

**Sterling Woods II
Master Board Meeting – Open Session
November 14, 2018**

Draft of the Minutes

Call to order and establish a quorum – Steve Griffing called the meeting to order at 7:30 PM. Present were Steve Griffing, President (Willows Representative); Andrew Bayer, Vice President (Summit Representative); Stan Kishner, Treasurer (Birches Representative); Mary Boylan, Secretary (Oaks Representative); Valerie Dawson, Director (Maples Representative) and Maureen Dunkerton, Director (Elms Representative).

Art Stueck and Kim Murray attended on behalf of REI Property and Asset Management.

Request of owners to speak – no unit owners requested to speak.

Ratification of the Minutes – Andrew Bayer asked that two paragraphs be rewritten (drafting a document as a guideline when Unit Owner requests need to be approved by the Board, etc. and the paragraph regarding privacy walls) in the October 17, 2018 Open Session Minutes. Andrew Bayer then made a motion to accept the draft of the October 17, 2018 Open Session Minutes once the changes have been made. Maureen Dunkerton seconded the motion. Without objection, the meeting minutes from the October 17, 2018 Master Board Open Session were approved.

Warning letters – all warning letters in the monthly status package were reviewed.

Hearing Panel Report – the Board reviewed all correspondence regarding hearings.

Insurance Claims – the Board reviewed documentation regarding three insurance claims (104 Logging Trail Road, May Storm Damage and 2101 Pinnacle Way).

Treasurer's Report – Stan Kishner

In October, the Association had \$130K in operating expenses. Income was \$140K for an operating gain of \$10K. Expenses were dominated by the insurance premium and lawn and shrub maintenance. Operating gain for the year is \$78K.

The insurance deductible reserve totals \$8.3K. Operating cash is \$170K and total assets equal \$1.3M.

Capital reserve expenses in September consisted of \$5.7K for tree restoration. The capital reserve account at Wells-Fargo Investors has a balance of \$1.02M, consisting of \$852K of investments in bonds and CD's and \$170K in the Wells-Fargo money market.

In October, 2 Acorns sold for \$235K and \$269K and a Hickory sold for \$293K.

The Treasurers Committee met on November 7 to finalize its 2019 budget recommendation which was presented at the November Master Board Meeting.

2019 Budget Discussion

Stan Kishner presented the proposed 2019 operating and reserve budget.

After answering questions regarding the proposed budget, Stan Kishner made a motion that the Sterling Woods II common charge budget for 2019 be increased by 3%, from \$1,664,200 in 2018 to \$1,714,126 in 2019. This increase includes the programmed 10% reserve transfer increase from \$431,750 in 2019 to \$474,925 in 2019, plus an additional reserve transfer of \$10,000 in 2019. The Capital Reserve budget calls for total common areas expenses of \$128,000 in 2019. Steve Griffing seconded the motion. All present voted in favor of the motion. REI will send out the proposed budget along with the Annual Meeting Notice to Unit Owners.

Landscaping Committee Report – Julia Brzezinska

The Landscaping Committee's November report is attached.

Deck Committee Report – Steve Griffing

Steve Griffing stated that the Deck Committee has solicited a proposal from Becht Engineering to assist with evaluation of best methods to replace the decks as per the reserve study.

Pool Committee Report – Andrew Bayer

The Pool Committee update is attached.

Maintenance Committee Report – there was no report this month.

Management Report – REI

All REI follow ups, as a result of the last Board Meeting and contained within the monthly status package, were reviewed.

Unfinished/New Business –

The Landscaping Committee was asked to gather information and make a recommendation to the Board regarding the pine trees behind the 1500 Pinnacle Way

building as the Unit Owner of 1506 Pinnacle Way was concerned with the trees behind her Unit blocking the natural light. Julia Brzezinska informed the Board they have started gathering information but asked to defer this until the January 2019 Board Meeting.

