

"APPROVED" WCA BOARD OF DIRECTORS MEETING MINUTES

June 22, 2015

- I. **Call to Order.** President Robert C. Blain called the meeting to order at 7:00 p.m. Directors present were Doug Flock, Tom Knight, David Sherman and Neil Straus. Lubor Mrazek and Albert Repola were absent. Also present were General Manager Tim Sutherland and Controller Lisa Trabert.

- II. **Reports/Announcements.**
 - ❑ **Secretary's Report.** Secretary Straus reported that prior to the meeting, the Board reviewed and discussed performance and compensation for its direct reports, conducted a Special Individual Assessment against the owner of D274 in the amount of \$1,046.36, conducted a Rules Violation Hearing with the owner of D274 and levied a fine of \$1,000 for load-bearing wall removals and other modifications performed without ACC or Board approval. The Board also declined to renew the Tennis Pro services contract and authorized three notices of default and election to sell for APNs 049-1529-179, 049-1528-055 and 049-1529-428.

 - ❑ **Treasurer's Report.** General Manager Sutherland reported a favorable operating budget variance of \$355,278 through 5/31/2015. Sutherland also reported an operating fund balance of \$398,077, and a replacement fund balance of \$4,158,290. The full report is available at the WCA office and watergatehoa.com.

 - ❑ **Manager's Report.** General Manager Sutherland reported common utility use for May 2015: Electric +.40%; Natural Gas +5.3%; Water -8.4 %. He also reported that Cyprus tree #355 was removed June 8/9 as it was uprooted and leaning on the boardwalk railing and other shrubs. Since this tree was right on top of a sewer main and manhole cover, there are no immediate plans to replace a new tree in that location until the sewer line replacement project is done mid to late 2016, and a landscaping plan for that and all of the A building north and lagoon area is designed by a landscape architect and approved by the Board. Sutherland further reported the good news that the operating budget variance is ahead of plan by \$355,278 which is a result, in part, of labor and garbage savings, and an additional \$99,926 in Comcast cable TV gate fee revenue. The recently approved 2015/2016 WCA Pro Forma Budget anticipated a surplus funds carryover of \$344,001 for the fiscal year so when June 2015 results come in, WCA should be in the surplus funds carryover range of \$360,000.

 - ❑ **Controller's Report.** Controller Lisa Trabert reported that as of May 31, 2015, twelve accounts have been turned over to a collection agency for delinquent assessments. Seven Notices of Default and four Notices of Delinquent Assessment ("Lien") have been recorded against the subjected properties. Among the twelve delinquent accounts, two accounts were under bankruptcy protection, and three owners are making payments toward ongoing payment plans.

- III. **Statements and Requests.** Topics included support for maintaining a high level of amenities and recreational programs, lagoon water level and maintenance, earthquake insurance, Clipper

Club staffing, movie set up procedures, and comments relating to board governance and management.

There was a strong protest against the cancellation of the material newspaper subscription for the Clipper Club. The General Manager explained that the material version of the newspaper had been replaced by an online version. The general reaction was that many regular Clipper Club users were not comfortable with the computer version and preferred the material newspaper. **Straus moved, and Flock seconded, to restore the material newspaper subscription to the Clipper Club. The motion was unanimously approved.**

IV. Consent Calendar - All Items pulled and voted on individually as follows:

- May 18, 2015 Regular Session Minutes. Straus moved, and Sherman seconded, to approve the minutes as submitted. The motion was unanimously approved.**
- 2015 Annual Meeting Mailing Package with Consolidated Election Rules and Procedures. Straus moved, and Knight seconded, to approve as submitted. The motion was unanimously approved.**
- Operating Fund - Redhawk Annual Fire Alarm Device Testing for \$14,932, and Annual Alarm Monitoring in the amount of \$600 for period 7/1/15 - 6/30/16. Straus moved, and Knight seconded, to approve the proposals as submitted. The motion was unanimously approved.**
- Operating Fund - ADP Payroll Service Annual Renewal - 1.25% increase for period 7/14/15 - 7/13/16. Straus moved, and Knight seconded, to renew the contract at the terms proposed. The motion was unanimously approved.**
- Operating Fund - Cancel July 4, 2015 Pool Party and Host a Labor Day Pool Party. The General Manager requested that the July 4th celebration be moved to Labor Day because the Clipper Club Manager was on medical leave and could not organize the July 4th party. Some in attendance expressed regret about this. Straus noted that the Clipper Club facilities were still available for a community run pot luck celebration and the General Manager confirmed this. **Straus moved, and Knight seconded to move the funding for the July 4th pool party to Labor Day when the Clipper Club Manager could organize it. The motion was unanimously approved.****

V. New Business.

- Replacement Fund; Renovations Project New Work - Stairwell Carpet Abatement and Air Monitoring Work. The mastic on the stairwell tiles contains asbestos and comes up with the old carpet when the old carpet is removed. This request is not for additional reserve project funds, but approval of a new contractor and an existing contractor to do the abatement and monitoring so that the previously ordered carpet can be installed by Corbin in all stairwells. **Flock moved, and Knight seconded, to authorize President Blain to execute a contract with Belfor Environmental to conduct asbestos abatement work in all stairwells for a contract amount of \$115,135.80, and Benchmark Environmental for required third party air monitoring and clearances in all stairwells for a contract amount of \$28,098 to be paid for out of the previously approved renovations project budget. The motion was unanimously approved.****

VI. WCA Committees.

- Architectural Control. General Manager Tim Sutherland presented the following unit modifications:**
 - **2 Admiral Drive, B282: 1 Bedroom. The owner wishes to replace the unit's bathroom fan, kitchen stove hood fan, install recessed lighting in the living room and add electrical j-boxes, outlets and switches. **Straus moved, and Knight seconded,****

to approve the modifications to B282 pending receipt of all necessary building permits. The motion was unanimously approved.

- **6 Commodore Drive, C436: 2 Bedroom.** The owner wishes to replace the bathtub in favor of a walk-in shower and install heated towel racks, radiant heat, and a new ceiling heat/light/fan all in the hallway bathroom, install recessed & flush-mounted lighting, dimmer switches and new outlets throughout the unit and upgrade the electrical panel as necessary. **Straus moved, and Knight seconded, to approve the modifications to C436 pending receipt of all necessary building permits and that all discovered dry rot be repaired. The motion was unanimously approved.**

- **7 Captain Drive, C501: 2 Bedroom.** The owner wishes to replace the tub and surround in the master bath, install recessed lighting in the living room and install an electrical outlet in order to relocate the refrigerator in the hallway. **Flock moved, and Knight seconded, to approve the modifications to C501 pending receipt of all necessary building permits and that all discovered dry rot be repaired. The motion was unanimously approved.**

- **2 Commodore Drive, D274.** The owner wishes to complete the non-structural renovations not approved at last month's meeting. **Straus moved, and Flock seconded, not to approve any additional non-structural renovations until the required structural work is confirmed complete from D274 through the upper units to the roof. The motion against approval was unanimous.**

- **8 Captain Drive, E351: 2 Bedroom.** The owner wishes to replace his front door dead-bolt with a key pad entry dead-bolt. **Straus moved, and Knight seconded, to approve option #2 as the authorized door lock modifications to E351. The motion was unanimously approved.**

- **3 Admiral Drive, F454: 1 Bedroom.** The owner wishes to replace the bathtub and tiled surround in favor of a walk-in shower. **Straus moved, and Knight seconded, to approve the modifications to F454 pending receipt of all necessary building permits and that all discovered dry rot be repaired. The motion was unanimously approved.**

VII. Upcoming Meetings.

- Executive and Regular Session July 20, 2015

VIII. Meeting adjourned at 9:15 p.m.

Respectfully submitted,

/s/ Neil Straus, Secretary