

KACA Board Meeting
Conference Call
Wednesday December 20 , 2017- **10:00AM**

Final Meeting Minutes

Executive Session held at 9:30 to discuss personnel issues.

I. Call to order – Richard Beck - 10:00am

II. Property Manager’s Report / Harvey Recovery Update - Gayle Connolly

Gayle joined the meeting briefly due to family medical emergency. She spoke with county surveyor, Jerry Bundrett, who said that under the 1988 information we are an AE6, we are required to be at 6ft and he estimates we are at least at 7 ft. according to Google Earth. The city of Rockport still wants a HUB (survey or certificate lite & a prerequisite for getting city permits). Charlie has his elevation certificate from his closing. It sounds like our numbers may be good. In order for owners to get flood ins at reasonable rates we should get elevation certificates for all buildings and provide to owners. The cost may be ~\$4k, this will provide the HUB as well. This can be provided by Jerry. Tom motioned to move forward, Charlie seconded. Motion passed.

III. Crossroads Update - Dale / Deidra

Richard asked Deidra where we stand on the ins payout. She says we may not max out the policy but will come close in her opinion. An engineer will be engaged to inspect buildings for erosion. Building 8 was the biggest source of concern and she will have the engineer pay close attention to this. Preliminary check for ~\$7.5 million less initial payment already received, to be delivered today. This is TWIA’s assessment of what they owe us per our policy. Cash value for the undisputed amount they are paying. They are agreeing that this amount is owed. Some depreciation was withheld (~\$700k) claimable once the job is complete. We are still waiting on the structural engineers report. Once we received we can start the permitting process. Deidre and Roadrunner are going through all of the buildings to determine what is missing from the initial report. Deidre is debating how much to approach the shortfalls by building. She wants to be sure she doesn’t cause more harm than good by disputing items per individual units. This has the potential to backfire and have the carrier scrutinize the claim. This also doesn’t cover the ICC coverages, this is a base amount. Much will be added on as the claim progresses. We are expecting a disposition letter that provides a summary of the payment. Any coverages that are disputed will be itemized in the letter. Deidre should see the letter later this week.

IV. Roadrunner Update - Bobby Daniel

Bobby expects to start on roofs in 2 weeks. They are working with the engineer inspector. Roofs, windows and siding will be the starting point. At this point what we have in the estimate to break even, they expect more which will put us in even better shape. The plan now is to replace siding with Hardie board. Board to agree to hold this announcement until all reports, estimates etc., are final. Roofs to be replaced with the architectural shingle style that we have now. Charlie requested color samples for use by the paint sub committee. Bobby said he would send the samples electronically today.

They expect to start on siding before the roofs are completed. He hopes to have a preliminary website for Gayle to preview in a week or two. The basic / initial version will be available soon. 3 different categories or pricing groups on each individual selection. Each owner will have their own log in code. Any change orders will be done on the website. The costs for any upgrades will be itemized here. Pictures for each unit will be available on the website.

We are still waiting on the structural engineers report. Once we received we can start the permitting process.

V. Appliance Update - General Discussion

Deidre sending the concern regarding the appliances to her attorney for review. This will be addressed in the disposition letter. She plans to dispute the remaining appliances since the stoves are covered, the washer and dryers are actually more attached than the stoves.

VI. Financials - Tom Geren

Tom reviewed current account balances, final payout of demo will be made today. Gross operating cash is in good shape, but spoken for. Reserves are also in good shape.

Deidre said that if she asked for items in the individual units. She wants to be sure she doesn't cause more harm than good by disputing.

VII. Architectural Committee - Charlie

VIII. Communication Efforts - Mary Jo Lyons

- a. Dec Newsletter Update - Draft
MJ to send to board for review

VII. Board - Q & A

General discussion on FEMA /County debate on elevation requirements and need to provide elevation certificates to owners.

VIII. Adjourn - 10:55 AM

Next Board Meeting (Conf Call) Wednesday, January 10, 2018, 10:00AM