



Harbor Pointe HOA Board of Directors Meeting Minutes: April 18, 2016

President Jim Carmany called the meeting to order at 7:04p. Board Members present: Jim Carmany, Nick Johnson, Carl Stauske, Mike Childers, Gary Rafool, and Anne Dickison. Sue McGill participated by speakerphone. Core3 Property Manager Matt Smith was not able to attend. Invited guests Ron Roberts and Commissioner John Kahl were present for the entire meeting. Nine other homeowners were also present.

Elections to the Board of Directors

As customary with the Annual Meeting, election of officers was the first item on the agenda. This spring, Board members Jim Carmany and Sue McGill completed three-year terms, so their seats opened up for election. Both of these Directors agreed to serve another term if nominated. No additional names for consideration were submitted to any Board members or Property Manager Matt Smith prior to today's election, and no other nominations were offered from the floor. Gary Rafool nominated Jim Carmany to return for another 3-year term, and Nick seconded the motion. Jim Carmany nominated Sue McGill to return for another 3-year term, and Gary seconded the motion. Both candidates were approved for renewed three-year terms by unanimous vote.

Jim Carmany polled individual Directors to ask if each were willing to serve in the same capacity, and sought confirmation from all others that no objections existed for continuing each Director in his or her previous role. With no objections raised, Jim made a motion to keep all positions the same as they were in 2015, Gary seconded this, and all approved. Gary Rafool made a motion to close the annual meeting, Mike Childers seconded this, and all approved.

Board positions for 2016:

President:	Jim Carmany
Treasurer:	Sue McGill
Secretary:	Anne Dickison
Landscaping:	Carl Stauske
Buildings:	Nick Johnson
Community Relations:	Mike Childers
Parliamentarian:	Gary Rafool

Approval of last month's Minutes:

No Board members offered corrections or additions to the March Minutes. President Jim Carmany relayed comments sent to the Board by a concerned homeowner who noted more from last month's Floating Houses

discussion than had been detailed in the Minutes. Nick Johnson stated that Minutes were intended to document motions, progress on pending issues, and decisions, and not to transcribe details of every discussion. Jim Carmany summarized points the objecting homeowner considered to be omitted, and passed along his sentiment that marketability of Harbor Pointe property ought to be considered a primary duty of the Board. One of the points omitted from the March Minutes was an opinion statement from East Peoria City Commissioner John Kahl who thought that the two floating houses currently harbored in EastPort Marina could be the last. During tonight's meeting, the City Commissioner clarified that at last month's meeting he did not know for sure that these two floating houses might be the last of their kind in EastPort Marina, but that he could confirm tonight that no more floating houses like these two would be admitted to the Marina.

Nick Johnson moved, and Jim Carmany seconded, that March Minutes would stand as written, with a notation that that in March, Commissioner John Kahl was of the opinion that the two floating houses present now would probably mark the ceiling of floating houses granted slip space in EastPort Marina. Gary Rafool abstained from voting because on speakerphone he had not been able to hear much of the discussion. All other Board members voted to accept the Minutes as written.

Property Manager Report:

Core3 Property Manager Matt Smith distributed his short report in advance of the meeting.

*Massey Roofing completed all repair work for damages caused by the storm of March 15. Four sets of roofs, all with past histories of damages or leaks, were considered to be in need of urgent replacement rather than more repair. At the time of this meeting, replacement roofs were completed for #108/#110 and #400/#402, and were nearing completion for #216/#218. Replacement work had started on #300/#302 and, weather permitting, should be finished this week.

* Harbor Pointe HOA is required to maintain records of homeowner insurance and assure adherence to the specified minimum standards of coverage. Since its report a month ago, Core3 received insurance information from three more owners, but information from nine owners was still missing or outdated. Property Manager Matt Smith will be placing phone calls to those nine non-responding owners since the letters to request the information did not work.

*A unit owner was contacted about the deck railing being repainted. His management company without his or Harbor Pointe's approval did this work. The railing will be replaced at the owner's expense to match the other railing.

Treasurer's Report:

Sue McGill provided reports of March financials and the new income/expense statement for our Reserves. At **\$335,358.83**, total capital in the Reserves is at the highest point it will achieve for a number of years to come. With roof replacements and planned road work ahead of us, we will be drawing money out of the Reserves faster than the funds can be replenished through investment growth and dedicated input through dues.

For March, the Operational Balance Sheet shows a total of **\$58,460**. Income is exactly on budget with only a \$464 variance in dues. Expenses are less than budgeted, thanks in part to the mild winter and fewer charges for snow

removal, and in part to the recently enacted reduction in our semi-annual insurance premiums. The negative \$120 under *Maintenance* reflects an owner's reimbursement to the HOA for siding damaged by their BBQ grill. Operational Net Income at the end of March was **\$13,249**.

