

**Tall Ship Association, Inc.**  
**Minutes of Board of Directors Meeting**  
**July 13, 2010**

**I. Call to Order**

President Barry Stuart determined the presence of a quorum and called the meeting to order at 9:03 am. Directors present included Lester Essex, Bob Stojetz, Kathy Stanton, Rob Routman and Frank Patterson.

**II. Introduction of Guests**

Also in attendance were property manager Carol Ackerman and homeowner Harold Capitola.

**III. Approval of the prior meeting's minutes**

Frank moved that the Minutes of the June 8, 2010 meeting be approved. Bob Stojetz seconded and the motion carried.

**IV. Treasurer's Report**

Reserves for Replacement have fallen to a dangerously low level at \$21,743.63 as of 6/30/10. Major operating budget items running over budget to date include: repairs at \$10,371.29, janitorial supplies at \$2,512.73, insurance at \$4,467.82 and fire alert maintenance at \$2,827.02. Overall, the net of overage and underage in the operating budget to date is running \$23,579.61 over. Although, this does not necessarily mean the end of the year figures will follow the same net result, it does raise concerns over possible cash flow problems if outflows are not slowed to allow inflows to rebuild the cash position.

The board discussed concerns over proceeding with needed maintenance and determined to halt certain items. This year calls for two more buildings to be painted in 2010. Clipper and Schooner were actually in the 2009 schedule. Photographs of remaining buildings were reviewed and observations by touring board members were discussed. The worst building was Frigate with excessive loss of stairwell paint and excessive building railing rust. Next it seems the outside railings in front of Cutter and Square Rigger need attention. Since these outside railings are totally exposed, they may need a shorter paint cycle. If enough funds are become available, the second building for painting would be Yawl. The board determined that due to the funds crisis, scheduled maintenance could not proceed and painting the Frigate must be delayed.

Given the seriousness of postponing painting, the board discussed avenues to keep some progress going in maintenance. While the cash reserve position is building to allow the board to proceed with association responsibility painting and canvas replacement of the common area, it would be possible to proceed with the painting and canvas replacement of the deck area which is homeowner responsibility. Thus the backs of the buildings can be painted and replaced at homeowner expense while reserves build and then the fronts can be painted. The board agreed to proceed with this plan. Carol Ackerman was requested to get separate painting and canvas replacement quotes for (1) Frigate

(2) Frigate and Yawl, (3) totally exposed railings in front of Cutter & Square Rigger, and (4) 78 back deck balconies.

The lack of reserves required the board to suspend any consideration of chimney repairs. Bird damage repeatedly occurs and to replace soft stucco with bird impervious cement board materials cannot be accommodated in the budget. There are various short term and permanent approaches. Most of the expense of the simplest solution of patching is in the scaffolding, thus arguing for more permanent solutions if anything is attempted. The various quotes range from \$1,000 to \$3,324 depending on type of replacement and repair specified. Tim Thigpen's chimney quotes are \$3,324 for a cement board system, \$2,125 to patch and double base coat on an as needed basis, and \$1,898 if all chimneys are done at one. The other provider, Tab, quoted \$3,100 a chimney times 31 chimneys for a total of \$96,100 to be done over a three month period. The board requested Carol also secured quotes for chimney repair based on Hardy board replacement. Despite concern over water intrusion, there is no money available. It was determined not to repair chimneys currently.

The association has spent seven years repairing damaged stucco and rotted wood caused by water intrusion. Professional advice to the board indicates that an ongoing annual maintenance program is mandatory for stucco. Our buildings have a high maintenance exterior finish and failure to provide annual preventative maintenance will expose us to another major repair. An ongoing maintenance program would involve annually testing windows, stucco, and joints for water intrusion, caulking and repair. In addition to Tim Thigpen's quote, Carol Ackerman is securing a second provider's quote. Clearly, nothing can be done until a line item is included in the budget for ongoing stucco maintenance.

The board agreed to begin working on the next year's budget early in order to begin including new line items. Maintenance regime fees will have to be increased.

## **V. Engineering Report**

### **A. Canvas, painting & Stucco Update**

1. Unit 304 Missing Canvas is being replaced although the inexplicable mystery remains.
2. Unit 337 door is *de minimis* splatter behind glass screen to be cleaned by homeowner
3. Unit 337 chimney leak was examined and verified by Chis. Lester moved and Frank seconded that repairs estimated at \$1,858 proceed before water damage increases damage.

The board returned to a discussion of cement backer board with stucco versus Hardi-plank siding as a stucco replacement for the Chimneys. (See Treasurer's Report.) Carol was asked to pursue quotes on both as chimney exterior replacement. The board may then evaluate siding versus stucco and perhaps extrapolate to building siding replacement.

4. Next Planned Buildings for Painting

(See Treasurer's Report)

## 5. Fire Alarms

The fire alarms are still problematic. A false alarm was set off in Yawl. This time water from pressure washing deflected through the slots. Any moisture, including dew, can set off false alarms. This time Frank advised the fire alarm had to be dried out with a hairdryer after the fire department arrive. Apparently, years ago the fire department said we needed alarm boxes at each stairway. We installed indoor not outdoor boxes and hence the moisture related false alarms. Then the fire department said we needed louder alarms. Thus we installed the new problematic alarms connected to the old boxes. The board asked Carol to get quotes on replacing indoor with outdoor fire alarm boxes so that they can be included in next year's budget.

## **VI. Property Manager's Report by Carol Ackerman**

### **A. Elevator Contract**

Otis elevator proposes that we upgrade our elevator on the basis of age. They have a presentation they would like to present for an incremental step by step modernization together with estimated costs. The board has no current motivation to undertake elevator modernization given current finances. However, the board indicated to Carol that she could proceed since estimated costs of elevator improvements would be a valid planning item for future reserve accumulation.

### **B. Cutter Basement Door**

The work order has been given to Randy for repair and replacement

### **C. Other**

A car hit the street sign and bent it.

The rental agent denies illegal hanging cable wires outside are 304 yet it appears to go into unit. Giordino has been referred to the approved cable installer. 106 has hanging wires.

Bob reported that he has investigated trash liners. The options are (1) specially made bags or (2) use of a bungee strap to hold standard bags in place. Bob will contact KKPOA to confirm acceptability of bungee straps since that would be cheaper. He needs to know the quantity of bags to order.

Dehumidifiers in building basements need to be turned on for the humid summer.

## **VII. Existing Business**

### **A. Contract Reviews**

Landscaping contract invitations to bid were sent out to three landscapers. Our current landscaper has not quoted yet. Dissatisfaction with his current performance puts him at the bottom so far given that he is in Greenville, leery of quoting since he may be using illegals, and has a difficult to work with irrigation subcontractor. Merryscapes of Seneca has sent in a low bid at \$1,500 monthly. Their services include 4-5 hours weekly/ 20 hours max monthly, mowing, leaf blowing, edging, fertilizer, pine straw, pruning, dead removal, irrigation maintenance. They can do landscape design and have a certified arborist and are certified for pesticide. Repairs are available at added cost. There is one more bid coming in and then the decision will be made.

#### **B. Review of Master Deed & Bylaws Committee Report**

The committee formed to make recommendations on the interpretation of the meaning of Master Deed Article XIV(c) did not meet and had no report. Kathy moved and Frank seconded a motion to reform the committee to consist of Carol Roth, Kathy Stanton and Frank Patterson as Chair. The motion carried without dissent. Lester asked to attend as a non-voting observer. The board further discussed what parameters of interpretation it was seeking concerning the prohibition against "alteration, decoration, repair, replacement or change ... to any outside or exterior portion of the building." For example, the board has implicitly allowed deck floor coverings (painting the cement floor, installing indoor/outdoor carpet, and - apparently not protested - tile) and allowed any choice of ceiling fan fixture. Currently, the board has voted not to allow the painting of exterior stucco surfaces on the deck and not to allow changing the canvas color. The charge to the committee is to provide guidance on suggested alterations and decoration which will maintain community uniformity and not expose the association to increased costs in the event of repair.

#### **C. Landscape Report – Committee Formation**

The landscape committee reports that formation is continuing. Currently, volunteers include John Taylor, Kathy Stanton, Harold Capitola, Mike Ferrato and Sylvia Stuart. No committee chair has been selected at this time.

#### **D. Beacon Articles**

Barry reported that Carlos Luria volunteered to edit the Beacon. The board brainstormed topics to include. Frank will discuss insurance policies, fire alarms, the chimneys, and elevators. Barry volunteered Sylvia to write the Social Committee report. The treasurer's column should discuss the need for upcoming increases in operating budget assessments. The painting schedule needs to be discussed. Harold and Lonnie Pirkle have paint formulas if homeowners wish to make any touch ups. Other topics should include accomplishments such as stairway repairs, new canvases and painting.

### **VIII. New Business**

Kathy mentioned beadboard may have been installed on a deck ceiling. Beadboard installation would be a violation of current rules and violation of prohibitions against nailing into stucco.

Carol Ackerman and Frank Patterson will meet with Blue Ridge to discuss ongoing problems with the fire alarms and what can be done if a unit disconnects its alarm.

Harold Capitola reported growing rental use and growing violations of rental rules. Beer bottles are being left around and kids are skateboarding in barred areas. A general board discussion ensued concerning anecdotal observations and rude responses from corrected renters. Frank raised the issue of the board's prior discussions concerning rental rules forms which were required to be signed by the renters. Rental agents are apparently not passing on the rules and apparently not checking the condition of units before renting them. For example, one unit rented to a family with kids was in the process of having its deck canvas replaced. The board felt that we may need to begin stronger rental enforcement.

### **IX. Adjournment**

Lester moved and Kathy seconded that the meeting be adjourned. The motion carried and the meeting adjourned at 11:55am.

Respectfully submitted,

Robert J. Routman  
Acting Secretary