



## **Harbor Pointe HOA Board of Directors Meeting Minutes: June 20, 2016**

President Jim Carmany called the meeting to order at 7:00p. Board Members present: Jim Carmany, Nick Johnson, Carl Stauske, Sue McGill, Mike Childers, Gary Rafool, and Anne Dickison. Core3 Property Manager Matt Smith was also in attendance along with ten other homeowners.

### **Approval of last month's Minutes:**

Gary Rafool moved, and Nick Johnson seconded the motion to approve the April HOA Minutes as submitted. All were in favor.

### **Property Manager Report:**

\*Core3 Property Manager Matt Smith relayed that all maintenance items identified at the time of the May 16 HOA walkabout were in the process of being taken care of.

\*Massey Roofing was out to look for leaks in #526. #522 also reported some ceiling spots that Massey will be evaluating soon. As they look at these units and walk the roofs again this summer, they will make recommendations for prioritization of roof replacements in 2016-2017.

### **Treasurer's Report:**

Sue McGill provided reports of May financials including the income/expense statement for our Reserves. The current balance in the Reserves is **\$263,304.38**. This figure reflects income to the Reserves at \$5000 per month plus interest, and Long Term Capital Expenses (2016 roofs cost us **\$87,050** to date). So far this year, Net Balance in the Reserves comes to a negative **\$61,064.22**.

The Operational Budget shows **\$69,279.25** in Checking, sourced from:

\*Prior years brought forward: **\$35,361.35**

\*Hold of dues pre-payments: **\$10,047.60**

\*Net (Income Minus Expenses) Year-To-Date: **\$23,870.30**

No past due assessments remain on the books. Legal expenses to date were greater than budgeted, but snow removal was under budget. Less was spent on insurance than in previous years thanks to initiatives by Jim Carmany.

CEFCU was converted to the new FEIN number but only has a small amount left in one Savings account. Discussion took place about the pros and cons of maintaining this account, the discussion ending with Jim Carmany suggesting that the account be closed.

Jim Carmany, Nick Johnson, and Gary Rafool will meet with Treasurer Sue McGill in August to review the HOA's current Long Term Budget and make recommendations for any adjustments to modify or update currently projected expenses, priorities, or timetables.

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

### **Parliamentarian's Report:**

Gary Rafool observed that seemingly Harbor Pointe's Declarations and Restrictions of 2006 were not recorded in Tazewell County. Discussion ensued about the process of recording and the validity of HOA-adopted but unrecorded documents.

Gary underscored that the Board should serve as a steward for our property values, and he discussed his survey of recorded sales prices over the last several years. External appearances are a large part of a community's curb appeal. Discussion took place about other economic factors that influenced the local real estate market, and contributions to the less robust sales from natural factors in our relatively recent history such as the historic flood and proximity of tornados. These concerns should fade with the passage of time, and markets will adjust according to their many influences, but to best preserve our real estate values, Gary urged that Harbor Pointe strive to keep our community in good repair, financially sound, and with the highest curb appeal possible. With this in mind, Gary wished to address the management of reported infractions to our existing rules and regulations, and to modify, clarify, equalize, and record the set of "external appearance" rules to assure better understanding and a more universal compliance by homeowners. This topic will be addressed in greater detail under Old Business.

### **Landscaping Report:**

Carl Stauske reported that several dying trees were 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. A change order submitted by #100 to plant arbor vitae trees between their unit and the front gate was discussed in detail. The HOA will redirect sprinkler heads and pay to remove a problematic grass island on the other side of the fence. At the owners' expense, GreenView will perform the work described in the approved Change Order.

Sue McGill noted that as per our contract with TruGreen for optimizing tree and landscaping health, the maples were treated for manganese deficiency and all trees were closely examined for other conditions. The unhealthy small pear tree in front of 500x will have to come out, and eventually the others may have to come down as well. All remaining ash trees appear free of ash borer, but their ultimate fate is an unknown.

### **Building Report:**

**Front gate:** Nick Johnson noted that Mike Childers deserves a round of applause for his work on installing the new front gate operators. Mike responded that the front gate project is not quite complete yet because the operators still

need heaters like those used on the back gate to keep the operator running smoothly in cold weather. New heaters run about \$300 apiece. Treasurer Sue McGill offered that the new heaters could be expensed from the Operational Maintenance budget, but were also appropriate expenses for the Reserves. Nick Johnson made a motion to allocate no more than **\$700** from the Reserves to purchase two new heaters for the new front gate operators. Jim Carmany seconded the motion, and it passed unanimously.

\*Nick Johnson reviewed the list of building maintenance issues identified during the group walkabout in May. Those turned in to Core3 were already addressed. Several additional building and landscaping issues were more complex and will be discussed further in committee.

\*City Coal has been contacted to finish work on the **road cracks**.

\***Post wraps** in the courtyards of the 500 building were completed after the first two wraps were tested. Comments about their appearances have been universally favorable.

