

Oella HOA Board of Directors Meeting  
Monday April 19, 2010, 7:00 pm, Westchester Center

Attendees:

Board members: Raina Rath, Dan Hood, Amanda Lauer, Shari Youngblood, Scott Hall

Residents: Joey Pulone, Carol Reiss, Charles Reiss, Toni Mullin, Henry Berger

Called to order at 7:05 p.m. by President Rath and the meeting commenced. March meeting minutes were approved as amended. NOTE: On Friday, March 19, a motion was made via e-mail to move funds from the HOA's operating account to the checking account in order to cover outstanding invoices. The motion was seconded and unanimously approved. On March 23, \$10,000 was moved from the HOA's savings account into the checking account. NOTE: On April 13, Director Gray (via e-mail) resigned his position from the Board for personal reasons. Director Ames agreed to serve as ACM's Architectural Review Committee contact. Director Lauer agreed to resume her former duties as Board contact with ACM.

Treasurer's Report

- Treasurer Hall remarked that he had sought the legal opinion of Attorney Susan Rapaport concerning whether the HOA has the right to rebalance funds between the regular annual assessment and the parking assessment. Currently, the assessment of \$150 is broken down into \$100/annual assessment and \$50/parking assessment. Treasurer Hall asked about the possibility of making the annual assessment \$120 and the parking assessment \$30, so there would be more money in the budget for operating expenses.
- According to Attorney Rapaport, the HOA is not legally allowed to redistribute these funds because the increase of the annual assessment would be by more than 10%, which is not allowable unless by an 80% community vote.
- The parking assessment must be used for parking common areas only.
- Non-parking revenue is currently approximately \$50,000/year, but the HOA has approximately \$70,000/year in expenses. Therefore, if the HOA continues with its normal expenses, this year's snow removal expenses - while certainly large at \$12,000+ (against a budgeted \$7,500) - will not be the HOA's biggest concern. The HOA's ongoing expenses will pose a much larger problem.
- The single largest expense is the HOA's management fee of ~\$20,000. \$30,000-\$35,000 is spent on maintenance, but this includes all of the grounds (exclusive of snow removal).

- Director Hood asked about the snow removal expenses: Is the final word from Attorney Rapaport that snow removal is a maintenance expense and thus must come from the annual assessment? President Rath commented that what it comes down to is the definition of “maintenance” legally versus its use in everyday conversation.
- Director Lauer noted that Oella has severe paving needs now.
- Treasurer Hall added that he would like to present to the HOA all of its actual expenses and then come up with a plan to remedy the deficit, which would most likely involved a very large increase in dues, something that many in the community might not agree with.
- Problem: Reservoir Hill paving, where a quote was given of ~\$40,000
- Treasurer Hall reminded the Board that the HOA is now running a \$20,000 budget deficit. He noted that for the last 15-17 years, the parking funds have been being used for operating expenses and that that is no longer allowed.
- Director Lauer pointed out that although the management company is a large expense, it also does all of the HOA’s accounting (which, alone, would cost approximately \$10,000) as well as collections, and that because of its efforts in this area the HOA is now current as far as dues are concerned.
- Treasurer Hall stated that he would like to prepare several different schedules with hypothetical dues increases, and that some would require voting because the increase will be more than 20%.
- Treasurer Hall added that this year the HOA will collect approximately \$67,000 (including parking fees) and that more than 25% of that will be required just to cover operating expenses.
- Resident Mullin commented that the HOA functioned for many years without a management company, and that perhaps the management company is superfluous.
- Treasurer Hall noted that as a result of having no management company, the HOA had a volunteer treasurer who did not file taxes properly for three years because he didn’t understand exactly what was required.
- Director Lauer added that the Board was contacted recently by a company which allows HOAs to self-manage using a specialized software package (capable of producing the needed reports, etc.) and that its cost worked out to \$19,000/year – only \$1,000 less than the cost of ACM – and that that didn’t include other things ACM does to help the Oella HOA (i.e. annual property inspections, getting bids, etc.)
- Resident Pulone asked how the Board plans to educate the entire community on the HOA’s fiscal matters. Treasurer Hall responded that it will be posted on the website and also mailed out to the entire population.
- President Rath asked for an update on the tax returns. Treasurer Hall noted that they are completed and have been submitted. He noted that it was the management

company who informed the Board that the HOA should have been filing a personal property return each year at a cost of approximately \$300/year; since it wasn't done for several years, that added up to a fairly large expense, especially once fees and penalties were added on.

#### ARC Update

- Director Ames was not present at the meeting; therefore, a complete update will take place at the May meeting. President Rath provided a violations update: Letters were sent again to Resident Drehoff concerning his existing fence violation.

