

KACA Board Meeting
Conference Call
Wednesday Sept 27, 2017- **11:00AM**
Final Meeting Minutes

Call to order – Richard Beck 11:00 AM

Attending - Richard Beck, George Krapfel, Tom Geren, Charlie Adams, Gayle Connolly
Deidre Muchmore - Crossroads ; Bobby Daniel - Roadrunner

Property Manager's Report / Harvey Recovery Update - Gayle Connolly

Demo work going well, working on pool, one boat removed yesterday. Houseboat still there, TX General Land Office (GLO) taking possession & responsibility, Gayle continues communicating w/ owners, adjusters & city personnel. Richard suggested Gayle stay on top of the GLO with ck ins every 10 days. Found the best approach with the pool is to set up temp power, clean & keep partially filled w/ water & chemicals to avoid further damage. In constant talk w/ GSM. Doing a good job of getting adjusters straightened out and they are coming around, issues seem to be diminishing. Gayle has turned over the owner's who are having trouble with adjusters to Crossroads for their help. Dale has not been able to vet the Individual PAs as promised so they are assisting in this capacity for the few owners having challenges with personal adjusters. Many owners have ?s on where association coverage stops and ind coverage takes over. This will become clearer as the claims process continues and written estimates and reports are completed. Improvements will be addressed by Crossroads regardless. They felt it wouldn't be helpful to add an additional layer of complexity by encouraging individuals to hire their own PA. The association's flood adjuster does not have a report ready, Deidra will be pushing him on this.

Discussion was held to pause bulkhead repair project temporarily, while we figure out what our scope is post Harvey damage. Now bulkheads need to be re-inspected. Richard asked if there was any way to show storm surge caused erosion, Deidra requesting they get an engineer to address the erosion issue. Whatever funds we can get for erosion from flood policy will go toward the cost of Bulkhead project. Delay is due in part to unavailable access to canals until storm debris is fully removed and it is safe to navigate. If there are available funds from the ins settlement, some of this could possibly cover the repair / replacement of the walk ways and finger piers that are not covered by ins, since they are over water.

George motioned for project to be delayed until we know more about the storm impact. Motion seconded by Tom. Motion carried.

Crossroads Update - Dale / Diedra

Deidra wanted to ensure everyone is aware that we have received ck for \$50k from the fire settlement and it is on the way to the association. She is working on the estimate for fire claim, explained the fire will take precedence. She is having to separate fire vs flood. Owners impacted by the fire have overlap from wind and fire events and this will need to be sorted out for those w/ personal ins and those w/o. We won't know how much we have to work with until Roadrunner sits down with each owner to discuss their unit and remodel status. They will sit down with every owner and negotiate the rebuild.

Individuals will need their ins for contents. Gayle is not expecting individual ins to deal with improvements in most cases. That could change. Deidra, is arguing regarding appliances, the insurance company is saying they don't owe for appliances that are not attached such as washer, dryer and refrigerator. Deidra is confident that they should be covered since they were in the units at the time of the original sale (we think, trying to verify) We don't want to use this as our line in the sand because there will be other issues to debate going forward. They are looking for historical documents that prove these items were in the unit. Once the interested parties are able to prepare estimates on both sides the mud wrestling will commence.

Roadrunner Update - Bobby Daniel

Demo in the 100 building is complete, except for 1 unit, that unit has now given approval to move forward. , 200 completed, (everything removed down to the framing, electrical, plumbing and tile floors. There will be some wiring issues, the question remains as to how much work needs to be done to get to current code) 300 done by Thursday, 400 preliminary demo beginning, 406 is getting stabilized so the demo crew can work safely, they will then go to the 900 bld to stabilize and then move over to the pool. They are moving, on avg, 12 loads a day to the dump. Hidden damage in many of the units including wiring, plumbing and framing issues.

All the upstairs porches will need some level of repair any needed code improvements will be addressed at that time. They will reassess tile unit by unit that is popping and may need to come out. All carpet is coming out. Making good progress, waiting on preliminary scope in order to move forward with construction once the demo is complete. Likely to start with roofs first.

Richard thanked Bobby for a good report. Gayle said feedback regarding Roadrunner is overwhelmingly favorable from owners, as well as for his crew.

Financials - Tom Geren

Aug Financials still not received. He reviewed the balances this AM, we have spent <\$60k on debris removal alone. There is a time delay from when money is spent and ins payment rcvd, creating a cash flow challenge. Assessment paid to date for bulkhead repair is ~\$41k. We are getting cash critical. Deidra requested advancement per Gayle on the storm settlement. The \$500k advancement has been approved and should be rcvd soon. A \$50k ck is arriving today from the fire settlement advance.

Richard asked if landscapers contract continues during the rebuild. Per Gayle we want to keep the service in place to maintain lawn. They will be taking out the damaged palm trees at no extra cost. Gayle sent over their Sept invoice for Tom to approve, he did so subject to understanding. We only had about 15 days of service for the month of Sept.

Richard brought up the fact that we could suspend trash service during the rebuild. Per Gayle we need electric while testing and then account can be put on hold, water is needed throughout the project to maintain pool and sprinkler and we should be able to reduce sewage usage. This should save about \$3500 per month. Tom asked Gayle to research and make the changes to the association accounts. Gayle to also f/u on the big water bill for July that we feel is due to the fire. Per Deidra this water bill can be turned in as part of the fire claim. Gayle to confirm w/contractors to see if we need to maintain power to buildings.

The Board discussed the inordinate of time that the Property Manager is spending on construction management over her regular duties as Property Manager. Diedra Muchmore with Crossroads explained that it is common to build a percentage into the overall claim for construction management or general contractor duties, in the rebuild. She will include this in her estimate and negotiate this as part of the rebuild settlement.

Richard suggested that a subcommittee of the Board officers work on this and present their recommendations to the full Board.. Mary Jo motioned that a board subcommittee would work with Crossroads to submit a proposal to the full board to address construction management expense. George seconded the motion, motion carried.

Communication Efforts - Mary Jo Lyons

Board agreed that since vote on chimneys is time sensitive and being done via survey, we can delay an owner's meeting near term. We agreed to delay and coordinate timing with Roadrunner to incorporate meetings with owners regarding unit specific finishes and layouts.

Photos are now on the website and on new Facebook page. Newsletter will continue monthly during recovery, draft in progress for October. Board agreed to send out newsletter and survey via email and mail.

The dues abatement effective immediately, Oct 1st, 2017, and addressed in newsletter. Statements have not gone out and the mailing should be able to include hard copy of newsletter and survey. Board agreed weekly meetings should continue to ensure communication flow does not break down. They can be shorter if nothing new to present.

Meeting Adjourned 1:05 PM - Richard Beck

Submitted - Mary Jo Lyons, Board Secretary
Approved - Richard Beck, - Sept 30, 2017