

"APPROVED" WCA BOARD OF DIRECTORS MEETING MINUTES

April 21, 2014

- I. Call to Order.** President Tom Knight called the meeting to order at 7:00 p.m. Directors present were Robert C. Blain, Doug Flock, Lubor Mrazek, Albert Repola and Neil Straus. Ron Dempster was absent. Also present were General Manager Tim Sutherland and Controller Lisa Trabert.
- II. Reports/Announcements.**
- **Secretary's Report.** In an Executive Session conducted after the March 24, 2014 Regular Session, the Board of Directors authorized a Notice of Default and Election to Sell for APN 049-1528-307. The Board participated in a Budget Working Session with staff and the Finance Committee on April 7, 2014. Before the April 21, 2014 Regular Session, the Board of Directors participated in a Working Session with management and the finance committee to review the proposed 2014/2015 operating budget funding request.
 - **Treasurer's Report.** Treasurer Repola reported a favorable operating budget variance of \$116,245 through 3/31/2014. Repola also reported an operating fund balance of \$250,799 and a replacement fund balance of \$5,632,077. The full report is available at the WCA office and watergatehoa.com.
 - **Manager's Report.** General Manager Sutherland reported the following: Common Utilities for March 2014: Electric +6.0 % (new lighting); Natural Gas -9.1; Water -5.9 %. Sutherland also reported on the large EBMUD water increases this current year at 9.5% and another 9.75% July 1, 2014 is the driving factor of almost half of the assessment increase this coming fiscal year. The other contributing factors are State of California minimum wage increases along with labor contracts cost increases, insurance and other utility (electric and cable TV) increases.
 - **Controller's Report.** Controller Lisa Trabert provided a summary of the current status of property liens, defaults and paid debts.
- III. Statements and Requests.** Residents discussed parking, water shut off and sprinkler head activation, roof access, water use and budgeted expenses.
- IV. Consent Calendar.**
- **Approved by unanimous general consent:**
 - **March 24, 2014 Regular Session Board of Directors meeting minutes**
 - **Reallocate \$3,452.00 sauna glass expense to replacement fund**
- V. New Business.**
- **Board Resolution to Record One Notice of Delinquent Assessments.** Secretary Straus read the following resolution:

"Resolved, the Board of Directors ("Board") for Watergate Community Association authorizes and instructs Allied Trustee Services to Record One Notice of Delinquent Assessment ("Lien") in the full amount of unpaid assessments, late charges, interest and collection fees and costs against the property bearing Assessor's Parcel Number 049-1529-120 as authorized by Civil Code Sections 5650 and 5725 if such account has not been reinstated by the Notice of Intent to Lien expiration date." Straus moved, and Mrazek seconded, to approve the aforementioned one Notice of Delinquent Assessments. The motion was unanimously approved.

- ❑ **B173/B285 Waterproofing and Dry-Rot Repair.** Proposals were reviewed regarding dry-rot and waterproofing repair work involving units B173 and B285. **Straus moved, and Blain seconded, to approve the bid presented by Facelift Construction in the amount of \$26,500 and an overall project budget of \$35,000.00 allocated to the replacement fund. The motion was unanimously approved.**
- ❑ **A454 Balcony Support Beam Replacement.** A proposal and budget was reviewed for the replacement of a dry rotted balcony support beam under the deck of A454. **Straus moved, and Flock seconded, to award the contract to Facelift Construction in the amount of \$2,750.00 and an overall project budget of \$3,850.00 to be paid for out of the replacement fund.**
- ❑ **Treadmill Replacement.** Three proposals were reviewed for the replacement of the failing 2006 vintage treadmills. **Straus moved, and Blain seconded, to approve quote from Opti-Fit in the amount of \$8,718.10 for two Matrix T3X Treadmills to be paid for out of the replacement fund. The motion was unanimously approved.**
- ❑ **A285 Water Leak Engineering Services.** Straus moved, and Repola seconded, to approve the A285 engineering and water leak investigation proposal from WJE in the amount of \$3,800.00, and an overall project budget of \$4,200.00 to be paid for out of the replacement fund.
- ❑ **2014/2015 Pro Forma Budget and Disclosures.**
 - **Assessment Level - Straus moved, and Blain seconded, that the Board approve the 2014/2015 Pro Forma Budget with a regular assessment level of \$6,772,108, which equates to a 3.0% increase. Allocation to the replacement fund will be \$2,065,340, and the balance of \$4,706,768 goes to the operating fund. Straus, Blain, Repola and Mrazek voted for the motion with Flock against. The motion was approved.**
 - **Approve Operating and Replacement Budgets - Straus moved, and Blain seconded, that the Board approve for the 2014/2015 fiscal year an operation budget of \$5,248,223 and a replacement budget of \$3,425,114. The motion was unanimously approved.**
 - **Disclosures and Financial Planning - Straus moved, and Blain seconded, that the Board approve the 2014/2015 Collection Enforcement Policy, Schedule of Fines and Fees, and Internal Dispute Resolution Guidelines, and continue the use of the five-year financial funding planning and analysis tool as a standard operating policy and financial guideline for the Association. The motion was unanimously approved.**

