

Minutes of SLCA Board of Directors Meeting

October 10, 2013

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Opening

Meeting called to order at 7:03 PM.

Present:

- Mary Jo Mulligan-Kehoe (President)
- Scott Gilmore (Secretary)
- Jeanne Childs
- Sandy Orr
- Ray Stanford (Property Manager, Moseley Associates)

Absent:

- Alan Nadel

Non-Board owners present:

- None

Minutes from Previous Meetings

Minutes from the August 17 Annual Meeting have been posted on the SLCA website. These minutes are unofficial until approved at the next Annual Meeting, as indicated at the top of the document.

Minutes from the July, August, and September Board Meetings have also been approved by the Board and posted on the SLCA website.

Financial Report

Ray walked the Board through the monthly financial report. The main balances at the end of the prior month were as follows:

Item	Annual Budget	Current Period		Year-to-Date		
		Budget	Actual	Budget	Actual	Variance
Operating Surplus	1,239.00	2,990.75	1,636.34	(4,733.25)	16,250.01	20,983.26
Short Term Reserves	(839.00)	0.00	23,472.40	(839.00)	23,472.40	24,311.40
Long Term Reserves	(1,220.00)	(4,851.67)	13,397.10	(1,664.99)	13,397.10	15,062.09

Item	Amount
CD's Invested	104,338.42
Long Term Reserves (cash ready for investment)	13,397.10
Total Capital Funds	117,735.52

Details can be found in Moseley's full monthly report. Following are highlights and discussion points.

We're running nicely ahead of plan. Insurance claim funds of \$8156 for unit 47-1 are still in the account, waiting to be paid when we receive a bill for repair work from the owner.

Our septic tank was pumped recently. (The liquid from our septic waste is pumped into the Town sewer system. The solids are collected in the tank and must be removed every 12-18 months.)

We have about \$2200 available for tree work.

The stop sign has been posted at the end of Landing Road.

The Repairs/Maint line item is slightly over budget (\$6039 spent versus \$5000 budgeted). This line item is used for miscellaneous maintenance and repair work, much of which is done by Jim Shibles (Essential Maintenance). We are over budget due to unforeseen, extensive rot discovered on the exteriors of buildings 11 and 13 while Jim was painting them. (Jim provided detailed photos of the rot, and corrected the underlying problems during the repairs.)

The outstanding balance for Varin was finally paid, including past-due fees, by the bank which foreclosed on the property. The bank has sold the property to one of our renting residents.

Action Items

- ***Ray remove lien on Varin property.***

Old business

Website postings

Previous Action Items

- Ray email Moseley and DeGrasse contracts to Scott.
- Scott post Moseley and DeGrasse contracts on SLCA website.
- Jeanne contact Goss-Logan for copy of our insurance policy, in an electronic format.
- Jeanne forward copy of our insurance policy to Scott.
- Scott post our insurance policy on website.

All of the above have been done.

Jeanne discovered that the 3-year Moseley contract is not in compliance with our by-laws, which specify that vendor contracts cannot have terms longer than 2 years. Mary Jo explained that we adopted a 3-year contract to save significant money. However, now that we are aware

of the non-compliance, we must correct this. Jeanne researched how we can correct this. This can be done by replacing the existing 3-year contract with a 60-day contract for the remainder of 2013, plus a 2-year contract for the remainder of the original term. The 2-year contract will be created by amending the original one to begin on January 1, 2014. The financial terms will be the same as those in the original 3-year contract.

Action Items

- ***Jeanne provide sample language to Ray for Moseley contract amendment.***
- ***Ray create 60-day contract and amend 3-year contract to 2-year term, using amendment language provided by Jeanne***

Update on new website

Alan was not available for the meeting, due to a schedule conflict.

Action Items

- ***Alan investigate copyright issues.***
 - At the August annual meeting, John Viertl commented that many website services claim copyright ownership of posted content for themselves. For example, will site operators be able to reuse our pictures for other sites?

Report from Fox Tree Service

Previous Action Items

- Ray ensure that Fox Tree Service rechecks trees on banks near lower units.
- Ray ask Fox Tree Service how much it would cost to remove tree of most concern for falling.
- Ray obtain cost for tree retainer.

Ray provided a written report from Fox Tree Service, with prioritized problems and their associated costs. Here is the list from Fox, from highest to lowest in priority:

- Walk Way above unit #3 [on one of the lower buildings]: Remove four stem red oak with decay and leaders toward unit. Clean up all brush and wood from site. \$3400
- Cable the two stem red oak on the far left and the far right to give bracing from splitting in wind. Use extra high strength cables. Prune out any large hazardous dead wood over walkways and parking. Raise branch levels above roof lines. \$1700
- Unit #7: Remove the three stem oak with decay evident in stem and stump below unit. Remove all debris from site. \$1500
- Split Pin Oak: Pull leaders together and install two pieces of threaded rod to hold crack and install one cable for bracing: \$480. Or Remove tree completely and all debris from site. \$600

Some trees are at risk of falling under high winds. They are not likely to fall on buildings, but could obstruct the road and walkways, cause other ground damage, and injure people. The tree behind "Unit #7" could fall on cars on the road below.

Given the serious risk of property damage and injury, the Board felt it necessary to address the trees in danger of falling as soon as possible. After some discussion, the Board decided to immediately approve the \$3400 and \$1500 work listed above. For the \$1700 work, the Board would like to consider having the tree removed rather than braced, even if the cost is somewhat higher, because future removal is likely to become necessary.

Action Items

- ***Ray get price to completely remove “two stem red oak,” rather than brace it.***
- ***Ray find out where “Split Pin Oak” is located.***
- ***Ray ask for discount from Fox if we do all 3 top items at once.***
- ***Ray send above information to Board by email within the next week.***
- ***Board members vote to approve work, by email.***

Hill erosion: plant pachysandra, community effort vs. Degrasse

Previous Action Items

- Jeanne ask Longacres about best time to plant, and what kind of pattern to use on a 45-degree slope.

Longacres said that spring is the best time to plant pachysandra. Autumn is not bad, but spring is better because pachysandra are shallow-rooted.

The Board decided to wait until spring. We hope to organize a community effort to clear the weeds and plant the pachysandra.

Building permit and approval from Fire Chief re: unit 47-1 flue repair

Previous Action Items

- Ray send notice to owner informing him that permit is required, and cite relevant fire codes. (Send to Board for approval before sending to owner.)

The owners have decided to dismantle the entire chimney and then request Board approval for a gas fireplace with a small, metal chimney. Mary Jo reminded them to obtain the necessary permits, and provide the permits to the Board when seeking approval.

The owner of one of the adjacent units (47-2) expressed concern (via email) that his chimney may be shared with 47-1. The contractor for 47-1 is nearly certain that this is not the case, and noted that it would be illegal for two units to share a chimney. The contractor will confirm this while dismantling the damaged chimney. Mary Jo conveyed this to the owner of 47-2 via email.

Walkways

Previous Action Items

- Ray ask Jim Shibles for labor cost estimate for walkways, and send to Mary Jo.
- Mary Jo create spreadsheet calculating costs for various stone options, and send to Board members.
- Ray get price quotes for asphalt and concrete walkways.

Jim Shibles estimated \$20,000 in labor for stone-and-gravel walkways for the lower units. The upper unit walkways would cost more. The total for all units would be over \$40,000. Mary Jo suggested that, if we're going to spend that much, we should seriously consider asphalt and concrete. The latter would be more durable, more impervious to weeds, immune to gravel being thrown into the grass during mowing and snow shoveling, and possibly less expensive over time because of the simpler maintenance.

Ray reported that Blaktop, Inc. was here, did measurements, and is preparing a price quote for asphalt walkways. Ray anticipates that this will be more expensive than Jim Shibles' quote for stone-and-gravel walkways (see below), because they would need to excavate to provide a sound base under the asphalt (to minimize movement and cracking due to frost). The excavation cost depends upon the depth needed for a sound base, and that depends upon the underlying soil composition. If the soil is mostly clay, then a deep base is needed; if mostly sand, then a shallower base is sufficient.

Ray reported that a different vendor was to come tomorrow to measure and provide a quote for concrete walkways.

Mulch bin cost

Previous Action Items

- Ray look into fence costs for mulch bin.

Jim Shibles quoted \$800 to construct a fence for a square, 8'x8' area. The fence would be 6' high, and 4-sided, with one side being a gate. The fence would be the same type (board and batten), height, and color as the fences alongside the decks of our lower units.

The dumpsters have been separated: recycling on the left, a large space in the middle, and garbage on the right. The space in-between will allow mower access to the mulch area on the hill behind the dumpsters.

It was noted that leaves will consume much of the fenced-in space unless we shred them. The Board considered a 16'x16' area, but felt that it would be too large. The Board decided to instead have the leaves shredded, which would also speed decomposition.

Ray doesn't think that a gate is needed. We could save money with fencing on only 3 sides of the square area. Leaves, grass, and other landscaping debris would be dumped against the fence side opposite the opening.

The Board decided to go with Jim's proposal, but with 3 sides and no gate, and the open side facing the ball fields. Funding will come from the Grounds/Landscaping budget, which has remaining funds.

This should be built soon so that Degrasse can dump the leaves there. The Board is concerned that Jim has too much work to do, and he may not get to this project soon enough.

Action Items

- ***Ray ask Jim whether he can get this done within the next few weeks. If not, Ray should find someone else to build the mulch bin according to Jim's design.***

Boat docks

Previous Action Items

- Ray send current boat slip assignments to Scott.
- Scott post boat slip assignments on website and maintain list going forward.

Ray sent the latest diagram to Scott. Kevin Albert provided additional details on deposits and boat descriptions.

Scott updated the diagram and spreadsheet, and sent them to Board members for feedback before the meeting.

We do not have records (dates and amounts paid) for the deposits for half of the dock slips. Simpson Development Corp., our property manager prior to Moseley, failed to maintain such records. We may be able to reconstruct that information from the dates when people became residents, and the dates when the deposit amount changed. We know the following:

- The deposit fee was \$500 when Mary Jo joined the Board 10 years ago.
- The deposit fee was \$750 for some time.
- The deposit fee was increased to \$1000 when Simpson Development Corp. became our property manager.
- The deposit fee was increased to \$1375 shortly after Moseley took over, in July 2009.

(The deposit fee is based on the cost to have a dock replaced. Each resident with a boat dock slip pays a one-time security deposit of ½ of the then-current replacement cost. If the resident damages the dock, his/her security deposit is used to fund the repairs or replacement. If a resident gives up his/her slip without having caused any damages, the security deposit is refunded in-full.)

Action Items

- ***Mary Jo ask Penny Edwards (former Board Secretary) for information about when dock deposit fees changed.***
- ***Scott post updated boat slip diagram and spreadsheet (without deposit info) on website.***

Repairs

New roof leaks: progress on repairs

All previously known ones have been repaired by Jim Shibles, but he has interior patching and painting to do to complete the work.

15-2: No roof damage, but ceiling stains are yet to be repaired.

15-1: Water came in around a skylight during recent rain.

25-1 rotting window trim: follow up by Ray

Jim Shibles repaired the rot in 25-1.

Jeanne's unit (43-2) has rotting window sills that they reported on the quarterly issues form twice. This information hadn't gotten to the Board until now. It should be appearing on Moseley's spreadsheet of reported issues.

Action Items

- ***Ray investigate why some items reported on quarterly issues form are not getting reported to Board. Correct process and update list of current issues.***

Rain gutters

Gutters need to be cleaned before winter. Jim Shibles was planned to do this, and also inspect roofs and skylights for shingle problems and caulking needs. The Board agreed that this is more important than having Jim build the mulch bin.

Sandy's unit (33-3) needs a gutter in one specific place, where rain water runs down the outside of an exterior wall. The wall has been replaced twice, at association expense. His unit has gutters in other locations. His building is due for painting next year, at which time we can add the extra gutter.

Action Items

- ***Ray follow up with Jim on gutter cleaning and roof/skylight inspections.***
- ***Ray investigate gutter or other remediation for rain water running down exterior wall of 33-3.***

47-3 squirrels

The owner reported this recently via email. The cost to have the squirrels trapped and removed, and have any openings sealed, is \$500. The Board approved this work.

Action Items

- ***Ray have vendor address squirrel problem in 47-3.***

Septic smell

Sandy noticed a septic smell near his unit.

Action Items

- ***Ray investigate septic smell near Sandy's unit.***

Tree trimming

Previous Action Items

- Ray follow up with Degrasse on trimming of trees in parking areas and near buildings.

Ray told them to do the work, but they haven't done it yet.

Road erosion

Previous Action Items

- Ray follow up with Bugbee regarding erosion on road down to lower units.

The cost would be \$1150 to re-grade the road and add 2 more layers of hard pack.

The storm drain and trench created by the erosion are now filled with fallen leaves, which should be removed prior to re-grading.

We have money in the budget to cover this. The Board approved the work.

Action Items

- ***Ray have Degrasse clean leaves from ditches, in preparation for Bugbee's work.***
- ***Ray have Bugbee re-grade road to lower units.***

Plan for interior painting

As noted at the previous Board meeting, some owners have been waiting months for interior repairs due to prior roof leaks. The Board decided last month to consider other vendors if Jim Shibles cannot get to this work soon.

Ray discussed this with Jim. Jim will do everything except 35-3. Ray will find another vendor for 35-3. Ray called Sandy's painter reference, but hasn't received a call back.

Action Items

- ***Ray find painter for interior damage in 35-3.***

Rule Violations

Previous Action Items

- Alan draft letter reminding owners that they are responsible (financially liable) for any damages to buildings caused by them from exterior modifications and/or air conditioners, and that Board approval is required for any exterior modifications.

Alan wrote the letter shortly after the previous Board meeting, and circulated it to Board members via email for review. The Board approved the letter as the template for all future violation notices.

Mary Jo proposed that we appoint a Board member to be responsible for rule violations. That person would be responsible for verifying the violation, writing the specific violation notice (using Alan's template), sending the violation notice to Ray for dissemination, and tracking the progress of corrective actions and appeals. No Board members were willing to take on this responsibility at this time. Therefore, Mary Jo will do this.

Action Items

- ***Mary Jo write violation notice for 13-2 wood pile and provide to Ray.***
- ***Ray send notice of wood pile violation to 13-2 owner.***

New investment plan: Discussion of Legality

Previous Action Items

- Mary Jo contact Rob Davidson and Kevin Albert (Investment Committee), and ask that investment committee draw up specific investment plan for legal review.

Mary Jo distributed hardcopies of the proposed investment plan from the Investment Committee. (The objective is to increase the growth of our Capital Funds---used for expensive repairs, such as roof replacements---to prevent the need for special assessments and/or extra dues increases as our buildings continue to age and need such repairs.)

Prior to the meeting, Jeanne researched this topic and sent several emails to Board members about her findings. These findings indicated that the Board is expected to preserve principal, and Board members may not be insured from liability if principal is lost.

Mary Jo explained that that we have an obligation to investigate this thoroughly and provide the information to owners, as promised at the recent Annual Meeting. She added that we will most likely do only research until the next Annual Meeting, at which time we will present it for discussion and voting. (Voting will only be done if the research determines that it is legal.)

Mary Jo moved that we hire a New Hampshire attorney knowledgeable in condo law, to review our proposed investment plan and advise us on the legality of it. She also moved that we approve payment of up to \$400 for these legal services.

Sandy seconded the motion.

Mary Jo, Sandy, and Scott voted in favor of the motion. Jeanne voted against it.

Action Items

- ***Ray have proposed investment plan reviewed by attorney Eric Janson.***

Dumpsters and recycling

(Zero-sort recycling has been implemented at SLCA by the Town of Enfield. The Town pays for our waste removal at an expense of approximately \$600/month. SLCA pays only for dumpster rentals at an expense of approximately \$41/month. Casella, the waste hauling contractor, recently replaced our three garbage dumpsters with two larger ones, and added three smaller dumpsters for zero-sort recycling. The recycling dumpsters are located on the left; the garbage dumpsters on the right. The Board had discussed this extensively via email, prior to the meeting. Scott drafted a memo, to be sent to all SLCA owners and renters, to make everyone aware of the new waste disposal procedures.)

Mary Jo suggested adding an informational flyer from Casella to the memo written by Scott. The flyer explains what can be recycled and how to prepare it. We agreed that this would be helpful.

We discussed the need for a new, permanent sign by the dumpsters, to direct people to the correct dumpsters for recyclables and garbage. Scott created a temporary sign a few days before. We cannot put a sign in the middle of the space between the dumpsters, because it would block snow plowing and mulch dumping. After a brief discussion, we decided to issue the memo and flyer, then wait to see whether a new sign is really necessary.

Action Items

- ***Ray send recycling memo via email to all owners and residents.***
- ***Mary Jo distribute paper copies of recycling memo and Casella flyers.***

Car rules

Scott noted that his unit now has 3 vehicles. He requested that the current SLCA rules be modified to allow residents to have more than 2 vehicles, as long as any extra vehicles (beyond 2) are parked in the Visitor Parking lot.

Mary Jo suggested that residents with more than 2 vehicles could make agreements with residents who have only one, thus keeping the average number of vehicles per unit at 2 or less. If we do increase the limit beyond 2 vehicles per unit, we need to be careful that residents not accumulate unreasonable numbers of vehicles on SLCA property, creating parking problems.

Ray commented that other condo communities in our area have rules similar to what Scott requested. Some associations charge fees (e.g., \$25/month) for extra vehicles.

We decided to defer further discussion of this until our next meeting.

Action Items

- ***Discuss potential rule change at next month's meeting.***
- ***Ray share wording of policies from other condo communities as suggestions.***

Treasurer

As noted at the previous meeting, we currently have no Treasurer. Moseley continues to do our accounting, as they have since becoming our property manager.

Previous Action Items

- Mary Jo appoint or find a Treasurer.

Mary Jo proposed asking Gary Best, who used to be a Treasurer. Board members agreed that Gary is a good choice.

New Business

Follow up with owners' comments at general meeting

Septic system, potential seepage from septic system into ground water

This issue was raised by Walt Wyland and John Viertel at August's Annual Meeting.

Sandy noted that we have constant dampness on the hill below his building. He asked whether this could be due to septic seepage. As noted above, he recently noticed a septic smell in the area. Sandy can hear water trickling near the smell.

We discussed having Sterns Septic (which empties our tank) assess potential problems. Ray asked them. Sterns can send fiber optic probes down the lines to get video of interior pipe conditions. They charge a fee per linear foot, plus an hourly rate. They can give a price quote if

we can provide a design diagram or map of our system. Mary Jo noted that this information should be available in the Town office.

Jeanne recently talked to the current Assessor and Zoning Officer for Enfield. He found a box of documents about our community. Jeanne will look through the box for this and other valuable information.

Action Items

- ***Ray have Sterns Septic investigate wet areas and possibility of crushed pipes.***
- ***Jeanne look through box at Town office for septic system info.***

Reserve Study

Jeanne advocated that we have a Reserve Study done to assess eventual costs for major repairs (such as roof replacements). A Reserve Study is done by an engineering firm, which inspects all of our structures and major systems, then creates a plan for their upkeep and eventual replacement. This could guide our Capital Funds savings plan, helping us to make sure that we save enough to cover major expenses when they are likely to be incurred.

Jeanne spoke with Ralph Noblin, an engineer who has done such work for Eastman in Grantham. Ralph would charge a total fee of \$4000 (\$125/unit) for such a study at SLCA.

Jeanne suggested that such a plan could save us money in the long term, by identifying preventive maintenance that we are not currently doing. She noted that some banks are now requiring these for mortgages, and that any future special assessment would need something like a Reserve Study as justification.

We decided to continue this discussion at our next meeting.

Next meeting date

Wednesday, November 6, at 7 PM, in unit 7-2.

Closing

Motion to adjourn by Jeanne. Seconded by Sandy. All agreed.

Meeting adjourned at 9:56 PM.