

**WOODBRIIDGE INN CONDOMINIUM ASSOCIATION
SEMI-ANNUAL HOMEOWNER MEETING
JANUARY 16, 2010**

I. CALL MEETING TO ORDER

The Woodbridge Inn Condominium Association Annual Meeting was called to order at 3:03 p.m. in the Woodbridge Inn Clubhouse.

Board Members Present Were:

Paul Sakiewicz, President, #202 Jim Schneider, Vice President, #101
Robin Gustafson, Secretary/Treasurer, #201 Brad Redman, #107/#306

Homeowners Present Were:

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|----------------------------|----------------------------------|
| Peter Wessell, #102 | James Meyer, #103 |
| Harry Wilson, #104 | Sandra Hawkins, #105 |
| Bill McCall, #106 | Bindrich/Gustafson, #201 |
| Tom & Cynthia Kreutz, #204 | Wasted Years, LLC, #205 |
| Bob Sluiter, #301 | Wayne & Loretta McCorkle, #302 |
| Meredith Long, #303 | Ray & Suzanne Brackley, #307 |
| Mike Kerrigan, #314 | Eric McCafferty, Rush, LLC, #315 |

Representing Basic Property Management were Gary Nicholds, Charles Johnson and Candy Ramage. Margot Mayer of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE/QUORUM

With units represented in person and proxies received a quorum was reached.

III. PRESIDENT'S REPORT

Paul Sakiewicz said the meeting minutes and all other Association documents are available on the website <http://woodbridgeinn.org>. He said overall the buildings were in good shape. There are no upcoming major projects and the landscaping looks good.

A. Completed Projects

1. Painted both buildings.
2. Installed two new baseboard heaters - one in each building.
3. Installed smoke detectors in Clubhouse
4. Installed new windows in Clubhouse.
5. The Association bought two washers and dryers. This will generate additional income and save leasing fees.
6. Painted garage.
7. Garage spots have been assigned in a fair and logical fashion, but the assigned spots were switched back due to complaints from several owners. This item has to be addressed eventually, since there seemed to have been favoritism in the past.

B. Upcoming Projects

1. New lights will be installed. Charles Johnson said the lights have been paid for but are on backorder. Meanwhile, the contractor went out of business and he has to get new bids.
2. Units 107 and 207 flooded and the damage has to be repaired.
3. A volunteer is needed to stain the deck around the hot tub.

IV. NEW BUSINESS

The pipes inside the wall of Unit 207 froze and flooded the kitchen areas of two units (107 and 207). Charles Johnson said Unit 207 was warm when this happened. He explained that the attic of Unit 208 has no insulation and the pipes for Unit 207 border this attic. The combination of freezing temperatures and holes in the subfloor caused the pipes to freeze. He recommended moving the pipes and insulating the attic. He said this pipe configuration was unique to this location. Paul Sakiewicz said the Board was proactive and hired a building inspector to review the roof and attics of the West building and to inspect the plumbing.

Wayne McCorkle asked the Board to have professional piping diagrams drawn for each building and all floors. There was discussion about getting a professional opinion and if it would be possible for all units to have their own shut off valves.

Paul Sakiewicz said repairs were estimated at \$45,000. If an insurance claim is filed, the insurance will pay for the claim but will not extend the policy for the Association. Filing such a claim would put the Association into a high-risk category and future insurance would be very expensive. He recommended that the Association not submit a claim and pay for the damages by increasing the existing loan. The bank will be approached to consolidate and extend the loan over a seven to ten year time frame. By extending the loan, dues would not go up and the Association would be able to build up the Reserve Fund.

Wayne McCorkle took the floor and provided a demonstration of a moisture sensor. He explained that several units could share one sensor. Main relay stations and sensors could be set up in critical areas and if there were a sign of leak the sensor would send a signal to the main station and then dial several phone numbers until the call is answered. He said landlines would need to be installed. He explained that the sales representative for these sensors has a signal meter and would make recommendations. He suggested adding sensors in the buildings and also in the pipe chases in strategic locations. The batteries last more than four years and an alarm sounds when they need replacement.

