

Pawnee Hills Community Association  
Board of Directors Meeting  
October 11, 2007

Board Members Present: Tina O'Bryan, RC Cuellar, Steve Hamblin, Sandy Perry was present as Treasurer. Brian Cook was not present at the start of the meeting.

Meeting was called to order at 7:20 p.m.

Motion was made to approve the agenda. Motion was seconded and passed.

MINUTES:

Tina: Cynthia is going to be here at about 7:30. She is going to go over the mold remediation and asbestos abatement bids. We had a couple of extra companies come in to do a bid. Some of them failed to return our calls, some of them showed up but never did a bid, etc. The end result is that we do have two very solid bids for this. We can make the decision tonight with the information that we have and Cynthia is going to present all of that when she gets here.

Communications from the Community Members:

Tina: None.

Treasurer's Report: (Sandy)

Listing of checks written and discussed. Motion was made to approve the bills as read. Motion unanimously passed.

Sandy: Our three accounts at Bank of the West have been closed. What I ended up doing was transferring the money from the reserve and savings account to the checking account and doing a wire transfer and funds were added to our new account in Georgia. And that cost us \$30.00 to do that but that way the money was secured from one bank to another bank. Once the wire transfer went through, I parceled that money back out in the exact same amounts to our reserve account, savings account, and checking. At the end of September, we actually had \$0.33 in our checking account and Bank of the West is sending us a check for that and so I will get that to CMA and that will close our account with Bank of the West. The income statement is already posted along with the balance sheet so what we would essentially be doing is taking this cover sheet with the balances and another copy of the income statement as the Board reports so we have two copies of the income statement up on the website.

Tina: As far as the fees associated with CMA or our attorney for collection charges, we cannot control the outside fees charged by our vendors. I am fine with Pawnee Hills not charging a \$10 late fee. But we need to charge whatever it takes to cover our out of pocket costs. You know what I am saying?

Steve: Basically, all of our late fees other than the 1% interest should not be charged anymore because—

Tina: Well, the only thing we have is the \$10.

Steve: No, we had the letter charge that we added on for 20-some dollars which we are not doing anymore is that what you are telling me?

Tina: No, I am saying that if CMA sends a letter to a homeowner—

Steve: They charge \$10 and that is between them and the homeowner.

Tina: That is what I am saying, yes.

Sandy: But they also know we have to prepay CMA for that, the processing fee, and then we also, as an Association, we get hit for the postage, the mailing for all of that. It is all included on their invoices.

Tina: So anything that the homeowner incurs for not paying their bill between CMA and Cheryl should be the homeowner's responsibility. It is a hard cost. In other words—

Steve: Right, but what I am saying is, the whole resolution that was passed that was mailed out that had all of those fees are no longer going to be used.

Tina: What is going to happen is that—

Steve: I didn't have a chance to get home. I had to come straight from work so I don't have that with me, I apologize.

Tina: The late fee is \$10. So in reality, all we would have to do is to change the \$10 late fee that PHCA charges.

Steve: Okay, so let's work this just a little bit further. I don't pay my bill this month.

Tina: Yes.

Steve: So next month I get a letter. What am I going to be charged?

Tina: You are—

Steve: I am current to this month. I don't pay next month so I am 30 days late.

Tina: 30 days late. You get letter #1.

Steve: Okay, so how much is letter #1—

Tina: And you get charged the \$10 processing fee that CMA is charging for a letter.

Steve: Ten dollars. That is what I thought.

Tina: Okay?

Brian: And there is postage inside of that? Yes, no?

Sandy: The postage isn't billed back to the homeowner, though. We eat that.

Tina: We eat that. We eat the postage.

Steve: Okay, so it is going to cost me 10 bucks plus the 1% interest.

Tina: Right.

Steve: Okay.

Sandy: Plus the late fee.

Steve: What late fee?

Tina: Well, our late fee.

Steve: No—

Tina: Okay, so letter #1 \$10 and then we eat the postage, what 41 cents. Alright. Letter #2. Okay, so you decide to not pay still and then you get letter #2.

Steve: There we go. I like that.

Tina: Hypothetically, you say, you know, "I'm not paying." So you don't pay again. So now you are—

Steve: Letter #2 goes.

Tina: Letter #2 goes out.

RC: And that is at 60 days?

Tina: And that is at 60 days.

Steve: Okay, so we are not doing any 45—

RC: So are they doing on one of these?

Steve: Yeah, there should be a 60 day—

Tina: Well, we've got to talk to them about it so I don't know if they do two friendlies and then an intent. We have got to talk to them about how—

Steve: Friendly, not so friendly, and we are going to sue you.

Tina: Nevertheless, letter #2 goes out.

Steve: Okay, so letter #2.

Tina: Okay.

Steve: Now, we have the 1% interest, we have the \$10 from the previous month, and two months dues now. Another \$10? Is that it?

Tina: Yes. We are sending you another letter.

Steve: Okay, so now—

Tina: You are on target.

Steve: Okay.

RC: You are still not paying.

Steve: And I am still not paying, then 90 days, so then I get the hell, fire, and brimstone letter and—

Tina: 90 days.

Steve: Right.

Tina: What happens is it gets handed over to our attorney for collection. She does a demand letter and a lien.

Steve: I actually don't even care about that at this point. This is what I want to know is that we are out of the collection business. Either CMA is dealing with it or Cheryl is dealing with it and we don't have to sit here and argue on fines to say that it is \$22.97 because that is our assumed cost or anything like that anymore.

