chase Residential (41.7%)	\$ 30,276.72
Reserve Funds – Banner: Common (58.3%)	\$ 66,417.45
Reserve Funds – Banner: Residential (41.7%)	\$ 98,614.51

Insurance Reserve Funds: Wells Fargo - Checking	\$ 100.00
Insurance Reserve Funds: Wells Fargo	\$ 44,604.99

**Outstanding Financial Commitments:**

\$1,599.36	Har-Bro of Washington: Repairs
\$467.00	ISTA
\$10,000.00	Maintenance Reserve – Chase: Loan for J2 expense
\$595.42	Verizon
\$12,662.28	

**Delinquencies over 30 days:**

\$20,781.43 – See Aged Delinquency Report for details

**Reports of Committees – Envelope study:**

- Bill has worked hard with Continental and the board to keep work progressing on the building inspection and has a good working relationship with the developer.
- Testing will be done within two weeks on the garage structure as well as water intrusion.
- Bill expects the completion of the inspection to be done in the Fall.
- A homeowner requested to post the report on the web site, copies of the report will be made available in Sally’s office however publically publishing will not be wise.
- A homeowner asked if there had been homeowner surveys for the inspection, which had been requested. Sally has extra copies of the homeowner survey for owners who are interested in filling one out. Some owners have noticed recent water intrusion, especially with the strong wind and rain over the last week.
- Toilets will be fixed next month.
- Special thanks to Bill from Marna for all of his hard work with the building inspection.

**Election of Inspectors of Elections:**

- Avril volunteered to assist with the vote tabulation.

**Election of Directors**

- Two positions are available for election. Stan Hill is re-running however there is one vacancy. Bill has nominated Mike Reph and accepts.
- With only two nominations, Marna Hanneman motioned to approve Stan Hill and Mike Reph’s appointment by consensus. Motion was seconded by Mellissa and unanimously approved.

## **Old Business:**

- Rental Restriction Amendment
  - The rental restriction amendment has been a work in progress for almost 2 years now and represents a balanced response to the rental situation in the building. Too many rental units will pose an insurance issue for the association as well as put our FHA accreditation in jeopardy. This amendment is designed to discourage investor owners from purchasing while protecting the current owners flexibility. As this amendment is not a land use change only 67% yes votes are required.
  - Homeowner questions:
    - The old rental cap amendment had a waitlist, there is not such a list any more only the 18<sup>th</sup> month restriction.
    - What is the impact to our insurance, unknown as some quotes the board had heard ranged from double to unable insure.
    - Many condo buildings around have very low rental cap percentages (15%-20%) while others have rental problems (70% rentals).
    - Our attorney, John Coe, has been involved in the drafting of the document.
    - Make it very well known that this is not the same document as proposed a few years ago.
    - Consent forms will be passed around tonight and at the meeting in a few weeks.
- Warranty inspection
  - Spoken to by Bill under committee reports.
- Building rekeying
  - Guidelines are to rekey every few years; there has been no plan or action by the association.

## **New Business:**

No new business.

## **Homeowners' Forum:**

- Move-in fees:
  - Some discussion over the year about a damage deposit, the Board had looked in to those options and found that the hassle of creating a trust account and handling a deposit.
  - The Board will meet with owners who have questions after the meeting.

- Drain that sits on the dryer vent, possible from the roof, which drips after rain which collects slime. The side had been power-washed but the paint is starting to strip and there is concern about rot.
- Homeowner concerns about the level of delinquencies. There is a very clear policy in dealing with delinquent and very delinquent dues.
- Late fees: \$30 fee seems to be a bit high for a \$30 water bill. The association is a business and the late fee is to prevent delinquencies. Owner is responsible for the water bill (billed by ISTA), unlike the electric or gas utility bill. The switch to not use ISTA for collection saves the association money.

**Adjourn:** There being no other business, a motion was made, seconded and unanimously approved to adjourn the meeting at 8:15pm.

GREG PESZEK, Secretary

Marna Hanneman, President

Date:

Date: