

PRESTONWOOD COUNTRY CLUB CONDOMINIUM ASSOCIATION, INC.  
MINUTES—BOARD OF MANAGERS MEETING—JULY 28, 2015

Board Members Present: Joe Dobbs, Mike Daly, Jeff Hughes, Andy Pettit, Betty Walley, Phyllis Wells.

Members not present: Jo Leeper, Judy Lyle, Kenneth Kemp

Operations Manager: Carrie Bailey

- I. OPEN FORUM—6:00 PM Homeowners Present: Nancy Baker, Susie Brown
  - A. Nancy Baker congratulated the Board on the appearance of the new Pet Waste Stations. Phyllis Wells asked Carrie Bailey if it would be possible to install an additional station at the south end of Coolwood. Carrie responded that she would look into it.
  - B. Nancy also asked if there was a limit on the number of units one person could own. Carrie stated that there is no restriction currently in the governing documents and suggested that this be reviewed by the Rules Committee. (\*Action Item for Rules Committee.)
- II. MEETING CALLED TO ORDER - Meeting was called to order at 6:10 PM by Vice-President, Mike Daly.
- III. MINUTES - The minutes of the June 23, 2015 Board of Managers meeting were distributed and read for corrections or additions. The following corrections were made: Under Board Members Present, the misspelled name "Petite" was corrected to "Petit." Under Open Forum, B., the misspelled name "Huges" was corrected to "Hughes." The minutes were accepted as corrected.
- IV. MANAGERS REPORT—JULY 27, 2015 was presented by Carrie Bailey
  - I. Unfinished Business
    - A. Maintenance-
      1. Foundation issues:
        - a. 15922 Archwood – Complete.
        - b. 15919 & 21 Preston; - Additional movement has occurred in 21, inspected again on 6/19 and a cracked beam at 19 is part of the problem. An engineering inspection is being scheduled.
      3. Insurance Claims-
        - a. Roof hail damage – The adjuster has not finalized his report but has given a verbal that the roofs are to be replaced. I have interviewed and researched 4 roofing companies as potential vendors; when the adjusters report is available, I will send it and questionnaires to each and present the results to the Board to review and select the vendor.
        - b. Collapsing ceilings – The insurance adjuster referred this to a structural engineer who inspected on 7/27/15. He stated that the abnormally wet year contributed to greater expansion and contraction in the roofs/attics, this over time resulted in the weight of the sheetrock in large spans simply dropping away from the beams. He does not know what that means for the insurance claim.
      4. Pool chair slings - Complete
      6. Trane HVAC analysis – Trane has been the association's provider of service for many years now and has spent considerable costs on engineering reports to provide us with a cost to replace the boilers which we need before the cold weather. As previously reported, the

boilers and chillers were last replaced in 1995. At 20 years the chillers should be good for another 3 to 5 years. However, the new models, while more efficient, are too large to fit in the existing space. **The boilers need to be replaced now.** After exploring the cost to expand the building for the larger chillers, the engineers and contractors have recommended placing the new boilers upstairs which will leave the needed space downstairs for new chillers. In addition to the cost to reinforce the building to support the boilers, the discovery process has revealed that the floor joists supporting the domestic hot water boilers which are over the laundry room have water damage and are rotted in places posing a danger of the floor collapsing. The cost and financing for structural repairs and installing the new boilers will be reviewed at the meeting.

Joe Dobbs, Treasurer, broke down the costs for the Association, as follows: \$834,000 total cost for the new boilers which includes all structural work and repairs on the building, and electrical upgrades. The electrical work, alone, accounts for \$209,000 and includes a complete rewiring of the switch gear, the electrical panels that service the HVAC system. This total also includes roof replacement. By making all the needed repairs to the building and moving the boilers upstairs, the utility building will accommodate new, higher efficiency chillers when needed; they will cost about \$400,000.

Financing: Joe reported rather than have a large special assessment to the owners as has been done in the past, we have researched and determined that the association should be able to secure a loan. The terms could be 5 to 15 years, current rates are 4 to 5.5% interest with no Pre-Payment Penalty. The first 12 months would be a Construction "Draw" at interest only; then convert to an amortized loan. Joe stressed that the current Balance Sheet reflecting \$400,000 + in Reserves, \$250,000 of which is currently held in a 1-year CD and low delinquencies meet the requirements for loan approval. Due to the scope of the work undertaken, Joe Dobbs and Carrie Bailey project that the 2016 budget will include an increase in assessments of approximately \$.06 per square foot, starting January 1, 2016. This will be formally addressed when the 2016 Budget is presented to the Board.