Gary Rafool asked for affirmation that money the HOA spent on Long Term Budget items like roofs would be tracked separately from money spent on Operational items included in the annual budget. Sue McGill went over the Reserves statement and reiterated that last month a new Checking Account had been opened for dedicated use by the Reserves. Checks for Long Term capital improvements would be written from this account alone. Currently this checking account holds **\$5994**. Money will be moved from Reserve Savings to this designated Reserves Checking to pay for all Reserve expenses as they arise.

Jim Carmany reviewed the status of roof replacements. Massey Roofing is nearing completion on the four roofs considered urgent, but has identified others in need of attention. Additional roofs might need to be replaced this year, but for right now we are holding to the projection of replacing four roofs in 2016. Jim Carmany made a motion to approve funds for replacing the four roofs (eight units), not to exceed \$83,000. Sue McGill seconded the motion, and it passed unanimously. Sue McGill will transfer funds from the Money Market Reserves to the new Checking account, and will FAX Core3 and President Jim Carmany with confirmation of the transfer.

Gary Rafool made a motion to accept the Treasurer's Report, Anne Dickison seconded it, and it passed unanimously.

Parliamentarian's Report:

No report.

Landscaping Report:

Carl Stauske reported that several dying trees are to be removed. Trees in courtyards can be replaced by the consensus of the courtyard homeowners and at their personal expense, but will not be replaced by the HOA.

Voles have been spotted and several have been trapped. Property Manager Matt Smith was asked to arrange a return by Wettstein Wildlife, the same professional that set out traps for them last fall.

A homeowner question was raised about the potential for replacement or supplementation of garden rocks. Carl will look in to the options.

Building Report:

Front gate: Nick Johnson and Mike Childers researched options and obtained additional bids for replacing component parts for the aging front gate. A quote of \$8888 from Oberlander's for installing Liftmaster operators was lower than their previous quote because Harbor Pointe volunteers (Mike and Nick) would take on more of the labor. Plates would be installed on the existing concrete slabs so the gate's footprint would remain the same. Gary Rafool questioned whether fobs or keypads would need to be changed, and Nick responded that they would not. Mike Childers added that once the Liftmasters were installed, back gate fobs would work on the front gate, too.

Mike also reported that the new Liftmaster operators would be similar in power to the ones they were replacing, and were expected to perform better under windy conditions. Nick Johnson made a motion to proceed with the outlined gate work, to not exceed a total of \$9,500. Anne Dickison seconded the motion, and it passed unanimously without further discussion.

Road: Nick Johnson noted that last fall's patching of the road had been deferred to this spring due to the unavailability of asphalt. Asphalt is back in production now, and cracks have been marked for repair. Coal City & Asphalt should start work this week to fill the cracks and patch the road.

Irrigation: Just today a leak in a larger caliber irrigation line was found on the Marina side of the fence opposite the garden area between #110 and #200. Nick and Mike will be in communication with Eastport Marina personnel as they undertake the repairs.

Wood Decks: Further discussion of this topic will be deferred to a future meeting. Last fall, Nick put together a grid of deck conditions that he hopes to update now that winter is behind us and some of the decks have had work done on them. Property Manager Matt Smith contacted Steve Lampe for an estimate. Nick noted we should also update our estimates for composite materials.

Gutters and Downspouts: Despite considerations that replacement of roofs might simultaneously necessitate replacement of gutters, that hasn't been the case. Therefore, it does not appear that expenses for roofs and gutters need to remain coupled in the Long Term Budget. Jim Carmany agreed, and said it would make more sense now that we know for sure that the two items are not essentially linked, that expenses for gutters can be handled from the annual Operating Budget.

Unfinished posts in the 500 Building courtyards: No work has been initiated yet after the idea of doing a test-wrap with the chosen materials was turned down by Richard Cole. Many thought that Richard Cole's initial quote of \$1680 for all eight posts was too high to accept without first seeing how the finished posts would look once wrapped. More discussion took place about the options. Core3 will be asked to provide the name(s) of some painters. The unfinished posts will remain an open item but will be addressed again soon.

Community Relations Report:

Mike Childers noted "one outstanding issue" to be addressed under Old Business.

Old Business:

Floating Houses: Invited guests East Peoria City Commissioner John Kahl and EastPort Marina Harbormaster Ron Roberts returned to today's HOA Board Meeting to provide follow-up on information presented at last month's meeting, and to answer any further questions.

Commissioner Kahl reported that both floating houses were now appropriately registered and certified, and were considered legally licensed water vessels. The City had no grounds to require them to leave, and no willingness to do so since the incomes they brought in were essential for strained budgets. Commissioner Kahl repeated what he

had announced earlier in the meeting, that he could confirm that these two floating houses would be the last of their kind to be granted moorings at EastPort Marina.

Harbormaster Ron Roberts reported that he had spoken to both owners about their willingness to move to sturdy new docks established in other parts of the Marina, and both were firmly opposed. He also described structural considerations for changing mooring locations from their present end-to-end positioning to alternate orientations elsewhere within the harbor. The storm of March 15 made it quite apparent that high winds and heavy seas can damage boats and docks in addition to landed structures. Storm damages and expenses to repair those damages were borne not just by home and business owners but also by boat owners on both sides of the river, at EastPort and other Marinas, and by the various Park Districts and municipalities. Orientation of docks and the depth and caliber of the anchoring posts are vital factors for the dock's ability to withstand rocking, collisions, repetitive wave action, and high winds. In Ron Robert's professional opinion, the proposed "T" arrangement for anchoring these heavy vessels would place excessive stresses on the docks and dock joints, and the resulting geometry would produce greater torques and instability and therefore even greater potential for damages in severe weather.

Gary Rafool asked for confirmation that the City's position was that the floating houses would not be removed from EastPort Marina before the start of the boating season, or in the foreseeable future. Commissioner Kahl reiterated that that was indeed the City's position. Gary Rafool then asked for confirmation of his understanding that the decision about whether or not to relocate the floating houses within the Marina harbor itself would reside with the Harbormaster. Commissioner Kahl and Harbormaster Ron Roberts both affirmed this to be the case. Ron Roberts responded that he already had made the decision that was his to make, and that after careful consideration of the many factors involved, he reiterated that his decision was that the floating houses would remain in their present location. He did not think that moving the floating houses to other ends of the harbor would solve anything and it would make matters worse for his customers, Harbor Pointe homeowners overlooking other parts of the harbor, and his strained budget. He had made his decision, and he stood by it. It was not negotiable.

Gary Rafool, still pressing for a "compromise" solution that would move the floating houses away from their present location and orientation, described that there were only three choices ahead: 1) Do nothing, and permit the floating houses to remain in their present location, 2) Try to work out a compromise, 3) Bring a lawsuit. Gary was willing to compromise by accepting that one of the vessels could remain in its present location, but the other would be moved elsewhere so that they were no longer end-to-end in the center of the harbor.

Discussed at length were the grounds for filing a lawsuit, the improbability of agreeing on an acceptable "compromise" that would negate the decisions already made, and the disproportionate financial consequences for moving one or both of the floating houses just to please only a portion of Harbor Pointe homeowners. Commissioner Kahl repeatedly urged any homeowners dissatisfied with the City's or Marina's decisions to attend an East Peoria City Council meeting to express his or her objections in this public forum, and to speak to the Council members and Mayor individually or address them as a whole. Commissioner Kahl also strongly encouraged Harbor Pointe homeowners to attend the City's Budget meeting tomorrow night. The City was dealing with a substantial shortfall over what had been projected last year, and whatever budget cuts were decided at this meeting would be affecting all of us.

Nick Johnson expressed the fear that despite assurances that the existing floating houses would be the last of their kind to be granted slip space at EastPort Marina, that smaller residential floating houses or non-navigable vessels of a different nature could still proliferate. Discussions of size limitations or other restrictions took place but did not

alter the determinations at hand. In 2016 and for the foreseeable future, the only floating houses to be granted slip space in EastPort Marina would be the two already in place.

Jim Carmany described that in preparation for tonight's meeting, he polled seven or eight of the non-Boardmember homeowners in the 100x and 200x Buildings to ask each how s/he felt about pursuing a "compromise" location that would move one or both of the floating houses to the north end of the harbor. All opposed any "compromises." He then polled each homeowner to see if any would be willing to use HOA funds to pursue a lawsuit. All but one said no. The homeowner who gave the qualified yes agreed to spend HOA money only if the HOA could be assured of winning the suit; otherwise his vote was also a no.

Jim asked Gary if he had any motions to present. Gary made a motion to endorse him to represent the HOA to negotiate a compromise with the City by moving one or other of the two floating houses to the north end or south end of the harbor. With no second, the motion failed.

Commissioner Kahl reported that after last month's query about Mariner's Way, he looked into the question of who was responsible for its upkeep and improvements, and could now answer that it was the City of East Peoria. Ron Roberts will meet with Nick Johnson to evaluate the stretch of road from the island entrance to the river, and will draw up plans for maintenance and improved attractiveness.

New Business:

President Jim Carmany was notified that Traveler's Insurance would be initiating a routine audit for 2015.

Gary Rafool wished to plant a seed about forming a Study Committee to research and evaluate complex issues and to then present their recommendations to the Board for final approval. He reminded the Board that there used to be Committees like the Landscaping Committee, Building Committee, and Social Committee, but that these practices seem to have faded away.

Motion to Adjourn:

A motion to adjourn the April meeting was made at 8:38p by Nick Johnson, seconded by Anne Dickison, and approved by all. The next HOA Board meeting will be held at Jonah's at 7:00p on Monday, June 20, 2016.

Respectfully submitted,
Anne Dickison, Secretary