

**MINUTES
KIRKLAND CENTRAL OWNERS ASSOCIATION
BOARD MEETING
Oct 12th, 2009**

Date and Time: Pursuant to Article 3 Section 3.7 of the Kirkland Central Association, a regular session and executive session of the Board was held on October 12th, 2009, at 5 pm at the Kirkland Central lobby, 211 Kirkland Ave, Kirkland, WA 98033.

Officers: The Vice President, Stan Hill, opened the meeting at 5:11 pm. Secretary, Greg Peszek, was present to record the meeting.

Quorum: The following Board Members were present:

Stan Hill – Vice President

Greg Peszek - Secretary

Melissa Lising – Treasurer

Bill Anspach – Member-At-Large

Sally Barkley – Facility Manager

Andrew Person – Member-At-Large

Marna Hanneman – President (arrived late, 6:36pm)

Suhrco Residential Properties, LLC: Jean Norberg

Absent: Bob Dodson – Member-At-Large

Call to Order:

The meeting was called to order at 5:11 pm.

President's Report:

President's report was omitted due to Marna's late arrival.

Secretary's Report:

Melissa Lising made a motion to approve the September 2009 Board meeting minutes. Andrew Person seconded the motion which was unanimously approved.

Treasurer’s Report:

Operating Funds	\$ 4,111.14
Security Deposits Held	\$ 0.00
Petty Cash (included in Operating Funds)	\$ 500.00
Reserve Funds – Chase Common (58.3%)	\$ 56,947.07
Reserve Funds – Chase Residential (41.7%)	\$ 30,257.43
Reserve Funds – Banner: Common (58.3%)	\$ 58,865.69
Reserve Funds – Banner: Residential (41.7%)	\$ 79,496.43
Insurance Reserve Funds: Frontier Bank	\$ 81,585.26

Outstanding Financial Commitments:

\$(126.14)	HD Supply
\$5,418.32	J2 Building Consultants
\$4,412.25	Kirkland Central Insurance Reserve - September Transfer
<u>\$5,000.00</u>	Kirkland Central Reserve - September Transfer
\$1,900.00	

Delinquencies over 30 days:

\$15,831.89 – See Aged Delinquency Report for details

Motion to approve **Treasurer’s report for September by Andrew Person. Stan Hill seconded. The motion which was unanimously approved.**

Facility Manager’s Report:

- Contech Services completed the P3 pillar repair 10/7/09.
- Please be diligent in making sure that folks who are using the dumpsters are residents as there **have** been some folks who have used the dumpsters illegally.
- Realtor Mary Juhl is currently working on getting our building approved for FHA financing. This will be helpful as many potential buyers have been interested in it. Melissa expressed concern that with the budget constraints we are looking at for 2010 the association may not be able to afford the extra expense. Jean mentioned that FHA spot approval will not be available after November 1st.
- 8 units are up for sale (305, 307, 322, 428, 502, 507, 519 and 525), at 43 units rented currently (7 are family owned units)

- On October 27th and 28th the television show House Hunters will be here to film the move in of the new owner of #421.
- P1 carts are missing, please return them if you have them!
- Would we like to hold an autumn social in the last week of the month? Limited budget left for the association to sponsor, especially considering that we would still like to do a holiday social at the end of the year. Potluck at 7:00pm on October 29th. Holiday social on Thursday, December 3rd at 7:00pm.

Property Manager's Report:

- Jean has signed the release forms on the association's behalf for the House Hunters filming.
- Criterium Pioli invoice removed as per the board's direction.
- Update violation fine letters to state that a hearing will be held at the next meeting or fine will be immediately collected on. Language will be included in all future fine letters.
- Scaffolding is still in the garage. Infinity is responsible for clearing it out.
- Follow up with Bell Anderson insurance regarding building valuation quote for renewal: square footage was incorrect in initial valuation, new quote reflects corrected information.
- Follow up with David Tall regarding collection on #506 and the possibility for a contingent agreement to collect non-assessment balances.
- Verizon and Frontier merger will not affect the FIOS install for the building.
- Andrew has sent Jean a contact for collections however she suggests we find an agency that has the experience that can file liens and proceed with foreclosures on a contingency basis.