Charles Johnson said installing this system would be reactive and not proactive. It would raise the alarm only when there was a water issue. When he was notified of the leak, the water only ran for one half hour but did a lot of damage in that short time. He explained that when a line freezes and thaws it floods immediately. He said both leaks were discovered

right away. The moisture monitor system may work well for a p-trap that is slowly dripping. Wayne McCorkle said he was told that the system had been proven to identify leaks immediately in a twenty-unit condominium building. An owner agreed with Charles Johnson that water would rush out tremendously fast once pipes thaw. He recommended getting the pipe diagram.

During the winter Charles Johnson inspects units on a weekly basis if they are not occupied. He has a master key for emergency situations. In the case of Unit 207, he did not inspect the unit because the owner opted out of the inspection. Paul Sakiewicz said inspections should be mandatory and if owners opt out they should be liable for future damages.

Charles Johnson said it was important to replace any lost glycol whenever work is done on the heating system. He explained that Unit 208 went three days without heat, which may have contributed to the line freezing. There was discussion about if this would be the owner's responsibility and not an Association insurance claim.

Sandra Hawkins said the key to preventing damage was proper maintenance. She thought there used to be heat tape in the attics and the pipes used to be insulated. She said each attic has an access and should be inspected at least annually. Charles Johnson said to the best of his knowledge there was no insulation or heat tape in the attics, **because there are no more water pipes in the attics anymore, since they were rerouted last year.** He said the pipes in two loft units must have been re-plumbed.

Paul Sakiewicz made a motion to get bids and to provide owners with an "anatomical" description of the plumbing within the next two months. Wayne McCorkle seconded the motion with the amendment that the cost not to exceed \$10,000. In discussion, it was noted that the "anatomical" description should include drawings indicating where water pipes are located for both buildings. The motion carried with one owner abstaining.

Paul Sakiewicz made a motion to explore if it would be possible for each unit to have its own shut off valve, to establish a maintenance plan, to consider a moisture sensor system, and to decide if this is something the Association wants to pursue. Wayne McCorkle said the first motion should be to locate the pipes. The Board will review the piping system diagram first and then determine future actions.

Paul Sakiewicz said the proposed updated Declarations were posted on the website. One of the changes includes mandatory unit inspections and providing Property Management with a key or accessible lock to enter the unit.

Paul Sakiewicz made a motion to conduct mandatory weekly inspections in the winter and bi-weekly in the summer. The motion was seconded. In discussion it was suggested that if owners opt out they would be responsible for any damages to their or other units, in case that a problem in their units caused damage to their or another unit. A concern was raised about mandatory inspections interfering with owner privacy rights. A recommendation was

made to research all legal aspects. Gary Nicholds will work with our lawyer on that. An owner proposed an amendment to the motion to allow occupied units to opt out. The motion carried with thirteen votes in favor, three votes opposed and one vote abstaining. The motion will only be enacted if the attorney confirms it is legal.

An owner said his insurance company told him that the Association policy covers everything in the units. The Board will get clarification. The policy will be posted on the website along with a summary from the insurance agent clarifying the limits of coverage

Paul Sakiewicz recommended taking out a loan and repairing the damaged units. A motion was made to have the Association get a loan and pay for the damages up to \$40,000, as long as dues do not have to be increased. The motion was seconded. The motion was amended to have the Board get the best loan terms and find out if it is possible to recover any damages from Unit 208. The motion carried with one vote opposed.

Paul Sakiewicz said the Association could include in the proposal an automatic garage door on the east opening of the garage to prevent the wind tunnel effect in that Garage. Gary Nicholds said he has had Summit Garage inspect the opening but did not yet receive a bid. A solution should also be developed for the west side. This discussion was tabled due to other more pressing issues needing to be discussed.

