

Somerset Creek Condominium Owners Association
Board of Directors Meeting
April 16th, 2015
Unit 12

1. **Call to Order:** 7:00pm
2. **Attending**
 - Arnold Mannering (President)
 - Angela Mashlan (Vice President)
 - Calley Copeland (Secretary)
 - Clay Copeland (Treasurer)
 - Nancy Stewart (Member at large)
 - Luiza Limona (Morris Management)
3. The minutes of the meeting held on 12/05/2014 were approved.
4. **Homeowner Forum**
 - a. None Present
5. **Presidents Report**
 - a. No new business to report.
6. **Treasurer's Report**
 - a. No new business to report.
7. **Managers Report**
 - a. Compliance report, site inspection, work order and financial narrative provided.
 - b. 2014 Financial Audit engagement letter was received from Jay Vandal, CPA. Working on the financial audit. Tax return for the association was filed by March 15, 2015.
 - c. Fire extinguishers need to be renewed per the Bellevue Fire Department inspection.
 - d. Sprague Pest Control performed monthly rodent service per contract. Wasps spraying to be done at the end of April.
 - e. Affordable Handywork completed repairs to roof flashing vents and skylights at units 1 through 4.
 - f. Per board's approval, inspection was done to several attics and roofs throughout the community.
 - g. Reserve Study report for 2015 was received. Per Board's request, the 2016 report will be completed by a different reserve analyst company.
 - h. Coordinated with Condo Grounds Landscaping to perform core aeration for the community. Core aeration (also known as cultivation) reduces thatch in your lawn while it opens the way for air, water and fertilizer to reach the root zone of the turf.
 - i. Compliance & Rental Issues:
 - i. None to report.
 - j. Delinquency issues:
 - i. No Accounts in collection.
 - k. ACC Issues:
 - i. None to report.
8. **Unfinished Business**
 - a. Numbers and Lamps Replacement; Additional forms were submitted to Ecova for the 2015 PSE grant approval.
 - b. Units 1 -4; Astoria Construction completed the roofing repairs.
 - c. Rental Cap; The board reviewed the rental amendment guidelines.

9. **New Business**

- a. Insurance Rates; We received notification that our insurance rates will be increasing \$11,137. This is a result of CAU not offering Earthquake Insurance moving forward.
 - i. In 2014 the association's annual CAU premium was \$20,867, and the Great American Flood premium was \$6,353, for a combined total of \$27,220. The Great American Flood policy was issued with a limit of \$1,000,000 and a deductible of 5% of the replacement value of the damaged building(s).
 - ii. We were able to renew the CAU policy and purchase the optional Earthquake/Flood policy offered by Risk Insurance Brokers. This policy provides full earthquake and flood limits of \$17,380,500 which includes coverage for the buildings, infrastructure (paved surfaces, underground utilities, entry signs, fences, light poles, mailboxes, etc.) and loss of assessments. The deductible remains 5% of the estimated replacement value of each damaged building (or infrastructure as the case may be). The premium for this policy is \$18,185 making the total insurance cost \$38,357, which is an increase of \$11,137 from 2014-2015, and works out to an increase of \$218.37 per unit per year, or \$18.20 per unit per month. While the total cost is much higher than the 'flood only' quote, it is actually a great value considering the increased flood limit and full EQ limit.
 - iii. As a result of these changes, the board will meet with Steven D. Kelly, CIC Senior Associate with Degginger McIntosh & Associates, on April 21st, to discuss future options to keep cost down and maintain a balanced insurance premium.
- b. Drainage Issues; The board has received several requests to address drainage issues. After speaking with several contractors, it is recommended that the drains be cleaned via hydro jetting. Hydro-jet cleaning is a method of clearing drain lines with a high pressure water system. The board approved Affordable Handyman to perform the work.
- c. Unit 25; The home owner requested that the board replace the sidewalk to address drainage problems. The home owner reported that when it rains, the garage of this unit is flooded. After reviewing the sidewalk and landscaping with 2 license contractors, it was determined that replacing the sidewalk would not have an impact on the reported water drainage issues. It is the recommendation of both contractors and the board for the home owner to install a french drain in the limited common area between the garage and the unit. It is the owners responsibility to maintain this area and assume the cost for such maintenance (Article 11.6).

The next board meeting will take place on Thursday, June 4th, 2015. There being no further business, the meeting was adjourned at 8:00PM.

Calley Copeland, Secretary.