Harbour Pointe HOA meeting: November 6, 2019

Board members present: Randy Nahvi, Paul Williams, Derek Foreman, Chip Slagle, Pat Pickett

Pegasus: Sharon and Michael

Maintenance: Mark Livingston

Guests: Mr. and Mrs. Mayberry- #88

Mr. Mayberry: Radon has been detected in the crawl space in our unit. Plastic has been put down in the crawl space but that won’t fix the problem. We need to have the radon remediated and are asking the HOA board to pay for it. We are selling our condo and this must be done to secure the sale. We are hoping for a closing on November 18th.

RN: In the history of this HOA, we have never had this problem presented to us. As a board, we are concerned where our responsibility lies. We will figure that out and get back with you with our decision.

Mayberry: If you are not going to pay for it, I will have to on my own in order to sell the condo.

RN: Sharon will get back with you on behalf of the board. Let’s get back with this in a moment. Let’s go on. Mark, you’re up.

ML: #57 stairway taken care of. #15 work on the chase has been taken care of. Winterized the pool.

PW: Where are we with #17 and their request for four new sliders?

ML: I got the okay on that and I am getting them from Lowe’s and they will pay for half of it. #13 window is just fogged up, so that’s on the owner. Went back to unit #2 (Norman) and stained his deck.

PW: Are you working on Norman’s (#2) back deck? I have seen new deck flooring and spindles installed. Who is doing that work if not you?

RN: Sharon, Michael, can you follow up on this and find out who is doing the work? If he didn’t get go through the proper channels to get this work done, then we have a problem to deal with.

ML: #50 needs a new sky light. #34 needs a new sliding door. We are replacing the cross ties that were torn out from the concrete work. Foundation vents will be closed tomorrow. We will wait a little longer to clean the gutters, will get to them before stuff freezes in them.

RN: Thank you Mark. The work on my side deck looks good. Please try using primer first before staining the new boards. This has been done on the site 3 boat docks and walkways with positive results.

MINUTES FOR OCTOBER ’19 MEETING APPROVED.

FINANCIALS:

MD: As of October 31st we had a $23,000 in the operating account. $293,000 in reserves. These statements do not reflect any interest earned. $317,000 total bank. As of today, operating account right at $22,000. October was a big month; almost $69,000 in income. Year to date; income of $316,000, expenses of $428,000. Lester Allen is behind with his dues but always pays big chunks with late fees added on. We have exceeded our remaining deck budget of $60,000. In October we spent almost $19,000 on decks. $558 spent to haul off deck debris since we don’t have a roll-off dumpster for that right now. We are stopping any new deck projects for the remainder of 2019.

OLD BUSINESS: (Nothing discussed)

NEW BUSINESS: We first need to talk about the radon situation in #88. I’ve talked to Tom Densford on several occasions. I am concerned with setting a precedent. We previously had an owner telling us of a radon situation and we did not intervene. A case can be made that we are responsible. I think we should strike a deal with this homeowner.

MD: Cost for the radon remediation is $1249. The main thing to remember is after this is done, everyone will want the same thing.

DF: Let’s cut a deal. Technically we are responsible, it comes from the outside of the house. You’re worried about a Pandora’s box being opened, I think it’s already opened. We are responsible.

MD: Radon originally detected by home inspection.

DISCUSSION ENDS WITH THE BOARD AGREEING TO PAY 45% OF THE $1249 ($562), OWNER PAYS 55%.

THIS PUTS THE MAJORITY OF LIABILITY AND RESPONSIBILITY ON THE HOMEOWNER.

POOL:

PP: Victory Pools; 90% of what they do is commercial pools. There are apartment complex pools we can look at to view their work. The proposal they are providing is for a top of the line pool. The $219,000 price does include some nice upgrades. We can choose to do some things to lessen that price to a point. I want to get him down here but currently he is at a pool convention. Chip, did IN P&S give us a quote on a new pool?

CS: He has not provided a written estimate but said it would be around $175,000. We also talked about the repairs needed to give the pool another season or two. We are responsible for re-building the deck which will be expensive.

PP: More important than the cost information is how are we going to pay for it?

RN: How we pay for it is for one year or 1 ½ years we do no rehab work at all and minimize maintenance work. It would come out of reserves and refill reserves in a two year time frame.