Art Stueck stated he would contact Shaun Monastero, from Aquatic Technologies, to discuss paying him now for the water delivery portion of his invoice and withholding the \$2K balance, plus sales tax, until the spring, when the Board can evaluate the areas in the pool. Shaun's employee damaged the area by walking on the wet caulking, bricks and depth markers.

REI was informed that a Unit Owner received information in the mail from Nextdoor, a social networking service. Another Unit Owner signed up via e-mail to Nextdoor and the subject said Welcome to Sterling Woods. REI will inform Unit Owners in the newsletter that Nextdoor is not a sanctioned Sterling Woods II site.

Stan Kishner stated he would put together an outline so a SWII Bluebook can begin to be created to document information for board members, committee members and property managers to use. This bluebook will serve as a vehicle to reserve "corporate memory" and will provide key historical information, policy decisions, history on major repairs and projects, etc.

REI wrote to Unit Owners in seven buildings because the third quarter water bill was higher than the previous bill. Unit Owners in these buildings were asked to check their units for any leaks. REI will analyze these bills further.

Kim Murray will contact the Social Committee to establish a date to have a kick off to the summer party in the pool area (to celebrate the newly re-plastered pool and the new pool furniture).

REI was asked to contact Winters Brothers to ask them to deliver a dumpster on January 2nd for Christmas trees only. The dumpster will be picked up on January 11th unless it is filled earlier. The dumpster will be placed on the top of Revere Road.

Once the budget is approved at the December Owners meeting, REI will have new coupon books sent to Unit Owners.

At 9:20 PM, Andrew Bayer made a motion to adjourn the meeting. Mary Boylan seconded the motion. All present voted in favor of the motion.

LANDSCAPE REPORT

NOVEMBER 2018

Landscape Committee - On Thursday, November 15, 2018 at 10 am, Eastern View and Bartlett Tree will meet with the Landscape Committee to discuss a landscape reserve study.

Eastern View

During November, spot mowing will be done. Leaf blowing will be done and continue through December on a weekly basis. Continuing as usual is the policing Sterling Woods for trash.

Bartlett Tree

All services scheduled for the fall have been completed.

In the winter, the following work is scheduled: woods/vine management work on Bradford Drive, Hancock Drive, Cypress Drive, Nabby Road (the sidewalk from the Tile Store up to the SW entrance), and the Revere Service Road. In addition, pruning of some maple trees, pear trees and ornamental trees.

Lawn Doctor

All services scheduled for the fall have been completed. In late April or early May, the first fertilizer application will take place.

Submitted by: Julia Brzezinska

Pool Committee – Update at November 14th Board Meeting

Committee chair Andrew Bayer gave the following update:

- At the last Board Meeting, Andrew was authorized to seek a quote (from the mason who had replaced the brick coping and tiling during the re-plastering of the pool project) to do the caulking on the concrete decking that surrounds the pool since its deteriorating condition was noted by the committee during the larger project. Andrew was further given authority to initiate this additional work if the price were not “prohibitively” high in order to get it completed before the onset of winter. The mason provided a verbal quote of \$4,200. Andrew asked the mason to submit a written proposal since a) it was an amount that was on the higher side which would necessitate Board approval and b) so that we would all be on the “same page” regarding expectations and costs for the project. The mason said that he understood and agreed to do so. A formal written proposal has not been received to date.
- Meanwhile, Andrew checked with Art regarding his knowledge concerning pricing and whether or not the verbal price quote received was “reasonable”. Art suggested that we wait to receive the written quote since he did not want to pass judgment without knowing the specifics of what was to be replaced and the process to be used. Secondarily, Art suggested that more specific guidance leading to the development of specs from our engineer would be helpful. Andrew asked Art to contact any others (in whose work he has confidence) who might be able to provide us with a competitive bid on this project. Art stated that he would give thought to others whom he could call and would attempt to have them visit the area and give us a quote but, once again, he would be much more comfortable with being able to present those companies with specs (either from the engineer or using the same specs that the mason was going to submit with his proposal---so that we would comparing “apples to apples”). Both Art and Andrew decided that this was not an emergency situation and that we could easily take the time to gather our data and specs, seek informed price quotes, and get this last phase completed in the spring.
- Since the last Board meeting, most of our checklist items have been completed by David Cooke Plaster Company. The only remaining items from our perspective are the smoothing down of observed roughness on the top step of the entry into the pool near the new tiles and b) inspection of the pool bottom to check for any remaining roughness. We will not know about any other items until we begin to use the pool in the spring.
- The mason returned to caulk the expansion joint between the brick coping and the concrete deck surrounding the pool. After inspection the following morning, it was noted that there was significant damage done to both the caulking and brick

