

## **Cross Keys Condominium #1 Board Meeting Minutes of June 5, 2019**

Board members present: Sharon Nathanson, Gail Mandel, Olivia Surrat, Bonnie Rhodes, Marge Ford, Diana Schulin, Sarah Taylor and Michael Hill. Rosalie Parker was present from Thornhill Properties.

Sharon opened the meeting by explaining that this is a regular meeting of the Board and also a hearing on the new solar panel rules.

**Minutes:** The March 6 meeting minutes were approved.

**Treasurers Report** by Olivia Surratt, Treasurer. At the end of April 2019, total assets were \$260,505 with \$226,109 in Reserves. Of this amount \$180,000 is in an investment fund. For April, income was \$42,725 and expenses were \$68,626. The association's income is negative due to unplanned maintenance and repairs. Oliva also announced the formation of a Finance Committee to look at long-term needs and funding.

**Management Report** from Rosalie: She goes over various repairs and replacements and violation letters on parking, landscaping and animal control. Dryer vent cleaning is complete. Concrete repairs are scheduled for early July. Tree trimming is continuing this week..

**Roof Assessment Report** by Sharon: She states that the financial situation facing Condo 1 is going to require a special assessment of \$4,000 to \$6,000 per unit this year. Other assessments will have to be levied in the next two years as this is the only way to ensure continued health of our community. She announces a special Board meeting on June 19 at 6:30 on the assessment matter. Information on the meeting and the assessment will be mailed this week.

Sharon explains that such special assessments are common for condo associations and that we have been fortunate not to have one, but our luck ran out with record rainfall last summer which resulted in the replacement of 19 roofs at a cost of approximately \$263,000. This was funded by dipping into our reserves which are now seriously depleted, putting other projects on hold. She explained that the last roof replacement in 2006 put new shingles over top of old ones. There were few issues with these through June of last year and the 2017 Reserve Study estimated that roofs would last five more years. But when leaks started appearing in July 2018, it became an emergency situation requiring prompt action on the 19 roofs. After that, the board hired Coleman Consulting as a consultant to examine all roofs and it was determined that nine more roofs are in need of immediate repair. The remaining 70 roofs are expected to reach their average service life of 20 years, but will still require replacement in the next few years. The roof failures of last year were due to a number of reasons. Replacing a roof is much more than replacing

shingles, it involves everything from underlayment to soffits to decking to vent pipes. Sharon explained that the Association's annual budget is about \$500,000 with \$115,000 of that going to the Reserve Fund. On top of the estimated \$263,000 already spent, the nine roofs will cost an estimated \$150,000, with the 70 more replaced over the next few years at an anticipated cost of approximately \$1.2 million. In addition, Condo 1 faces storm water issues and needs to begin work on those, which will cost around \$75,000. In order to take care of these issues and restore the reserve fund for a variety of needed projects, there will be a special assessment of \$4,000 to \$6,000 per unit depending on its size this year. Future assessments will also be required. Sharon says the board will work out a payment plan for those who may experience a hardship. All owners will get a written notice of their assessment before the June 19 meeting which will conclude with a vote by the board on levying the assessment. "Our homes and grounds are almost 60 years old and we must act now to protect our investment in this community," she says.

### **Questions and Responses:**

Will everyone assessed even though may not need a new roof for some time? Yes, every one will be assessed.

Will the assessment cover replacement of all remaining roofs? Yes, they will all be replaced over a period of years but we are only assessing for the work we can do in this calendar year.

Will gutter guards be put on the new roofs as many owners with new roofs have experienced problems with clogged gutters. Rosalie explains our plan to install gutter guards on the new roofs to deal with this issue.

Will the entire roof will be replaced, including the plywood deck? Rosalie answers that it will depend on the condition of the plywood, that as much will be replaced as needed.

Have the inside of the roofs been checked to ascertain the roofs' condition? The consultant did a sampling of the inside in the his inspection.

After various individual problems are raised, Sharon says that residents should send email to Rosalie about individual unit problems

Sharon then asks for approval of the roofing contract for the nine now in need of replacement, recommending Wagner Roofing's low bid of \$127,438. She said Wagner's references check out and that work should begin in about a month and last for three weeks. In response to a question she says this choice was based on both price and the recommendations and the work with our consultant.

Board unanimously voted to approve the contract.

The Board also approves retaining Chris Coleman as a consultant to monitor work on roofs at a cost not to exceed \$7,200.

**Solar Panel discussion** by Gail: She explains that this meeting is a hearing on amending the condo association rules to deal with solar panels per the notice mailed on May 15. The new regulations were drawn up in part to avoid damage to new roofs while being respectful of our energy resources. She says that under the Maryland Condominium Act, we are required to offer the option of installing solar panels to our owners.

In answer to various questions, it is made clear that not everyone is getting solar panels and that while we must allow their installations, we are protecting our interests through these rules and an indemnification agreement.

In answer to questions about aesthetics, Gail says that this cannot be a basis for prohibiting installation and that while the panels can have various configurations, what we can try to do through our rule is to make them as pleasing to the eye as possible.

The Board approves the Solar Panel Rules and the Indemnification Agreement.

**Landscaping committee report** from Diana: She emphasizes that the committee is not actually in charge of landscaping and that emailing Thornhill is the way to deal with any problems and issues. She notes that the budget means that some trees coming down are not being replaced, but Tree Baltimore is giving us 12 trees in September. The committee is looking for volunteers to water the new trees which will be planted where we have water issues and have lost trees. The committee is working with Jean Mallott, a landscape architecture consultant, on this. There has been a bit of a rocky start with our new landscaping company, Chapel Valley, but we are trying to address problems. Rosalie is keeping a Do Not Trim list for plantings in common areas. The latest plantings on Hamlet Hill are doing pretty well but some grasses which have died will be replaced by Greenfield's. Another committee meeting is planned for late summer. In response to a question, Diana says we have chosen four species of trees for the new plantings.

**Door Colors:** Sharon explains that after hearing a number of requests, we have appointed a door color task force chaired by Bonnie who says the first meeting was at Sherwin Williams, looking at color choices. She says the committee is looking to add to the current palate with more trendy colors and will bring recommendations to the Board.

Hillard asks if the condominium documents specify colors? They don't. And if a vote on new colors will be by the Association or the board? Sharon says it will be by the Board. Bonnie notes that there are many doors now are painted with colors not on the list that that they will be grandfathered in. Since there are so many colors

anyway, the committee plans to make the list a bit larger but with colors that are muted and pleasing.

Sharon explains that the board is trying to refresh the palate. The Board will decide on a new list and any colors not on that list will still require approval.

Owners Comments: One owner brings up issues with the storage area and asks about restriping the parking spaces which Sharon says will depend on the state of the reserve fund. Rosalie noted an owner concern about drainage outside the storage area on Bouton Green and will send maintenance to check on it.

In answer to a question about a dog not on leash and threatening guests, Sharon says these incidents need to be reported to Rosalie when they happen with as much documentation as possible.

An owner on Palmer Green asks about the status of the recommendations for remediating storm water flooding on Palmer Green. Sharon says money to work on those issues is going to be part of the special assessment, that work will start on Bouton Green and will extend to areas where there are problems. There might be a need for interim solutions for particular problems and that emails should be sent to Rosalie about such issues.

Hillard asks if difficulties with replacing windows can be put on the board's agenda. Sharon says they can, but roofs and storm water runoff are the absolute priority at this point.

A resident stated concerns about the state of the Village Center's businesses.

The meeting was adjourned, and the Board voted to go into executive session.

Michael Hill, Secretary