PP: Time frame so there would be minimal down time for the pool would be to start next fall with an early pool closing (sometime in August). Do demolition in the fall months and finish up in the spring. It would probably take until June to get the pool open. Or we could announce that the pool would be closed for a year in order to get the work done.

PW: To be clear Randy, we would stop all deck work, building rehab, etc.?

RN: That is correct. Chip, are we still going to spend $20,000 on the pool?

CS: In my opinion, we should spend the $20,000 and take 2-3 years to plan covering the cost of a new pool. I think it would be every bit of $250,000. We will probably have $30K to $40K additional expenses to the cost of the new pool.

RN: Current special assessment alone would take nearly 10 years to pay for a new pool. We will have to raise dues and the assessment.

DF: I would like to propose something different; we spend the $20,000 to get us in the best shape for next summer. We contact Mutual of Omaha for a loan, and we increase dues. We put the increase in dues and assessment entirely towards the loan. The problem isn’t that we are doing the wrong things, the problem is that we never have enough money to get them done quickly. We are always trading something to do something else. \*We need more money. We need to be able to do more now, rather than three years from now.

CS: I would tell people at the next annual meeting that we have to do a special assessment in order to have a nice pool and keep property values high. I think most people would understand that and be willing to pay $1000 (for example) to do this.

PP: I think we should start next September and finish in spring or early summer of 2021. That would be the minimum down time for the pool.

RN: I am opposed to borrowing money. We have worked too hard to build or reserves.

CS: I second that.

DF: You would still have your reserves if you borrow the money. You can’t have your cake and eat it too, you can’t keep your reserves and not spend money. You have to spend the money. Mutual of Omaha is not asking for collateral. This is not a regular loan. They are after villages.

MD: It’s not what you have in the bank, it’s knowing that you have the money coming in consistently.

DF: They will loan us money, they do not require collateral, we can keep the hard work in the reserves with the money we have put in, and we can continue with our projects. Maybe we have to do less projects because of a loan payment. Everyone wants a pool, everyone wants us to do things better, faster, quicker. We cannot do that without more money. We either spend the reserves or get the loan.

CS: I’d rather pony up the $1500 and be done with it.

DF: We can’t do that, we are maxed out with what is paid in the current assessment.

MD: Per the bi-laws, you have to have a majority vote to bring in any additional dollars above and beyond the assessment currently in place.

CS: Why don’t we just ask people? We need a new pool? What do you suggest to pay for it?

DF: That’s a fair point. This would just be information, not a decision. The options are really clear.

MD: We have a very healthy HOA. That is helpful and attractive to future buyers.

RN: It’s all in the balance sheet. A loan would be a negative, our paid dues and assessments would be a positive. A loan goes on your balance sheet as a liability. What we need to do now is decide what we are going to spend on the pool in 2020.

DF: It has already been decided to spend $20K at our last meeting.

RN: Yes, but the situation seems to have changed.

CS: We tabled it until today.

DF: Did we? I think the decision was made to spend the $20K.

PW: We had a motion, it was passed, and the decision was made to spend the $20K at our last meeting. It’s in the minutes; *“Make a motion to go with Indiana Pool & Spa to spend no more than $20,000 to repair the pool in order to be open for spring of 2020 and we will have Pat’s guy give his presentation/price quote at our next board meeting in November.”* Motion made, motion carried.

RN: At the end of the day, are you going to get these guys started on the repairs?

CS: I just talked to him today, I’ll tell him to get things patched up to last 2-3 years, maybe four.

RN: Alright, let’s do it. Done.

PP: Do you still want me to get our pool guy to a meeting? Let’s shoot for the January meeting.

MD: December 9th will be the chimney inspections.

**CHRISTMAS PARTY/BOARD MEETING AT RANDY’S:**

**\*\*\*Friday, December 6th\*\*\***

PW: Chip, the money approved to landscape on the east side of the Casad’s condo, is that still happening or will that be in 2020?

CS: We’ll probably do it in the next couple of weeks. I’m just waiting on Mickey to get his leaf removal and all of that done.

PW: Casad’s have a leak in the ceiling of their condo that needs to be looked at. Diane was going to attend the meeting but was unable to. She also thought that water from the pool leaks is settling near their driveway or perhaps under their driveway.

PP: Who owns the green golf cart that is full of sticks and other debris?

SD: Golf carts are to be parked in garages, not in parking spots.

PP: Sharon, please find out what’s going on with Norman Merlett’s deck please.

TIME OF DEATH: 6:41pm