7. Pet waste stations – Complete
8. HVAC Air Handler replacements – Six units were replaced in the past month and 5 more are scheduled for the next month.
9. Street signage replacement – no decision has been made on street signs. Phyllis Wells asked Carrie if we could persuade Club Corp to use identical speed limit signage on their side of Country Club Drive. Carrie said she would speak with Matt.
10. Pothole Repairs – A second evaluation limiting repairs to the worst areas - 2,200 square feet would cost \$7,500 with only \$5,000 budgeted for 2015, and with two major projects pending that involve heavy equipment, pavement repairs are to be postponed to 2016.
11. 15902 Coolwood – See attached. Review and discussion about repairs requested by the owner of 15902 Coolwood resulted in several questions which the Board referred to the Association's attorney for answers.

12. Gutter Replacement – Gutter removal has been completed in areas identified as having rotted fascia/gutter failure; most of this work is on East and West Copperwood. Fascia replacement is complete and painting is underway. Due to the pending roof replacement, new gutters will be installed after roof is complete.
13. Exterior Paint/Repairs – Work has started based on a priority/owner request list. Four exterior stairwells and three front doors are complete. The front of 15923 Coolwood is in process. Repair and repaint of 5929 Copperwood will follow. In addition, areas with rotted wood have been replaced on Copperwood, Preston, Archwood and Coolwood and painting is in process.

B. Administration

1. Time Warner Cable Easement Agreement – Executed agreement received however a collection agency is still actively pursuing payment that was erroneously billed for \$7,320.17.
2. Owner Insurance Certificates – Currently, there are 8 owners who are being fined for failure to provide insurance documentation to the Association.
3. Occupancy Status Report – Currently 74 units are rented with two on the waiting list, both units are being remodeled.
4. Traffic light Request – Approved by the City of Dallas on 4/9. The city submitted to Texas Department of Transportation for approval; answer expected by mid-July. No news.
5. Utility Usage Reports -Rex Price agreed to prepare a waste management analysis when he completes the water & sewer usage report. While Club Corp agreed to pay 50% instead of 30% based on membership growth, this report will determine if their usage is higher than 50%
6. FHA Approval-new application was prepared & submitted; approval expected mid-Sept.
7. Rules Revision - Received attorney review -copies were distributed to Board members. Rules Committee will re-convene August 2, 2015.
8. FEMA- Flood plain – Mark Webb is preparing the elevation certificates needed for the request for LOMA for the remaining buildings.

II. New Business – Country Club construction to be completed in mid-August.

V. TREASURER’S REPORT—Presented by Joe Dobbs (See attached Financials)

A. The monthly Profit and Loss Statement for June 2015 was presented.

B. Account Balances:

Cash Accounts

Operating/Reserve Money Market	\$177,215.15
Operating Checking	20,363.46
Operating Debit	<u>1,595.17</u>
Sub-total:	\$199,173.78

Reserves

Reserves CD	<u>\$250,000.00</u>
<b>Total:</b>	<b>\$449,173.78</b>

C. The treasurer’s report was filed for audit.

- D. Joe made two comments about our financials:
  - 1. Our June numbers showed us operating in the Black with a Positive Cash Flow of \$11,304.91.
  - 2. Joe directed the Board's attention to the Year to Date Operating Expenses (\$88,050.72), which is a decrease of \$20,000.00 compared to last year at this time (\$108,730.) He gave all the credit for this decrease in our Operating Expenses to Carrie Bailey's efforts.

VI. COMMITTEE REPORTS

- A. FINANCE COMMITTEE- Joe Dobbs (See Manager's Report.)
- B. BUILDING COMMITTEE- Andy Petit.
- C. ENERGY COMMITTEE-No Report.
- D. RULES COMMITTEE-Betty Walley, Jeff Hughes. The Rules Committee will meet this Sunday, August 2, 2015 to discuss RMWBH's attorney review just received today-of the committee's proposed Rules revisions. Carrie Bailey will join the committee for this meeting.
- E. COMMUNICATIONS-No Report
- F. HOSPITALITY COMMITTEE-Phyllis Wells reported that the Neighborhood Happy Hour Party at Coal Vines was a great success, with a large turnout. Phyllis and Carrie discussed how to handle payments for the upcoming function at the Eisemann Center for Performing Arts, scheduled for September 19, 2015. (This is for The Spectacular Senior Follies.) Tickets are \$34.60 a piece with minimum of 20 attending. Carrie explained that payment could be handled in the same way as we did for the Christmas party. Members will write individual checks to the Association and the Association will write out one lump sum check to Eisemann, paid out of our Social Budget.
- G. NOMINATIONS/ELECTION COMMITTEE-No Report

VII. UNFINISHED BUSINESS - See Manager's Report

VIII. NEW BUSINESS—See Manager's Report.

IX. Meeting adjourned at 7:45 PM.

X. Executive Session - Personnel-The Board unanimously approved a motion to provide one week of paid vacation for part time employees working 32 hours per week, with a minimum of 20 years of service to the Association.

There being no further business the MEETING was ADJOURNED AT 8:20 PM.

Next Meeting is scheduled for August 25, 2015 at 6:00 PM.

JEFFREY M. HUGHES

Acting Secretary in Judy Lyle's absence