VI. WCA Committees.

- ❑ **Architectural Control.** General Manager Tim Sutherland presented the following unit modifications:
 - **7 Commodore Drive, A465: 1 Bedroom.** The owner wishes to replace the tiled bathtub surround without replacing the underlying sheetrock. If this work requires the removal and replacement of sheetrock she will need approval so that a building permit can be obtained. **Straus moved, and Blain seconded, to approve the modifications to unit A465 pending receipt of all required building permits. The motion was unanimously approved.**

- **2 Admiral Drive, B380: 1 Bedroom.** The owner wishes to insulate his ceiling by adding 2 layers of 5/8" sheetrock separated by an application of Green Glue Noise proofing Compound, insulate the wall between his bedroom and kitchen and his unit and the two adjacent units on either side with a single layer of 5/8 sheetrock separated by an applicant of the same Green Glue Noise proofing Compound (after insulating the pipes in the kitchen wall). The ceiling's electrical j-boxes will need to be lowered to match new ceiling level, as well as any affected electrical outlets and switches. For the two layers of ceiling sheetrock, the owner must only screw into ceiling joists as screws into the ceiling cavity may hit electrical feed lines to other units. **Straus moved, and Blain seconded, to approve the modifications to unit D233 pending receipt of all required building permits and a structural engineering report. The motion was unanimously approved.**
- **4 Admiral Drive, B433: Penthouse.** The owner wishes to alter the plane of the common area ceiling immediately outside of his unit to be parallel/level with his unit's door jamb. The affected portion of ceiling is bounded by one hallway wall, the header above his doorway, the header above a stairwell door and an emergency fire roll-down door. The work is to be done so as to not affect the already installed fire suppression plumbing above the unit's door. An exit sign will also need to be re-mounted. **Straus moved, and Blain seconded, to approve the modifications to unit B433 pending receipt of all required building permits. The motion was approved with Repola not voting as an owner of the above unit.**
- **7 Captain Drive, C411: Studio.** The owner wishes to remove the obsolete window frame between the sleeping alcove and enclosed balcony and build up the opening to a height of 30" from the floor. The owner also wishes to install additional hard-wired light fixtures, switches and outlets throughout the unit and replace the bathroom fan. **Straus moved, and Blain seconded, to approve the modifications to unit C411 pending receipt of all required building permits. The motion was unanimously approved.**
- **3 Captain Drive, D202: Studio.** The owners wish to replace their tiled tub surround, encapsulate the acoustical ceiling texture, install in-wall low voltage wiring for cable and phone, replace both kitchen and bath fans, and various sheetrock replacements for damaged areas. For the ceiling encapsulation, the committee also recommends that the owner be instructed to only screw into ceiling joists as screws into the ceiling cavity may hit electrical feed lines to other units. **Straus moved, and Blain seconded, to approve the modifications to unit D202 pending receipt of all required building permits. The motion was unanimously approved.**
- **4 Anchor Drive, F224: Studio.** The owner wishes to replace the tiled bathtub surround and bathroom ceiling fan. **Straus moved, and Blain seconded, to approve the modifications to unit F224 pending receipt of all required building permits. The motion was unanimously approved.**
- **2 Anchor Drive, F395: 1 Bedroom.** The owner wishes to replace the kitchen stove hood fan and make any electrical modifications that are necessary to the unit's panel. **Straus moved, and Blain seconded, to approve the modifications to unit F395 pending receipt of all required building permits. The motion was unanimously approved.**

VII. Upcoming Meetings.

- Executive Session and Regular Session May 19, 2014

VIII. Meeting adjourned at 8:11 p.m.

Respectfully submitted,

/s/ Neil Straus, Secretary