### **Community Relations Report:**

Mike Childers noted that working on the **sprinklers** is a huge job, and that maintenance of the overall “look” of the area depends on coordination and cooperation with each of our EastPort neighbors. EastPort Marina, Stoney Creek Inn, green spaces along Mariner’s Way, and Harbor Pointe share the same single river water supply pump for irrigation. Just policing the 469 sprinkler heads at Harbor Pointe by itself takes a great deal of time and physical effort. Technical challenges exist for programming the timers and replacing the remotes that are no longer being made by RainBird. The motor on the pump nearest the EastPort Bar and Grill has been making a lot of noise, and had been turned off intermittently to spare customers. This pump is old and probably needs replacement. If repairing the ailing pump were to be attempted instead, the key will be to secure new parts ahead of time so green areas by the 600 units being serviced by that pump will not suffer water deprivation for several weeks during the heat of summer. More discussion took place about the other vulnerable “shared” areas, possible fixes, and the effect of dry or dying landscaping on the curb appeal of our properties. Nick summed up the financial decisions to be made by observing that an HOA can either landscape for irrigation, or irrigate for landscaping.

### **Old Business:**

#### **The Fourth of July Annual Breakfast:**

Thanks go out to Vickie Carmany and Pam Johnson for organizing the annual HOA event, and to all the individuals who coordinated or contributed to grounds-keeping, irrigation schedules, and acquisition of supplies. There will be two hired security guards again this year, one posted at the front gate, and the other to walk the premises. The back gate will be closed for the day and night. Core3 sent out several announcements about the Breakfast, and also will be notifying owners and residents that the back gate will be closed on July 4<sup>th</sup>. RSVPs with the types of dishes people plan to share can be made to Vickie or Pam. A basket for collecting cash donations to help defray expenses will be available at the time of the Breakfast.

### **Hanging objects:**

The presence of a hanging basket on a fence between units caused some property damage. Police were called and came out to provide a report of the damage. The presence of a large number of hanging objects, including this one, was noted on the May 16 group walkabout.

**Revision of current rules and regulations for exterior appearances:**

In April, several complaints and observations were made that certain homeowners were not in compliance with existing Rules and Regulations governing exterior appearances. Questions were raised about enforcement, and whether or not the Rules adopted a decade ago needed to be changed to better reflect the times. Gary Rafool proposed the formation of a Committee to examine the existing Rules and make recommendations for modifications to propose to the Board for enactment. Prior to Committee formation, Sue McGill suggested a walkabout to get an idea about the prevalence and nature of the infractions, and to generate a list of topics for discussion. Nick Johnson compiled and distributed to the Board a distilled list of adopted regulations concerning exterior appearances. Jim Carmany through Core3 invited the HOA Board and any interested owner to walk around Harbor Pointe starting at 5:00p Monday, May 16, and he attached a copy of our current Rules and Regulations for reference. He referred individuals wishing greater detail or exact wording to go to the Public Documents tab on our website at [www.harborpointehoa.com](http://www.harborpointehoa.com).

After the group walkabout to survey maintenance items to address, infractions of existing regulations, and issues for discussion as Harbor Pointe Rules and Regulations came up for review, Nick Johnson compiled a list of building maintenance items and Anne Dickison developed a spreadsheet to use as the Board's internal assessment tool and basis for discussion. The most prevalent variances from compliance were the presence of items secured to the structures with nails, screws, or hooks; plant, birdfeeder, & art hangers attached to the structure or placed on Shepherd's Hooks; the presence of Yard Art and Window Art; planters located on common grounds, rails, walls, or in front of garages; and furniture, rugs, & planters in unsanctioned colors or styles. Questions also arose about the acceptance of wreaths, garden lights, and the tolerated range of window treatments.

At tonight's Board meeting, Gary Rafool pointed out that currently there are three separate sets of documents governing exterior appearances; indicated that there are gray areas, overlap, contradictions, and omissions amongst them; and reviewed some of the formal processes for change. He recommended the formation of a Committee led by a Board member and comprised of non-Board member representatives from each building. The Committee would review the existing regulations and recommend changes for the Board to vote on at the next meeting. In the discussions that followed, it was recognized that it would be difficult for any committee to form, discuss the wide scope of issues, and come up with recommendations in this limited amount of time. Sue McGill urged breaking down the tasks at hand to two separate categories (landscaping and structures) with two separate committees, both reporting back to the Board and later participating in a more general assembly to discuss areas of common concern such as continuity and archiving of Change Orders, exemption of Courtyards from regulations imposed on the riverside areas, the role of grandfathering, and expectations for what happens when properties change owners. Discussions continued about composition of the Committee or Committees, and several in the audience and on the Board voiced an interest in participating.

President Jim Carmany reiterated that the Board did not wish to dictate any changes to the existing Rules and Regulations but rather wanted input from a wide diversity of owners about what changes might be favored. Nick Johnson also encouraged "taking the pulse" of all homeowners to seek a consensus of subjects and directions for the committee(s) to ponder. Sue McGill again put in a request to initially divide the Rules evaluation project into two categories and two Committees –prescribed exterior appearances for structures and for landscaping—before coming

together to discuss the bigger issues. Jim Carmany will move forward with committee formation and laying the framework for further discussions.

**New Business:**

Combined with Old Business.

**Motion to Adjourn:**

A motion to adjourn the June meeting was made at 8:49p by Anne Dickison, seconded by Sue McGill, and approved by all. The next HOA Board meeting will be held at Jonah's at 7:00p on Monday, July 18, 2016.

Respectfully submitted,  
Anne Dickison, Secretary