

**Fairway Nine I Condominium Association
Board of Directors Meeting
November 10, 2017 3:00 p.m.
Ranch Clubhouse**

MINUTES

PRESENT: Bob Nicholson – President
Nyle Brown – Vice President
Bert Hughes – Sec./Treas. - Via Phone Conference
Gary Burt – Director
Sharon & Chuck Williamson -Managers

NOT PRESENT:
Chuck Lockhart - Director

CALL TO ORDER:

Bob called the meeting to order at 3:00 p.m.

ESTABLISH A QUORUM

A quorum was established with four (4) directors present. Chuck Lockhart was not available.

ELECTION OF OFFICERS

Board members elected the following officers to serve for 2017/18:

President: Gary Burt nominated Bob Nicholson for President, Nyle Brown seconded, motion unanimously approved.

Secretary/Treasurer: Gary nominated Bert Hughes for Secretary/Treasurer, Bob Nicholson seconded, motion unanimously approved.

Vice President: Bob Nicholson nominated Nyle Brown for Vice President, Gary Burt seconded, motion unanimously approved.

READ AND APPROVE 7-29-17 MEETING MINUTES

MOTION: Gary moved to waive the reading of the minutes of July 29, 2017 meeting of the Board of Directors and approve as presented, Bob Nicholson seconded, motion unanimously approved.

FINANCIAL REVIEW

Approve 2017/18 Operational & Capital Budgets

Operational Budget: Chuck Williamson reported that after two months of operations there were no issues to report and the budget has been tracking as anticipated. The accounts receivable is current with no owners in arrears.

Capital Budget: No Report

SPECIAL MEETING BUSINESS

2017/18 - Insurance Coverage

Chuck W. reported that Mutual of Enumclaw has issued a non-renewal notification in October. Brett Nilsson, Fairway Nine I insurance agent with Buckner & Company, solicited over 20 other insurance carriers with all but one declining to submit a bid. The loss history for Fairway Nine I was the reason documented by insurance carriers for not quoting the projects insurance coverage. The one carrier agreeing to quote submitted a bid for over \$70,000 annually. The previous year's insurance coverage actual expense was just over \$20,000 per year. Brett Nilsson went back to Mutual of Enumclaw and requested reconsideration of their intent to not renew. Mutual of Enumclaw agreed to bind coverage conditioned on the following:

- 1) The deductible will be \$25,000
- 2) The Association must require all owners to replace the water supply lines to all appliances, toilets and fixtures to braided steel.

- 3) The Association must require that all owners turn off their water mains whenever the condominium is vacated for more than a day. (*Fairway Nine I is requesting a 48 hour window*)

Chuck W. reported that with Bob Nicholson's approval insurance coverage was bound with Mutual of Enumclaw on November 1, accepting the conditions as indicated above at an increased cost of approximately 10% or about \$22,000 annually.

In an effort to comply with the insurance carrier conditions Chuck W. stated that he informed Brett Nilsson that the Board would meet as soon as possible to discuss a plan to meet all conditions. A water supply line improvement plan was submitted to the Board for consideration. (See Attached) After careful consideration, Board members directed management to inform the owners via certified mailing of the following:

- 1) The Association has hired a general contractor, Central Home Improvement, who will schedule an inspection of all condominiums with a certified plumbing contractor to insure the following:
 - a. All water supply lines to all plumbing fixtures and appliances and water heaters will be changed to braided steel.
 - b. All original angle stops under sinks will be replaced as required to insure braided steel supply lines are properly retrofitted.
 - c. All water mains, located in crawlspaces will be relocated and made easily accessible within the condominium.
 - d. All costs associated with the water system improvements will be billed directly to the individual owners. This is due to the variable nature of the repairs which may be required in each unit. Many owners have already made the necessary improvements and expenses will vary significantly between each condominium.
- 2) Owners will be informed of the following:
 - a. Owners are encouraged to purchase individual insurance coverage for structural repairs up to the \$25,000 deductible in the event of a water loss.
 - b. Owners are responsible for all water loss damages and deductible to their unit and others if the water main was not turned off when the unit was vacated for more than 24 hours. (*Management will pursue 48 hours minimum*)
 - c. Owners must provide insurance certificate for entire building valuation if access is not provided for mandatory inspection and water system improvements.
 - d. In the event owners forget to turn off water mains when vacating the condominium for more than 24 hours, management will be paid \$50 if requested to do so by the owner.

The Board of Directors unanimously approved the water system improvement/insurance compliance plan presented and instructed Management to proceed with improvements upon appropriate notification of the owners.

NEW BUSINESS

Next Meetings: Board members scheduled the next meeting for January 13, 2018. Meetings will also be held in April and July with specific dates and times to be determined at the January meeting. Those owners expressing interest in serving on the Board will be invited to listen and participate in Board discussions.

ADJOURN

With no further business, **Motion: Nyle Brown moved to adjourn, Gary Burt seconded, motion unanimously approved and the meeting adjourned at 4:10 p.m.**

Respectfully Submitted,

Chuck Williamson
Recording Secretary