Tina: Right. It is whatever it is. Now, if you want to get this taken care of tonight, we need to rock and roll and get it done. I am fine with making a motion to amend the resolution regarding policies and procedures for collection of unpaid assessments, #3, late charges on delinquent installments where the Association imposes a \$10 late charge. We would just remove that paragraph and amend it that way so that the Association is not adding on another \$10 late fee. Do you guys want to keep it?

Brian: If it matches—if everything else matches what CMA is charging then—

Steve: I will second for the sake of discussion. Okay, now, discussion? I would rather have the charges listed and in front of me. I mean, I think we are agreeing to that in principle but we haven't even gotten this letter resolved. I would like to postpone voting on the motion or withdrawing the motion for tonight until we have that listed and spelled out rather than—

Tina: So you want basically a whole procedure of what we do?

Steve: I want the breakdown of charges so that if somebody said, "What charge are you referring to?" that it is spelled out.

Tina: I will spell the list of charges out full well knowing that these numbers can change. I mean, Cheryl could raise her rate.

Steve: That is fine.

Tina: But I could give you a current—

Brian: So let's find that out. I mean—

Tina: I can give you a current list of charges.

Steve: That's fine.

Brian: Yeah, let's do that from CMA and from the attorney.

Steve: To be posted so that people can see what it is.

Brian: Yeah.

Steve: Okay and then at that point I would be ready to vote on the motion.

Tina: Okay.

RC: I don't have anything in front of me either. I am trying to get ready to go on the road again. Doesn't our bylaw pretty much, don't have the exact language to say that, you know, you will be responsible for our costs incurred?

Tina: Yes.

RC: I mean, so, essentially, we could almost get rid of the entire resolution.

Tina: No, we have to have this resolution in place per SB-89 and SB-100 because everybody has to know what our procedure is for collection of assessments.

Brian: We do need a resolution but we do need to modify it.

Tina: Yes, we can modify this paragraph and we should be pretty much in line. Okay? Now, in bringing that up so we can get this over with right now—quick history. We had the due date the 15<sup>th</sup>. It was late after the 15<sup>th</sup>. Normal accounting practices is that the due date is the 1<sup>st</sup>. So, when CMA comes in and says, "Why is your due date the 15<sup>th</sup>? Everybody else in God's green earth is the 1<sup>st</sup> of the month. And we said, "Well, I don't know." So I went and I researched our bylaws and believe it or not, in the beginning when the developer handed it over to the homeowners, he basically says you can start collecting the dues the first of the month starting this date or once a certain percentage is taken over. And the Board at the time just decided to have the due date the 15<sup>th</sup>. The Board can make the due date to be whatever they want, but normal accounting practices for associations use the 1<sup>st</sup> of the month. So I need to make a motion that we change the due date per this resolution to the 1<sup>st</sup> as opposed to the 15<sup>th</sup>.

Steve: So you are saying that they are due the same day they are mailed out?

Tina: No because we now use coupons. So I'm saying it is the first of the month is the due date. You are not late until the end of the month. We are trying to fix this to make it be correct. And we have to set a due date for CMA to start printing the coupon books. They want to get printed on these coupon books for 2008 and get them out to the homeowners A.S.A.P. So, right now, our coupon books do read "Due date November 1<sup>st</sup>." It says it right on the top.

Steve: Um-hmm.

Tina: So if we change the due date to be the 1<sup>st</sup> of the month period, we have solved all of our accounting problems.

Steve: Okay, that is fine.

RC: It has got to be done.

Steve: I thought the due date was on the 1<sup>st</sup> but you had 15 days and all we are saying is that you have got 30 days.

Tina: Right.

Steve: I don't know why this is—making this out to be so difficult.

Tina: It is not but I want to make sure that you guys understand that this resolution has to be changed because we had set the date at the 15<sup>th</sup> and it needs to be changed to reflect it correctly in the resolution.

Steve: Yeah, I think it is due on the 1<sup>st</sup>, that's fine.

Tina: Okay. So we will make the adjustment that we need to in our resolution to reflect that change.

Steve: Right. Maybe we should, while we are fixing that, we should just maybe take a look at that resolution but I think that let's fix that for the 1<sup>st</sup> so that they can print the coupon books and agree that we will all agree to that.

Tina: And then we will be actually back to normal, the way it is supposed to be. The other thing, and I don't know how you guys feel about this, but Sandy has got to know because we are working on the budget and CMA also needs to know what are they putting on the coupon book? Our assessment staying at \$45.20 or an increase of 5%? None of us have ever talked about the—go ahead, Sandy.

Sandy: Actually CMA is going to be printing these later in the month—

Tina: Later this month?

Sandy: They can go to press early November but the sooner we figure out, I mean, so I guess we don't have to set the budget tonight or anything but if we can set the budget within the next week so that they know, I mean, now we know that the due date is changed, we need to know what amount to put on the coupons.

Steve: And so we either approve the budget tonight or have a special meeting and it has to be—if we are approving the budget, it has got to be posted and other things. We can't approve the budget and avoid with the open meeting laws.

Brian: I think we had some concerns and stuff that we wanted to further look into.

Steve: I think because I don't have the information at this point, I am certainly not ready to say that there is a 5% increase. I would rather keep it static for the following year and just put that in the coupon books because I am certainly not prepared to say to raise it 5% without going through the budget.

Tina: Well, then we are going to have to call a special meeting just to do the budget. I mean, unless you guys are okay the way the budget sits right now.

Brian: There are a few things in that budget that need to be addressed from what I saw so we need to, you know—

Steve: What do our bylaws say when the budget has to be approved? Is there anything?

Tina: We have to present a budget—we have time but the problem of it is that we—CMA needs an answer whether we are raising the dues or not because obviously they have got to go to print. But, the budget itself has always been presented, approved before the annual meeting, okay? We moved the annual meeting from December to January. The budget does not have to be approved by the homeowners. The Board puts together a budget and presents it to the homeowners. So, the annual meeting is at the end of January so if we want to just make sure we get it out to everybody by December, again, here we are. Normally, what I am saying is, we have to have the budget to CMA by December because they then have to plug in all the numbers for January 1.

Steve: So we could just say that we are not going to raise the dues and not worry about the budget until the November meeting if we wanted to.

Tina: Yes.

Steve: I think that we can live within our budget.

Brian: I don't know that we had a major—I don't know that I saw a major pitfall for next year budget wise who knows, it might come down to a special assessment. I mean, I don't know but I don't see looking at a need to raise the dues at this particular point—

Steve: Sandy, I have to talk to you because you probably know. If we raise the dues by 5% next year, what was the total change in revenue forecast? We are looking at basically, okay, so if we did that it would be a net increase of just under \$4,000.00 for next year.

RC: That is not going to build this building.

Steve: That is not going to build this building.

Tina: No, it is not going to build the building. What it is going to do is to help us to get enough money to fix the stuff that we need to fix. I know I have said this about a billion times, you guys, we went eight straight years without raising the dues.

Steve: Well, that is not true because you caught up because you raised them for 5% for each one of those years retroactively, so—

Tina: No. We are still not where we need to be and the problem of it is that we have big stuff coming that, you know—sure, I guess, yeah, you could say, can we live within the budget? If you told me this is all the money we are going to have and I am going to say okay, that means that we can't put that retaining wall between the two courts which means that give me a year, give me two years, in five years we can build that wall but by that time we have already ruined this sport court because the drainage problem that we've had has ruined the sport court and all the money that we put into it. So, it is kind of like, I will give you the example of that corner down there. That basement. Cynthia has told this Board we've got to fix that corner, we've got a drainage problem. We've got a drainage problem, we've got a drainage problem. For years.

Chuck: For years—

Tina: Chuck knows. And what happened? Board doesn't want to spend any money. Now—

Brian: So the building has to be fixed. All the mold and—yeah, it has to be fixed. But the retaining wall down there, how is it ruining the sport court—

Tina: We've got dirt—we've got erosion underneath—

Brian: That is as simple as just washing off the dirt.

Tina: No. It is getting underneath and it is causing it to buckle. So it is not a matter of just picking the tiles up and sweeping it off and putting the tiles back. We are having erosion problems that are causing a problem with that sport court.

Tina: Well, can you guys—let's do this because we've got so much to go through and we just don't have that much time. Are we okay to go ahead and make a motion to leave the dues at the \$45.20?

Brian: Second.

Tina: Discussion? With what you know now, do you need to know more? Do we need to go over more?

Steve: I'd need to go over more if I was going to vote for other than affirming the vote to leave the dues where they are. I think that for future years, if we have to make those decisions and to put it into the coupon book, then the budget better start being talked about in June or July and August and not wait until—you know, we didn't have the meeting last month so that kind of—

Tina: Plus we didn't think about the coupon time frame either.

Steve: Right.

Tina: We thought we had plenty of time, so—

Sandy: It will cost about \$500.00 to print all the coupons.

RC: So we don't want to do it twice.

Tina: No, we don't want to make mistakes. Okay, you guys just want to have a budget meeting separate from all of this to go over all the budget stuff and to come up with a—

Brian: Did they say, so the first week in November was absolutely the latest? The second week?

Sandy: Yeah, the first week in November. She said that was the latest that they could really go.

Steve: I am in town all of next week. I could meet—I think I could meet virtually any evening next week and then I am out pretty much every week through the 15<sup>th</sup> of November.

Brian: That stinks because I will be leaving Wednesday afternoon and won't be back until the following Tuesday.

Steve: In fact, I will miss the November meeting.

Tina: Okay, now wait a minute, guys. We are not even coordinated here. Okay, so, Steve, you are gone when?

Steve: I am definitely not gone next week.

Tina: Okay, tell me when you are gone.

Steve: Okay, I am definitely gone—I am in town all next week, the 15<sup>th</sup> through the 19<sup>th</sup>. I am out of town the 29<sup>th</sup> through the 1<sup>st</sup> and I may be in town the 22<sup>nd</sup> through that week. So, the next two weeks would probably be best. I am actually going to New York the week of the 22<sup>nd</sup> so next week would work best for me but I can jack my schedule around the following week if need be but would like it either early or late in the week.

Brian: Late in the week would work for me.

Tina: Okay, wait a minute, what days—

Brian: The 22<sup>nd</sup> so basically like the 25<sup>th</sup> or the 26<sup>th</sup>.

Tina: Okay, you are gone all that week so that isn't going to work.

Sandy: I'm gone too.

Tina: Sandy is gone so that isn't going to work.

Brian: That definitely is not going to work.

Tina: Okay, so, boy, you guys. You are killing me.

Sandy: The only thing that CMA needs to know, that we really need to figure out is the money available. Is it going to be at \$45.20 or is it going to be the additional monies? If that gets divvied out—

Tina: Yeah, I'm not worry about that. What I am worried about is—

Brian: Whether we should leave the assessments the same or—

Tina: And a budget is a budget, guys. You know we need to try to do the best we can to get as close as we can but, you know, we've got to just get some numbers out there and I noticed that you had questions that were easy answers to give. I just knew it off the top of my head when I was going over your questions.

Steve: Are you in town next week?

RC: I don't know. I can't do a Monday. Tuesday, Wednesday, and Thursday.

Tina: Tuesday, Wednesday, Thursday yes or Tuesday, Wednesday, Thursday—

RC: Tuesday, Wednesday, Thursday I can.

Tina: And I can't do it Thursday.

Steve: How about next Wednesday?

RC: Wednesday the 17<sup>th</sup>. Okay.

Tina: That's not a real solid okay.

Steve: You can TiVo the Bionic Woman, Brian.

Tina: How about you, Sandy? Can you do it the 17<sup>th</sup>? Alright, what time do you guys want to be here?

RC: Early.

Tina: Yeah, because I—

RC: 4:30, everyone?

Steve: I could do that.

Tina: I could do that.

Sandy: I could too.

Tina: 4:30?

Steve: 4:00

Tina: 4:00?

Steve: Any time—like I say—

Tina: Sandy? Well, this would be good if we can just do it that early and get this all done.

RC: So what are we looking at, 4:00 or 4:30?

Steve: Either for me.

Tina: Let's make it 4:30.

Brian: Well, so let's try to start as early as possible.

Tina: 4:30.

Brian: I need to try to get home.

Steve: Okay, 4:30 sitting down and going to work.

Tina: And we are done. Alright, hallelujah.

Brian: So 4:00?

Tina: 4:30.

Brian: 4:00?

Tina: What are you guys doing? Do you want 4:00?

Brian: 4:00?

Tina: Okay, 4:00.

Steve: And this needs to be posted in the mail room because of the open meeting laws, work session or otherwise.

Brian: I disagree.

Tina: No, it is just a—

Steve: If the four of us are sitting here in a meeting, it has to be posted and it has to be open.

Tina: I don't care.

Steve: But we don't have to take any comments or discussion.

Tina: Thank you because I want to get this done. I don't want it to be all over the place.

Steve: You are allowed to listen but that is as far as it goes.

Brian: So be specific on what we are doing. It is just a work session for us. We are not, you know—

Tina: Okay, Cynthia, do you want to get yours done, get this over with—

Facilities Report - Cynthia.

The electrician work is complete. I did have him move where they put this light out here because originally I had asked him to put him in this corner and they moved it. But they didn't charge us anything extra. And it does light up the parking lot better which was what we had hoped for anyway. So they finished everything. They are going to bill us soon.

The fire inspection is complete and they didn't find any problems. However, I did get a call back. They asked me to call them back. I did. They left a message then I called back so we are playing phone tag. I am not certain why they need me to call. So the fire extinguisher inspection was done. We did have to recharge one of them. And fire exit sign and batteries were checked and this battery right here had to be replaced and for some reason since then, these lights are burned out but Chuck says he thinks he can get a replacement.

The door to the office has been replaced as requested. There is a paper towel holder temporarily installed in the ladies room. We will redo that permanently after the mold remediation and rebuild because that is part of the area that is going to be torn up. Final inspection was scheduled for this month. They were supposed to be out today. I don't see it so they will get a call tomorrow. I met with two more remediation companies. One did not respond with a bid at all. But we did get a total of three bids. One won't do an asbestos abatement which was one of our original ones so it is not one of the ones I submitted to the Board but it is, just for the mold remediation part, just like Kingston and it is within \$50.10 so they were in the ballpark. Kingston Environmental, Rocky Mountain Environmental. Stink Inc. was one of the ones. They actually came recommended to me but they don't do anything with asbestos abatement and they didn't know I was getting a bid from Kingston at all but that is actually who they use for their asbestos abatement so they would have called them and done like a 20% markup on it. So, they didn't really know I was getting estimates from Kingston so I just kind of, since we already had one from Kingston, I didn't feel we needed that estimate, although the mold was, you know, from a pricing

standpoint, the mold remediation was the same. And that is really all I have other than what—the corner light at the pool went out at the end of the season. Well, an electrician looked at it while he was out here. He put the light up against it and it came on. So if it goes out, we are going to do it and we will have to have him back out. The little light to the pool on the pump house went out again this season too. It was kind of off and on all season. I think we may just have a wiring problem. It is a fairly new fixture that was donated, though, so it didn't cost us anything the first time it was replaced but it might just be a wiring thing.

Brian: Is he going to charge us for it to fix it?

Cynthia: This light in the corner or this one?

Steve: If it was a donated light.

Cynthia: It was a donated light and it was a homeowner that actually wired it initially so it may just be a wiring issue. I'm not sure yet but yes, if he comes out, if he uses his time, we will pay him for his time just like we have everything else.

Brian: I can take care of that.

Cynthia: If you want to look at it, that's fine.

Steve: And the one in the corner, we will—can't we just use one of your interns to crawl up the ladder every time the light goes out?

Brian: So just like maintenance stuff like a fixture doing that and that would be something that would be charged for, it is not a warranty thing, let me know. I will be sure to take care of that. I can get that stuff fixed.

Cynthia: Okay. In the past, we said for liability reasons we didn't do that but they did let a homeowner do it last time.

Brian: Well, did the homeowner have a contractor's license?

Cynthia: Oh, heck no. No but he wanted a master electrician to sign off on his work because he knows how to do that stuff. I said no. No.

Tina: As far as—

Cynthia: Here is the bar code if you want to know how to get in there. I actually left it upstairs on the desk but I am not sure anybody actually got it.

Tina: No. You guys need to write that down. I mean, a key will work.

Cynthia: They don't have keys. Only you and Sandy have keys.

Tina: Oh, that's right 'cause we've got to talk about that one too.

Cynthia: Alright, so this is for you to talk about.

Tina: Just to let you guys know that I have gone over both the Rocky Mountain and the Kingston bids. Kingston comes out to be \$9,896.00 and Rocky Mountain comes out to be \$9,750. So, Rocky Mountain is a little bit cheaper but in talking to Cynthia and the feel that she got from them and—I mean, both of them are really good so if we went with either of them, I would be very, very happy with that. I just happened to kind of like Rocky Mountain a little bit over Kingston but that is just—

Cynthia: I called them; they came out in one day. I had the bid by Wednesday. He found things and showed me things that no one else really went into the detail that he did comparatively just compared to who else I actually got bids from. We talked about the asbestos test that we got and he knew that we had the asbestos test. But he hadn't received it and he responded so quickly that after I got that, I sent him the test with an e-mail that said asking him if having this information now in writing would change his bid at all. My only thing is, if it changes his bid, we go with Kingston. Actually, they were my first choice until him. They have hung in here with us the whole time. They follow up, very professional. My second choice only because that guy was so much more detailed when he did his inspection. If it comes back with a higher bid due to that asbestos test that I e-mailed him, I would go with Kingston just because they are less expensive and they are still going to do a good job. They are reputable as well.

RC: So Kingston's bid includes asbestos abatement?

Cynthia: It does and it is actually on there. They split it out between what the mold remediation is and the asbestos abatement. Rocky Mountain Environmental just put it all in one lump sum and I just wanted to verify that that was covered as well. And if they come back and say, oh, no, that is going to be this much more, go with Kingston.

Tina: Then we go with Kingston. So basically, my motion is this is that we award the bid for the mold remediation and asbestos abatement to Rocky Mountain remediation contractors only if they come back and say this is the solid bid including the asbestos. If they come back with it being more, then we would award the bid to Kingston. Do I have a second?

Second.

Tina: Discussion?

Brian: So, they are going to have someone sign off on the abatement.

Cynthia: We have to have it tested. We will have the original tester come out and he actually—we had two people do the testing. One was mold, one was asbestos. The original tester does asbestos as well. He has gone back and gotten further certification. We can have it all done by one company or if you are more comfortable to get the clearance, we can have the original asbestos and the original mold company do it. That is really your call.

Tina: And then once—if it is not clean, if there is a hot spot, they have to come back and fix it.

Brian: That is correct. That is why I am saying we should go with the lowest bid because there has been inspection by a professional and they will come back and verify that—whichever company does it, whether it is the higher bid or lower bid, so you are not focusing on quality really. They are. The guy who signs it off is like, he is responsible for it so—

Cynthia: Right. And they both know that and they both are aware of that. When I first was getting these, I actually called in an industrial hygienist as well after we got our mold inspection back, the mold results back, and one of the things—the gentleman who just came out from Rocky Mountain, he sat down with

me, looked at that, said almost verbatim about the types of mold, about mold counts as what the industrial hygienist came out and said. So that was also one of the things that kind of swayed me. He just, he was that thorough and had—just a very knowledgeable person. He also works with a gentleman who does the actual rebuild. He was out of town and couldn't meet with me so if it came to that and he didn't do a markup on that guy or anything so one of our bids for the rebuild when we get that far. And I just want to reiterate something I said in an earlier report that I would prefer to have the Board once this is done and we know exactly what we need to rebuild, have the Board at least do an initial RFP write-up and a materials list so that we don't go back afterwards and say, well, I thought we should have used this or should have done it this way. I would rather see the Board up front have that information so that when I go out for bids for the rebuild, they know up front what our RFP is and what our building materials are from the Board.

Tina: Absolutely.

Steve: Do we have—because they are so close, do have any—just looking from a contract standpoint, indemnity or warranty or anything else? Here it is spelled out. Have we seen indemnity and warranty on—

Cynthia: Initially, yes. In the initial protocol, it states that the company that does the remediation has to do clearance and come back and make it right—

Steve: No, I am more concerned with indemnity and the legal ramification, especially with asbestos. I mean, these people are fully taking full responsibility on the Kingston Environmental. And it talks about indemnity and holds harmless and things like that which we don't have here.

Tina: Okay, but if you want that, we can ask them to take that paragraph and get it into their contract if we need to.

Cynthia: And he did give me that verbally just because it said that in the protocol but I will absolutely get that—

Tina: We can do that.

Steve: And I think invoice or indemnity is just as important as warranty because—especially with asbestos abatement. If they come back, I mean, this one—if they came through and said, "Gee, our guys all got black lung disease because of the asbestos." They could come back right now, they could say it was on your property and we are exposed to that. So, just from a contract standpoint, I would like to see some sort of indemnity clause in there that indemnifies Pawnee Hills.

Cynthia: That is why I actually sent them, physically sent them that asbestos test so—the results from the asbestos test.

Steve: But they need to agree in writing to indemnify Pawnee Hills Association.

Tina: Okay, so, amending the motion, it would be to have Rocky Mountain add in the indemnity and the warranty clause in their contract—

Steve: All their terms and conditions.

Tina: The terms and conditions from Kingston into their contract.

Steve: Well, I think they have to do their own. I don't think we can give them Kingston's—they need to give us contract language on warranty, indemnity, and all of those.

Cynthia: We don't have to tell them who it is from. We can say we require this same thing for you to get this bid. If you like the information that they gave us, we can pull that out of there. They don't have to know where it came from. I am going to say for us to award you this contract, we need this wording in your proposal.

Steve: It needs to say all of that. We just leave ourselves wide open for exposure if they do not have a terms and conditions that we agree with.

Cynthia: We also have a lien waiver with our contractors that we have them sign—we did it with Mile High—we had them do a lien, a waiver of ours--

Tina: Make them sign our lien waiver.

Cynthia: That we had an attorney draw up for us some time ago. Just let me know what the decision is and I will make the appropriate contacts, calls, or additional requirements. And if you don't want to do Rocky Mountain because it wasn't in their standard or initial proposal, then we can go with Kingston. That is fine. I actually felt comfortable with both of them. I just felt that Rocky Mountain was a little more knowledgeable.

Steve: I don't doubt that. I guess I have a couple of things. One is that of the contract language without reviewing it all. At least it is there so that there is points of indemnity on both sides and two, that the Kingston, they have stuck with us from the start and that's got to be worth some points.

Cynthia: They actually did—

Tina: To be honest with you, I can go either way.

Steve: Okay, but it is \$100.00, they have stuck with us through thick and thin dragging this out for months.

Cynthia: That was my initial soft heart approach but—

Steve: Puppy dog inside.

Brian: I would have to say that, again, going through this, that the verbiage looks much, liability transfer is much better on Kingston from this contract. I don't know that we want to even tell them—

Tina: To go through that? I mean, I can amend my motion, guys.

Cynthia: Okay. So you want to go with Kingston?

Brian: Let's transfer as much liability as we possibly can.

Steve: The warranty is there regardless of knowledge. You know, we are going to be covered.

Tina: Alright, either way I think we are going to be fine. Okay, so I am going to go ahead and—RC, do you have anything before I amend my motion? Okay, so I amend my motion that we have Kingston Environmental do the asbestos abatement and mold remediation.

Steve: Second.

Tina: Discussion? All in favor?

Motion passed; 4 ayes.

Cynthia: I will talk to Kingston tomorrow.

Tina: That would be fabulous. Let us know what the scheduling is.

Cynthia: The only thing that might hold it up is that Halloween party.

Tina: Alright, does anybody else have anything for Cynthia? I don't know if Cynthia wants to—you know, we need to talk about this and maybe—because then Cynthia might be able to put her two cents' worth on this one. August 12<sup>th</sup>, guys, we had a—and I am getting off the agenda here, sorry, but, while I've got her—we had a building trespass and people in the pool after hours under Board business—

RC: Who is Stink Inc. and why are we agreeing to already give them stuff for installation? The removal of asbestos-contained drywall and it goes on. It says "This will include removing the kitchen cabinets to gain access to the walls. Cabinets will be saved and turned over to Stink Inc. for installation."

Cynthia: No, that was in case Stink Inc. was going to do the rebuild. But that won't be done.

RC: Okay, so that line will be removed?

Cynthia: Yes.

RC: Okay. Sorry, I am reading it finally and—

Tina: Okay, so I am talking about the pool and the building break in. We were supposed to talk about this last month. What had happened is on August 12<sup>th</sup> at, I don't know, what was it, 10, 11 o'clock—

Cynthia: Right at closing.

Tina: Right at closing, go ahead, Cynthia. Tell them what happened and then I will come in—

Cynthia: Okay, we came over to close and a car pulled in, pulled out, went up to the end of the cul-de-sac, my son Brian and I came in and closed, left the building, and they had come back and parked in the parking lot. We walked out and jotted down their license plate number on our way past and we watched. Another car pulled in, a bunch of kids climbed out. I said, okay, that's fine, they are still in the parking lot, that's not an issue. Third car pulls in. A bunch of kids pile out. Still, just in the parking lot talking. Third car that came leaves. Everybody piles out of the other two cars again and heads for the club house. I am on the phone with the police officers, Elbert County. So, I said, "Would you like me to confront?" They said please do not confront. We will send somebody out. Thirty minutes goes by. Nobody is here. I come over and come in the front of the building. They are all out having a gay old time just laughing and swimming in the pool. Nothing really going on. They are just swimming in the pool. I call them back. Spoke to the captain. I said, "Are you sure you don't want me to confront? Is there an officer en route? What are we doing?" He said, "Well, they got called out on another call. Hang in there. Hang in there. Don't confront." So we are still watching them. All of a sudden, Brian and I hear the steam room come on and I'm like, we locked up. How is the steam room on? Brian says, "Well, maybe I just forgot

to lock.” I said, “Brian, you asked me which key it was. You didn’t forget to lock.” He goes, “Well, maybe I did.” Said okay. I’m going to go down. They are still out there having a good old time. I locked the door, turn out all the lights, turned off the steam room. Come back up here to wait. All of a sudden, the girls head for the back of the building, giggling, laughing, clapping and Brian and I are, well, they are not going to be able to get in. All of a sudden, one of the boys says, “Well, I have a key.” I’m thinking a gate key. You know, they think they can get in but the bolt lock is locked. They had a bolt lock. One of the Board keys they had. Got in the building. I am on the phone with the police. They are now in the building. They said, “We will get Elizabeth Police out. We don’t have anybody to send.” So the Elizabeth Police came out, met with me, we confronted. They took their report. About 1 o’clock in the morning we wound up leaving.

Tina: She called me.

Cynthia: Well, I let her know and she was on the way home from work so she came by.

Tina: I came right by.

Cynthia: So we were out here waiting for people to pick up kids and there was no vandalism but somehow they got these keys and when we were sitting there, I said I need—whomever has that key, I need it. So one of them hands me a key. It is a gate key. I said that’s not the key I need. I said, “Brian, go check them. Just see if we have something mixed up when we rekeyed this year. No, it was a gate key. So I said, “Someone else has another key.” “No we don’t.” The officer says, “Do you want to be charged with obstruction?” “Oh, I have this key.” Another gate key. I said, “No, this isn’t the key. We need the key.” And they go, “We don’t have a key.” I said, “Yeah, you do.” The officer goes, “May I remind you I will charge you with obstruction.” They pull out the Board key.

Tina: Shocked the heck out of me.

Cynthia: Me too.

Really?

Cynthia: Remember that week we had—that month we actually had a Board meeting earlier in the month, there were doors left open. The only thing I can figure and the only thing, no one had locked the office door where these keys resided. They were open and the middle door was left unlocked so anybody with a gate key could come up here. Since then, there was another couple of kids that came and I had taken license plates for a while and it was a repeating license plate but that wasn’t with the kids that were here and I said, “May I please see your key?” Then I went through all the keys and I knew what section was probably stolen so I said, “Do you know this is a stolen key?” And he said, “No.” I said, “Where did you get this?” He said, “From one of the kids that got caught the other night.” So I said—

Were any of these kids residents?

Tina: No. None of them were.

Cynthia: Kiowa, Castle Rock.

Tina: There were four minors and one, the guy was 25. He was 25. And they gave the name of the kid that supposedly gave them the key and, of course, we—

Cynthia: They didn't give the right name.

Tina: No, they didn't give the right name because it was a "Jeff Stahely" and we were like, where is this "Jeff Stahely" and how do we find him?

Cynthia: It turns out the kid that said it was "Jeff Stahely" was actually the one that some of the other kids ratted out. The Kiowa Police or Sheriff's Department will not return my calls. It has been turned over to three different officers. We went through last year—was it last year or two years ago?—when it took me from August until December to get all the information back because they kept doing the same thing. It was someone else. Leave a message for this officer. They are not in. This deputy or that deputy. Now it is over to Investigations. So, I am calling on a regular basis leaving messages saying please contact me and I even said at one point we have further information for you that we need to put on the report. They still have not contacted me. The last time, I must have gone to Kiowa five times and they would say, "Oh, you can come pick up your report." I would get there and it wasn't there. "Oh, you know what? Somebody didn't finish the report. We have pulled it. It is not here."

Tina: We did, though, charge them with trespassing and because they got into—

Cynthia: Well, we can't charge. We said we want charges pressed but because they are minors, it was turned over to the DA's office. The one 25-year-old, everyone swore he was not in the building. He is in better shape than the kids who went into the building. Outside the building people, misdemeanor trespassing. Kids in here, if the DA went for that, they could be up for felony trespass as soon as they entered the building with a stolen key. We have heard nothing as to what happened when—and last year, because I filled out the report, I got witness protection stuff in the mail. I have gotten nothing of the sort this year. Ironically, it was after the court dates were set and in the wrong names for the wrong people but at least I got something. This year I have gotten nothing in return at all and I have left messages repeatedly, easily in excess of 10 calls.

So nobody got hurt.

Tina: Oh no, there was beer here.

Okay, but nobody got hurt and there was no vandalism.

Tina: No, we made sure we checked everything. There was no loss to it. Otherwise, were going to charge them with anything that was damaged or vandalized and we walked the whole area.

Cynthia: And because we were here, we don't know what they would have done if we weren't here but we did catch them. We found a pot pipe after that stashed in the bush and they didn't charge anybody for drinking because they saw no one with an open container. They actually stashed, and they didn't want to spill them so they were very careful.

Tina: We walked around with a flashlight but—

Cynthia: They had these full cans of beer carefully stashed in the bushes with a pot pipe on the fence carefully stashed in the bushes.

Tina: That's why because the sheriff and the deputy said immediately because you know how many keys have been made throughout Elbert County with these kids and it has to get rekeyed, so we were like—

Cynthia: Now, they still will have all the gate keys.

Tina: They have the gate keys but they don't have the master building keys.

Brian: So it is our responsibility at this point in that there was that problem like rekey like yesterday—

Tina: We did that.

Brian: We don't want somebody having access to the building.

Tina: So basically right now, we don't know, we didn't get all the keys back, I can tell you that. But, they at least cannot get into this building.

Steve: Do we have the pool covered yet?

Tina: Yeah.

Cynthia: The pool is closed.

Tina: It is closed. We are done. We may have to next year think about rekeying over in the spring.

Cynthia: In the spring when we open that pool, but now there are little slide bolt locks on the back gate so they can't get in with a key. There is a padlock on this gate so it shows intent that it is closed. The security cover is on the pool so I think we are fine as far as the winter. This spring, I recommend absolutely we rekey and I really recommend that we go back to assigning key numbers to homeowners so when there is a key found that doesn't belong to the—we call the homeowner and say we found your key.

Steve: What about putting some gates on the driveway too? You don't like that idea, RC? Okay.

Cynthia: It is actually only a problem right before school gets out and right before school begins.

Tina: And I was so amazed that they were just not even worried or panicked or anything and I guess the best thing was that the parents all had to drive out at 1 o'clock in the morning and pick up their kid.

Steve: I'm going to go search the downstairs.

Tina: Okay, I'm sorry, Cynthia has got to go. Anybody else have any more questions? We just had to go through that real quick.

Architecture Control Committee (ACC) – Pete Smilanic. No report.

Activities - Karlene Herbrand. No report.

Tina: The only thing I wanted to remind everybody that the Halloween party is going to be October 27<sup>th</sup> from 3 to 5 p.m.

Buildings & Grounds - No report.

Covenant Committee – Bill Curley. No report.

Tina: Bill Curley is now the Chair of this committee but I haven't seen him around or haven't heard anything from him so I don't know what to do about that.

Brian: Does he know that?

Tina: He said he was going to call Chuck because he wanted to be on the committee and I said give him a call.

Directory and Welcoming – Pam Schultz. No report.

Equestrian - RC Cuellar. No report.

Newsletter - Susan Laessig.

Tina: You know what? I'm not even going to go there, guys, because we still haven't figured out whether we are going to send newsletters out or not. I don't happen to have anything—I didn't have anything last month to put in. I don't think we should create a newsletter just to fill anything. If anybody has anything, let me know and we can actually send one out.

RC: I do have a question for Steve. Did you get any response on the e-mail thing?

Steve: Two people requested electronic at this point so—and that may be because only four people read the newsletter, I don't know but I think that, you know, when we do do newsletters, we will continue to put that in and for the people that want it, I will get with—who does the mailings for the newsletters?

Tina: Right now Elizabeth Business Center.

Steve: Okay, I will make sure that you know and people know who—

Tina: Yeah, basically we just pull their name from the mailing list.

Steve: Yeah.

Website: Sandy.

The financials from August were posted up on the website. If you look at the Board report, you will see there are going to be a bunch of zeros along the actual disbursements. When those reports were run, TBO did not have a listing of all the checks. They did not have reconciliations from the bank. So, those are very bare bones, not very accurate reports for the end of August. Those numbers are included in our September financials.

Tina: Real quick-like, 2008 budget we have already, we are going to go ahead and meet with that. The Beireis/Jackson court date was held October 9<sup>th</sup>. Sandy attended that also but basically it was supposed to start at 10:30. We waited 20 minutes and they did not appear. Therefore, the judge granted us the judgment against Beireis and Jackson for the total amount due and any outstanding legal or collection fees incurred. So, we did get that judgment. Cheryl will then create the affidavit with the total amounts and submit that to the judge. The judge will then approve that.

Tina: January 26<sup>th</sup>, 2008 is going to be the annual homeowner's meeting date. So we are going to set that date and I have the notification to the homeowners regarding that. I have a draft. I will send that to you guys for you to edit and look at. Right now as of today, unless something changes, I just have who has given interest to be on the Board on the ballot.

Steve: When was that interest given? I mean, is this something—

Tina: This was not last month but the month before, remember when Bill Curley, Stephen Giles, Steve Hamblin, I don't know if you are or not, I just put your name on there, Tina O'Brian, April Osborn, Pam Schultz, and Bob Rowland. That is all I have right now. And if there is anybody else that you know of that is showing interest, let me know. Otherwise, I also put in here that if there are nominations from the floor, there may be nominations from the floor that are not part of this.

Steve: And I think the Nominating Committee, whether it be Pam or myself or somebody on the Board, should check with all of those people before that goes out because that may have just been in the heat of the meeting that they wanted to run—

Tina: And you know we can do that. And we can do a drop dead date. I mean, it still could go out and somebody can change their mind but we will do a drop dead date of whatever before this goes out that we call everybody and say, "Are you still interested in being on the Board."—

Steve: Yeah, I think so because I think that you have a lot of people that really aren't interested in serving and I would rather have the ballot reflect who really wants to be there.

Tina: I don't know, when someone says they want to do stuff, I just—

Steve: I haven't said it and you already put my name on it.

Tina: Really?—

Steve: Oh, Tina, I'm not going to dis ya. I'm not going to let you off that easy.

Tina: No, you said—didn't you say you wanted to do this? Yes you did. You didn't say you didn't.

Steve: Well.

Tina: Okay, what drop dead date you want me to give you?

Steve: Same as everybody else.

Tina: Okay. I say December 15<sup>th</sup> is my drop dead.

Steve: That's fine.

Tina: How's that?

Steve: Works for me.

Tina: There you go. That's how long you have to make up your mind whether you want to do this anymore.

Steve: Sleepless nights.

Brian: You are going to have to think real hard about that.

Steve: Yeah. Hanging with you guys.

Tina: Does anybody else have anything before I open up for open forum?

Nominating Committee: Pam Schultz. No report.

Open Forum: Nothing for open forum.

Motion was made to adjourn the meeting. Motion was passed. Meeting adjourned at 8:45 p.m.

Respectfully submitted.

Tina O'Bryan