V. OLD BUSINESS

A. *Changes to Declarations and Bylaws*

Paul Sakiewicz said the revised Declarations were posted on the website and owners were asked to review them. The changes are highlighted in yellow. They were modernized and simplified. They will have to be approved by 67% of the membership. One of the amendments was to change the Clubhouse to a limited common element for residential use only. The existing Declarations consist of three supplements and one amendment. He said it was time to simplify the various documents into one with clearer language. There were actually only a few changes and about 98% of the Declarations would stay the same.

Paul Sakiewicz said the owner of Unit 111 offered the Association the opportunity to purchase the unit for a very good price, less than \$500,000. He said he wanted to bring this matter up for discussion as the changes to the Declarations include that the Association has control over the unit along with any related liability. The consensus was to exclude changes for Unit 111 from the Declarations.

Sandra Hawkins made a motion to table the discussion and vote on the amended Declarations. The motion was seconded. Paul Sakiewicz said that if this motion gets approved, no action could be taken. He explained that the ownership has to vote on the amendment that Unit 108 is a residential common element as agreed by owners in January 2008. A motion was made to incorporate the vote from two years ago.

The motion was not accepted because there was a motion on the floor. Sandra Hawkins' motion did not carry with five votes in favor and all other votes opposed.

A mail-in ballot will be sent to all owners listing all changes. Owners will be able to vote on each individual line item.

B. *Parking Spots*

Assigned parking spots do not comply with original Declarations. The original parking diagram does not make sense because there are spots on the diagram where it is not possible to park a car. Parking spots were changed at one point and several spots were swapped.

Robin Gustafson made a motion to change all spots to diagonal parking. Paul Sakiewicz said the Fire Department has to approve these changes. Wayne McCorkle amended the motion pending approval of the Fire Department. Robin Gustafson clarified his motion that changes should be made according to fire codes and that guest spots should be removed. Discussion of the motion included that there were very few complaints about parking and that it was important to keep some guest spots. There was no action on the motion. This item will be added to the mail in ballot.

VI. FINANCIAL REVIEW

Candy Ramage presented the financial report.

A. *Balance Sheet as of December 31, 2009*

1. Net Income - \$78,187. This includes \$40,000 owed to Interstate.
2. Alpine Reserve - \$64,468. This amount includes \$40,000 owed to Interstate.
3. Accounts Receivable - \$1,481 due to one delinquent owner. An owner said that this unit is in foreclosure.
4. Long Term Liabilities (Line of Credit) - \$49,509. The loan will be paid off by December 12, 2012.

B. *2010 Proposed Budget*

1. Cricket Lease Income – \$750 per month due to sharing of Cricket income.
2. Washer and Dryer – The expense in 2009 for \$1,333 was unplanned but will be offset by revenue.
3. Legal/Accounting - \$1,300 over budget due to document revisions.
4. Utilities - \$5,000 less than budgeted. Prices dropped approximately 22% and there was 15% less usage.
5. Net Ordinary Income – Move \$4,825 to the Reserve Fund.
6. Other Income – There are new requirements and both Fannie Mae and Freddie Mac are up to standards.

C. *Reserve Fund Balance*

As of December 31, 2009 the Reserve Fund Balance was \$23,946.

There was no residential dues increase. Paul Sakiewicz made a motion to approve the financial review as presented. Robin Gustafson seconded and the motion carried.

VII. ELECTION

The terms of Paul Sakiewicz, Jim Schneider, and Jack Terrill expired. Paul Sakiewicz indicated his willingness to serve another term on the Board, however not as the President anymore. Nominations from the floor were Eric McCafferty and Jim Meyer.

Paul Sakiewicz, Eric McCafferty and Jim Meyer were elected by acclamation.

VIII. SET NEXT MEETING DATE

The next meeting date was not set.

IX. ADJOURNMENT

With no further business a motion was made and seconded to adjourn the meeting at 6:15 p.m.

Approved By: _____ Date: _____
Board Member Approval