

SWAN POINT AT LAKE ELKHORN CONDOMINIUM ASSOCIATION

JUNE 12, 2007

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Present: Randy Lappert, President; Barbara Boyd, Vice President; Ferd Lazarus, Treasurer; Kathy Bestany, Secretary; Gracie Bradford, Tom Alizio and Tom Lee, Board Members; Gene Sutter, SPRAC; Michael Klein, WP&M Management Company.

Meeting was called to order at 7 p.m.

Management Report

Harbor Lane wall project is progressing. Drainage inspection will be this week. Much of the work has been done by hand to preserve the integrity of the site as they are working in a very narrow space. When finished, sod will be laid at the bottom and wood chips on the top of the wall.

Management company will send an email to all residents reminding them that dumpsters will be on the property June 16 and 17.

Board of directors and Mike Klein discussed the details of the snow removal shortfall. A list of every storm (10 incidents) will be presented to the residents at the special meeting on Monday, June 18. Board underfunded the snow budget based on an average for the past three years of four storms; this season we had ten small ice storms. Ice treatment/removal is more expensive than snow plowing. Only the amount budgeted for snow removal has been paid to Chapel Valley. Michael Klein reviewed Chapel Valley's bills, work sheets and time sheets. The average cost of a snow/ice event is approximately \$5,000 each time with \$2,500 the minimum to begin the process. Michael Klein met with Chapel Valley's representative of the snow removal division to negotiate a settlement, but Chapel Valley refuses to compromise. Chapel Valley will no longer be the contractor for snow removal. They will finish their grounds contract by October 31. Management company will seek bids from three to four contractors for both services.

If the residents vote against the special assessment being paid in this fiscal year, the Board will borrow the money with interest from the reserve fund and residents will pay the special assessment over the 12 months of the next fiscal year in addition to the anticipated sizable increase in the monthly fees. In order to keep the monthly fees low, the Board voted to have a minimum budget. Some major projects have been postponed or minimally addressed from year to year. The community is 25 years old and its aging infrastructure and landscape have issues that need to be addressed.

Bill Hasselman of Becht Engineering discussed his company's forthcoming reserve study for Swan Point. The report will be produced by August 1 in order for the Board to review its recommendations before the August budget meeting. The below market price for the study is \$2800. Mike Klein will scan the original blueprints of the property and provide a disk to Becht. The reserve study, which should be done every three to five years, will examine the components of the property (for example, road surfaces, storm drains, retaining walls, etc.), how long each component may continue to survive and how much it will cost to replace in the future, factoring in inflation.

A motion was made by Tom Alizio and seconded by Ferd Lazarus to pay a \$1,000 deposit for the reserve study in this fiscal year. The motion was passed unanimously. The remaining \$1800 will be paid in the next fiscal year.

Board requested that a letter be sent to the homeowner of 7347 Swan Point Way for payment of cumulative late fees.

Grounds Committee

The committee asked that Chapel Valley remove all dead bushes when they prune. Mike Klein will work with Don Duke of Chapel Valley to facilitate.

Grounds requested a proposal for repairing/replacing tie walls for next year's budget. Walls are repaired/replaced with reserve monies as they are an infrastructure expense. Mike Klein will get estimates for the August budget session.

Realtor signs in front of 7479 are out of compliance. Mike Klein will contact the realtor.

Mike Klein will contact the owner of 7503 Swan Point Way about the storage of a ladder on the side of the yard and a window replacement sign.

A request for entryway lights was postponed because the Board voted to stop all nonessential spending.

Swan Point Architectural Committee (SPRAC)

A request by the owner of 7291 Swan Point Way to replace a five-foot privacy fence with a three-foot fence was denied unanimously by the Board.

The owner of 7383 Swan Point Way has failed to pay fines imposed by the Board for failure to provide documentation from contractors that she has repaired all structural damage and performed a comprehensive cleaning using a bio cleaning company. A new court date has been set for July 6. Board will review status after the court hearing.

Other Business

Board directed the management company to send a letter to the homeowner of 7231 Harbor Lane giving them 30 days to remove redwood stain from their deck. Failure to comply will result in a closed session with the Board. Board directed the management company to send a letter to the owner of 7389 Swan Point Way requesting the removal of the temporary ramp and signage from the property within 30 days. Failure to comply will result in a closed session with the Board. Board directed the management company to send a letter to the owner of 7395 Swan Point Way inviting them to a closed session at the next Board meeting as they have failed to provide a copy of their tenant lease.

Resident's Speakout

The owner of 7391 Swan Point Way addressed her concerns to the Board about the special assessment. Mike Klein and the Board reviewed the decision to switch from McFall & Berry to Chapel Valley (Chapel Valley's landscaping contract bid was significantly lower). Chapel Valley's snow removal bid was exactly the same as McFall & Berry's. The Board budgeted for three to four storms, which in total average \$15,000 to \$16,000; the season provided 10 ice storms. Ice treatment is more expensive than snow removal. The Board did not meet in February (due to an ice storm); they were made aware of the shortfall in March. Chapel Valley is unwilling to negotiate a reduced price. A special assessment will be voted on by the residents at a special meeting June 18.

Meeting was adjourned at 9:30 p.m.

Respectfully submitted,

Kathy Bestany
Secretary