coping. It appeared as though someone (?) had stepped in the wet caulking and then stepped on numerous of the newly installed bricks and depth markers in addition to stepping on the concrete surround. Pictures were taken and sent to the project manager, Rob, at David Cooke. He stated that they do not leave their pool projects looking like that and he would have the mason return to assist in any way he could to clean up the mess and restore (as best he could) the damaged items. The mason spent 2.5 additional hours scraping and cleaning the affected bricks and depth markers as well as grinding away the caulking from the concrete decking and repairing the impressions left in the caulking. He let it be known that he did the best he could and his judgment was that the concrete decking, while looking “splotchy” now where the grinding down had taken place, would eventually weather and the splotches would fade over time. He had less certainty regarding the bricks he had cleaned. Time will tell, but it was noticeable where he had struggled to clean them up. When asked if he had any idea of how this might have happened, he did not hesitate to respond that, from his many years of experience doing this work, that it was the company (individual) doing the pool brush curing and water balancing, due to the positioning of the tracks left on the bricks as well as the impressions left in the caulking itself.

- This issue and others were addressed with Shaun from Aquatic Technologies: first in a series of written communications where Shaun denied any responsibility for the damage and next in a face-to-face meeting the committee held with him and Art Stueck. Security cameras were checked and revealed that no one other than Aquatic Technologies personnel, our property manager and Board members entered the pool facility during the time frame in question. In our meeting with Shaun on Friday, November 9th, he acknowledged that he had just learned from his employee that he had been responsible for having stepped in the wet caulking and having caused the damage to the areas noted above. In further discussion, he offered to do what he could to rectify this unfortunate event. We shared with Shaun that it was likely that we would have to pay a supplemental fee to the mason for his return visit and work on cleaning the brick, markers and concrete deck; at the very least, he would be responsible for that amount. In addition, there is a question as to whether we would need to replace an unspecified number of damaged bricks and depth markers and that we would not know the necessity of doing so or even the number that we would choose to replace due to unacceptable appearance. This would depend on the “weathering” process and whether or not the bricks appeared unblemished. Shaun requested that we pay for the water delivery portion of his invoice since he had already been billed and had to pay his vendor. He suggested that we withhold the balance of his invoiced fee until the spring (or beyond) when we could determine more accurately the condition of the brick, decking and markers. We agreed to that. Subsequently, we have asked Shaun to produce a copy of his company’s cancelled check to his water vendor and we would pay him for the water (including tax). The remaining balance is expected to total \$2127 (plus or minus). In addition, Shaun offered to attempt to

clean the concrete decking by power washing the whole area in the Spring to “even out” the splotching. Art suggested that we attempt to steam clean the brick coping and depth markers (vs. using a high velocity power wash stream) to clean these items.

- As noted above, there were other areas of concern that were addressed in our meeting with Shaun. They centered on general timeliness of communications and pro-active initiation of communications. In addition, specific performance concerns were addressed. I can report my belief that Shaun left the meeting understanding our concerns and knowing that our continued relationship with him and Aquatic Technologies depends upon his ability to respond and improve in both areas noted above. We shared with him that it is our sincere hope to resurrect and re-establish our level of trust and confidence in him, his company’s responsiveness and its level of performance.