

TERRACE CONDOMINIUMS HOMEOWNERS ASSOCIATION, INC.  
MINUTES FOR BOARD OF DIRECTORS MEETING  
AUGUST 25, 2010

The Board of Directors met at Julie Hanson's office at 7:30 p.m. Board members present were Julie Hanson, Jan Cowan, Clara Trujillo and Brian Pearson. Also present were Chris, Karen, and Paul from Silver Mountain Properties and Unit Owner Irma Diaz.

1. Homeowner Issues.
  - a. Dues Increase. Karen said that she had received only two letters from owners regarding the dues increase. Overall, there have not been many complaints.
  - b. Micah Hayward Reimbursement. Julie said that she and Greg thought they had Micah's case settled but they just found out he has hired an attorney. There is a status conference on Friday and the next step is mediation. Julie said that Micah's main problem is the special assessment. He thinks it should have been based on percentages, however, the special assessment was to cover insurance deductibles and insurance items are supposed to be divided evenly. Julie will update the Board by e-mail after the status conference.
  - c. Unit #927 Satellite Dish. Karen had a request from the owner of Unit #927 for permission to install a satellite dish. Permission was granted provided the dish is installed on the back side of the building on the corner where the other dishes are installed.
  - d. Unit #7309 Screen Door. The owner of this unit asked if it was the owner's responsibility to provide a screen door. Apparently, this unit has never had a screen door installed. It was agreed that screen doors are the owner's responsibility.
  - e. Speeding-Speed Bump Installation. There was a complaint about cars speeding on the back roadway and a request for speed bumps. The Board requested that SMP find out the cost for two speed bumps like the ones we have on the front roadway.
  - f. AC Units- #711, #1127, #8310. These units have new window AC units. Karen wrote the owners letters saying they could not have window AC units without Board approval. So far, none of the units have requested Board approval. The Board advised Karen that if the AC units were not removed or Board approval requested, she was to fine them. Irma Diaz said that there is a window AC unit in Building 10 that is propped on a big pot and asked if that owner received a letter. Karen said that she was not aware of that one and would check it out and get a letter sent.
  - g. Online Area for Homeowner/Renter Concerns. Karen said an owner had requested an area on the website like a blog for owners and renters to voice their concerns. The Board agreed that owners and renters could use the complaint form already on the website if they had concerns.
  - h. Parking. Irma Diaz attended the meeting to talk about her concerns about parking and people using their garages for storage and other things instead

of parking in them causing the parking lots to be full all the time. It was suggested that Oscar had a good idea of what cars belonged to which units and could let Karen know when he noticed more than one car associated with a unit parked in the parking lot. Karen could send a notice to the owner and then fine them if they didn't comply.

## 2. Maintenance

- a. Unit #513 Remediation. Karen requested approval of the bid from CST. She said if the bid was approved, CST could start work next week. The Board wanted to talk about the next item on the agenda before approving the bid as there may be a similar problem. There was a brief discussion about whether this was an insurance item and the Board agreed that SMP should file an insurance claim.
- b. Pattillo Results of Monitoring. Karen had the results of the monitoring done by Pattillo. The only concern was Building 9 which has shown movement more than one-half inch according to the report. There was a brief discussion about the Hayward Baker warranty. It runs out in 2011 and covers movement vertically of more than one half inch. It was agreed that Hayward Baker needs to be contacted immediately regarding this finding by Pattillo. Julie will contact Greg and tell him the Board wants him to get a letter sent to Hayward Baker and also address our reconstruction issues with RE within the next week or the Board will hire someone else to do it. We have already had complaints from the owner of Unit #913 about heaving in her unit. It was suggested that this building may have sinkhole problems the same as Building 7 and Building 5. We discussed having the drains scoped to see if there are any leaks. Karen will see that this is done. If there is a similar problem under Bldg. 9, we may be able to negotiate a better price from CST for fixing both Building 5 and Building 9 at the same time.
- c. Unit #1012/1014 Leak. Karen told the Board that after the drain in Unit #1012 was cleaned out, there was another instance of water leaking in Unit #1014's garage. The plumber said because of the heavy rains, the water leaking could be caused by a roof problem. A roofer was called who said he didn't think the water could make it all the way into the garage from the roof but it could be tested by someone pouring water on the roof and seeing if it leaked into the garage. Oscar poured water on the roof for 45 minutes and there no water leaked into the garage. Karen said that Mary Weaver, the property manager for Unit #1012, had talked to the owner of Unit #1014 and had permission to bring a plumber into her garage to see if the cause of the leak could be found. The Board would like to have a representative there when the plumber comes and Karen will find out when the plumber is coming. Julie suggested having Pat Stowe be there as a representative or if he can't be there, she knows of someone else who could probably do it. She will coordinate this with Karen. If no cause of the leak is found, the next step would be to have ECOS check the pipes with an infrared unit.

3. Financials.
  - a. Insurance Claims. Paul said that SMP is still working on the various insurance claims. He said that we have received some money from the insurance company and SMP is analyzing all the various insurance claims and trying to find out exactly what it was paying.
  - b. Low Reserve and Operating Funds Discussion. Julie said that the Board is aware of our low reserves and operating fund. She said that she is going to be filing small claims actions against a lot of our non-paying owners in the next couple of weeks. She would like to wait and see if that triggers some payments before looking at ways to boost our reserves and operating fund. Clara suggested that a list of the names of unit owners who are in arrears should be sent out to all owners so that everyone knows who is paying and who is not paying their assessments. This would hopefully trigger the “shame factor” and then the non-paying owners might pay. The Board agreed this was a good idea and asked Paul to have a list compiled and sent out with the monthly statements.
  
4. Board Member Discussion. There was a discussion about the e-mail from Kate in which she stated that she could not attend meetings for a while due to her teaching schedule and asked if we wanted her to resign. Julie said that since we currently have six Board members, we need four members to attend meetings for a quorum. This would mean that Julie, Jan, Clara and Brian would have to be at every meeting. If we only had five Board members, we only needed three to attend meetings. Julie said that Mike Shea is putting his unit on the market and since he is out of state and does not really participate while Kate is living on-site and can participate through e-mail, she was inclined to ask Mike to step down and keep Kate on the Board. The Board agreed and Julie will e-mail Mike regarding his stepping down as a Board member.

The next regular Board meeting will be held on September 16, 2010. The meeting adjourned at 8:55 p.m.

Jan Cowan, Secretary