Old Business:

- Envelope study: Jason Jones, Marna and Bill met to obtain an itemized invoice to date. There had been misunderstandings around what was in the scope of work agreement for the phase 1 work and the actual work completed, which included work which was understood by the association as phase 2 work. \$14,000 for phase 1, \$4,000 for the monitoring of the garage column repair, and \$12,000 for phase 2 work. There is work that needs to be done in surveying homeowners about deck drainage and water intrusion. J2 is taking this request and putting together a bid. Bill will call the owners tomorrow to make sure that there is no other confusion. Bill has been in touch with Kurt at Continental, who has selected Colin Murphy to review the J2 phase 1 study. Kurt expressed his appreciation that the association is being proactive and working with Continental to get to resolution. Bill is also going to hand deliver the documents that Continental says they do not have.
- Garage heat and CO2: Sally has not received a written estimate from Gasline Mechanical to install the sensors and ventilation. As the hot season has passed this work would be scheduled no later than early spring. This work is

has not been part of the envelope study and we will have to look in to seeing if there is a code violation. John Anderson at Gasline has been our contact and Jean will contact him to determine if this is a design flaw.

- Rental Amendment: John Coe's office had missed the residency requirement in the new amendment, Jean has forwarded out a newly revised copy. Stan brought up concerns that the housing market is still soft and this amendment will affect the ability of a unit to be sold. Board will review the new amendment and vote over email.

New Business:

- Budget ratification for 2010: need an hour before the November 9th meeting. Notice needs to be sent out before October 26th, Jean will send out notice on the 23rd. An executive session will need to be held or vote over email to approve before that meeting.
- Bell Anderson is scheduled to arrive at 6:30.
- Philippine disaster relief: Melissa is trying to help with the relief by working with Home America, which will underwrite all costs to supplies to the Philippines. Needed items are blankets, old clothes, sweatshirts, non-perishable food items, etc. Melissa is collecting items. Sally will set up a box outside of the manager's office. Cash donations are acceptable as well.
- MK properties, which manages the commercial properties, will not be managing after January 1, 2010. Metro Property Management, LLC will be taking over.
- Jet Skis: Jane Moore has Jet Skis stored on P1. Suhrco has sent letters stating that recreational vehicles are not allowed to be stored on the property without the exception of the board. Jane has formally requested an exception be granted for jet skis and the fine removed. First violation was sent on July 22nd and the second letter is dated July 22nd as well. Bill asked if the owners are willing to enclose the parking space and turn it in to a storage unit to hide the jet skis. Jean stated that there would have to be a change to the building plans and an amendment passed, Melissa has concern that city code may require that there be a minimum number of parking spots. Jean suggested making a change to the rules and regulations to accommodate tandem spots such as Jane's. **Marna Hanneman made a motion to approve Jane's exception request contingent on the jet skis being covered appropriately, subject to the board's approval, and to reduce the fine from \$250 to \$100. Andrew Person seconded the motion which was unanimously approved, Melissa was absent for the vote.**
- Bell Anderson: Property insurance rate has stayed the same; insurance to value has increased which resulted in an increased premium from \$51,767.70 to \$60,977.00. Building limits have increased from \$20,400,000 to \$24,395,309. Marna asked if the building was only insured to 2009 levels what the consequences would be. Jean stated that our bylaws require the association to carry 100% coverage for the building value, which is determined by the insurance company or an appraisal. Jean asked if it would

be possible to insure the building at the 2009 value and discuss later to determine if the valuation is correct. Bill will speak with Continental to determine what the valuation of the building was when it was constructed. Jean will be on vacation starting tomorrow and Bill asked if we can get an extension on the current valuation for 30 days. Jean will be in touch with Bell Anderson tomorrow.

Homeowners' Forum:

- No items from homeowners.

Adjourn: There being no other business, a motion was made, seconded and unanimously approved to adjourn the meeting at 6:58 pm.

GREG PESZEK, Secretary

Stan Hill, Vice President

Date:

Date: