

8989 GAINEY CENTER DRIVE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING MINUTES

April 20, 2022, at 2:30 pm

A Board of Directors of 8989 Gainey Center Drive Condominium Association Business Meeting was held at the Estate Club and using Zoom meeting software and teleconference equipment. The Meeting Notice was distributed to homeowners by e-mail and posted on the mailbox bulletin board at least 48 hours before the scheduled meeting date and time, in accordance with the Arizona Open Meeting Law.

Board members in attendance: Claudette Muller, Diane Tuton, Beth Seldin, and Roz Cappello.

Board Member absent: Josephine Chiu

GRCA Staff in attendance: David Merrill.

A quorum was declared, and the meeting called to order at 2:30 pm.

Homeowner Discussion/Forum: Time was allotted for homeowners to speak on any topic related to 8989. Owners Mrs. Banks (Unit 116) was in attendance. There was no discussion.

Approval of March 23, 2022, and March 31, 2022, Board Meeting Minutes: The March 23, 2022, and March 31, 2022, Board Meeting Minutes, previously distributed and reviewed, **were unanimously approved by the Board as written.** They are available on the GRCA website.

Treasurer's Report – February and March 2022 Financial Statements: No issues to report. The amount of reimbursement is based on the number of labor hours allocated to 8989 for the year. Cash balance is good. Assessments are current through March 2022. Reserve receipts through March 2022 from the 8989 Enhancement Fee is \$3,960 from the sale of two Units.

OLD ITEMS

A. Landscape Renovation:

The second year of the three-year plan to replace missing and dead trees and shrubs was completed by the end of December 2021. The original plan was to replace a sizable portion of the 30-year-old turf along the lake by the end of May 2022, and any remaining portion by May of 2023 (as part of the third year). However, estimates to complete the replacement of the lakeside turf is \$55,000 (higher than expected). The Board is delaying the lakeside turf replacement until 2023/2024 for several reasons: recommendation by the Arborist Consultant to wait until after the removal and replacement of trees located on the lake which (part of the Flat Roof Water Pooling Mitigation recommendations), the unavailability and high cost of turf, and the shortage of landscaping staff (both in-house and through outside contractors). The Board hopes to complete turf replacement for the remaining street-side areas before the end of May, but GRCA staff is experiencing delays getting quotes from contractors.

B. Flat Roof Water Pooling Mitigation & Membrane Decks Resurfacing Projects:

The Board has identified two important infrastructure projects the Association must complete by the end of 2022 to reduce its risk exposure while maintaining and protecting the value of the Community. Neither of these projects are optional.

- At its May 23, 2022, meeting, the Board agreed to address the flat roof drain problem and implement measures for mitigating the water pooling on the flat roofs that occurs during extreme rainstorms and reducing the exposure of Unit interiors to water damage. Two consultant recommendations include the removal of trees which are a liability to building structures and roofs (\$20,840 cost estimate includes tree removal and replacements), and the installation of 50 thru-wall scuppers (\$50,000 cost estimate for two thru-wall scuppers on each of 25 buildings). The Board agreed it must remove two tall Eucalyptus trees located on the lake (near Units 110 and 123) and one Sissoo tree (near Unit 149) immediately. These three trees are considered a substantial risk of causing damage to buildings during a strong rainstorm because of their location and overall condition. Other high-risk trees identified as liabilities will be removed during semi-annual GRCA Arborist Program. Most replacement trees will be planted by December 2022 (depending on staff availability). GRCA staff is working with Sunvek to finalize the contract and work plan for the installation of the scuppers. The \$70,840 total cost associated with the Flat Roof Water Pooling Mitigation Project is considered one-time and is not included in the annual assessments we collect for Reserve Projects.
- The Board discussed the funding required to complete the Membrane Deck Resurfacing on 81 decks. The Unit deck membranes are beginning to fail, and their resurfacing cannot be deferred any longer. Failure of the membrane decks results in water damage to Unit interiors. Over the past three years we have had to resurface and repair eleven (11) membrane decks for \$30,800. The Membrane Deck Resurfacing project is scheduled for 2022 and is included in the Reserves. It was last completed in late 2010. The 2022 completion date depends on the availability of supplies and contractor staffing. The resurfacing of the membrane decks is estimated to cost a total of \$245,400 (based on actual 2021 costs to repair failing decks plus 8.5% for inflation). The Reserve Account is projected to have an estimated \$50,000 available for this project. The Board estimates a funding shortfall of \$140,840 for the Membrane Deck Resurfacing Project.

MOTION: After a brief discussion, the Board unanimously approved the 2022 Capital Improvement Assessment levy of \$211,680 at \$2,940/Unit to complete the Flat Roof Water Pooling Mitigation Project and the Membrane Deck Resurfacing Project.

Article 6 of the CC&Rs requires this \$211,680 2022 Capital Improvement Assessment be approved by a majority vote of 8989 Homeowners. The Board stresses how important and urgent it is for the Association to complete these two infrastructure projects to reduce its risk exposure and liability. If a majority vote of Homeowners does not approve the requested 2022 CIA, the Board will use other remedies provided by the 8989 CC&Rs Article 6, including a bank loan, to acquire the funds to complete the projects by December 2022. As requested at the 2022 Annual Homeowners meeting, the Board will work with GRCA accounting staff to provide an option for Owners to pay the \$2,940/Unit assessment over several months.

NEW ITEMS**A. 8989 HOA Insurance:**

The Board acquired three HOA insurance quotes to consider for 2022. Unfortunately, four other insurance companies the Board wanted to consider (Allstate, State Farm, Hanover, and West Bend Insurance) either declined to provide quotes, were too expensive, do not provide the coverage required by the 8989 CC&Rs Article 10, or do not provide coverage for condominium associations.

The Board considered the quotes for deductibles of \$5,000, \$10,000, and \$25,000 per occurrence provided by Travelers Insurance, Philadelphia Insurance, and Farmers Insurance. Only Travelers and Philadelphia quotes were within range of the 2022 Operating Budget allocation of \$21,000. The Board discussed increasing the deductible from \$5,000 to \$10,000 and decided to remain with the \$5,000 deductible per occurrence. The price difference between the \$5,000 and \$10,000 deductible was small and only added \$418 to the 2022 Operating Budget insurance allocation.

MOTION: After a brief discussion, the Board unanimously selected the Travelers Insurance quote of \$21,418 with a \$5,000 deductible per occurrence.

B. 8989 Standards & Rules – New Security Door and Patio Gate Designs:

- The Board discussed adding a new front entry security door style to the approved Standards (Section 10). This “Matrix” design is more contemporary and is consistent with and compliments the community’s existing railings and building lights. By adding this new security door style, Owners have three approved designs from which to choose.
- The Board discussed adding a new rear patio gate style to the approved Standards (Section 11). This design was previously approved by the Board for use on a Unit’s back patio. It is contemporary and is consistent and compliments the community’s existing railings and building lights. By adding this new gate style, Owners have two approved designs from which to choose.

MOTION: After a brief discussion, the Board unanimously approved the additional security door and patio gate designs and will amend Sections 10 and 11 of the 8989 Standards & Rules accordingly.

The contemporary designs will be added to 8989 Standards & Rules Sections 10 and 11. The updated version of the Standards & Rules will be available on the GRCA website by June 2022 for access by Owners. Sheryl Wissmann, the GRCA Architectural Coordinator will share the approved standard designs with Owners wanting to install security doors and patio gates on their Units.

Being no further business on the agenda, the meeting was adjourned at 3:30 pm.

Meeting Minutes submitted by Claudette Muller, 8989 Board President.

Next Board Meeting: Date and time for the next Zoom meeting (with instructions) will be distributed in accordance with the Arizona Revised Statutes Open Meeting Law.