#### HOA Landscaping and Common Areas

- Director Lauer pointed out that there is a problem with erosion on the hill below Timber Point and that it is dumping dirt into Charles Wagandt's parking lot; however, the dirt piles themselves are Mr. Wagandt's. She added that the Board can have Kurtis give an estimate on the cost of putting seeds there or that weeds can be allowed to take over. She noted that her suggestion is to do nothing at the present time and keep an eye on it.
- Director Lauer noted that there is another problem with erosion at the entrance to Timber Point - under some sweet gum and pine trees stemming from a non-HOA owned yard uphill. Kurtis suggested two tons of dirt and seed. She feels, however, that the grass will not grow well in the shade. She added that Kurtis quoted a price of \$800 to mulch the area. Currently, the area is covered with spotty grass. Director Lauer noted that \$800 is too much for that particular area, as it is not very large. Other solutions will be considered. Note: Kurtis later transplanted grass dug from bed edging into the area at no cost.
- President Rath noted that some community members from Timber Point, Long Brick Row, Short Brick Row, and Lillies Lane have been volunteering and helping with the landscaping. Appreciation for their help has been also noted on the HOA's website.
- Directors Lauer and Hood presented a group of printed photographs entitled "Property Damage – April 2010" which were taken by the Long Range Planning Committee on a tour of HOA property on April 3, 2010.
- In particular, they pointed out the following: (1) there is a pile of junk up in the parking area at 730 Pleasant Hill (stroller, tires, etc.) and the residents should be advised to relocate the junk off of HOA common property; (2) there is a heavily damaged arborvitae (evergreen) in one of the parking lot islands at Pleasant Hill that needs to be removed before it falls over and obstructs the driveway. She noted that she does not recommend a replacement at this time, since it is inappropriate for the space. Instead, the whole island should be mulched & weeded as usual; (3) the

parking signposts at Spring Street have come out of the ground and need to be reinstalled; (4) the area under the pine trees at the Timber Point entrance should be mulched because growing grass in the shade can be difficult at best. She added that she had already mulched around the Long Brick Row outhouse and herb garden.

- Director Lauer also noted some curb damage at Pleasant Hill and some parking lot damage behind Long Brick Row (cracks, potholes forming, damaged curbs), but added that the HOA will not be able to afford to fix these items this year. For one curb in particular at Long Brick Row she suggested that if it comes out, a parking space can be made in its place. In addition, the Timber Point guard rail is rotting and needs to be replaced.
- Resident Berger noted that the Pleasant Hill guard rail is also rotting.
- Treasurer Hall remarked that the estimated replacement cost on guard rails in areas 6-10 combined equals approximately \$9,000.
- Director Lauer noted that the Long Range Planning Committee (LRPC) will come up with a master plan for the HOA, and that the committee will be meeting on the 27<sup>th</sup> of April at 7:30 p.m.
- Director Lauer also noted that she and Resident Mullin spread corn gluten at Timber Point and Long Brick Row (and would soon do Spring Street) at a cost of \$100 – this will also need to be done in the Fall – saving the HOA ~\$3000 according to Kurtis' estimate.
- Director Lauer mentioned that a few kind-hearted Short Brick Row volunteers helped her to install a pilot test mulched path in their common area. The path will be extended later, once everyone has had a chance to use it and think about how best to utilize the space. Time and mulch were donated, at an estimated \$500 savings in labor and supply cost.
- Director Lauer added that she pruned the damaged bushes at Spring Street and Lillies Lane.
- Director Lauer raised ~\$200 with a fundraising plant sale, and wishes to use the money to buy small trees for Spring Street and Long and Short Brick Rows. She would also like to coordinate a bulb sale in the fall and use the money to order more plants.
- Director Lauer discussed items whose costs she would like to see cut from the budget: (1) Race Road – the corner is being mowed and the hedges are being trimmed, but it is not HOA property; (2) she has found a volunteer who has agreed to trim the Millrace Trail (which currently costs \$275) if the HOA would be willing to buy a weed wacker. NOTE: Treasurer Hall verified that the area in question is the part of the Trail behind Long Brick Row and the small foot bridge and added that he (and Brian) will volunteer to trim the Trail; (3) there is an unusually-shaped strip of land

behind Spring Street and Logtown Road that no one really uses. Currently, it is costing \$45/mow; perhaps it could be mowed every other turn (the average is 22-24 mows per year, depending on the amount of rain); (4) there is another unusual strip of land between Pleasant Hill and Short Brick Row that could be cut from the schedule; (5) the "Tot Lot" (the area between the antiques store and Mary Jo Way) is currently being mowed at a cost of \$45/mow. Director Lauer recommends that the area be left to naturalize and, as was suggested by the landscape designer, that a path be mowed for those who use the area as a shortcut; (6) also, the area below Pleasant Hill Road and the stone wall is currently mowed, but could be mowed less often or not at all; (7) hedges are trimmed twice a year at present, but it would be best to go to once per year; (8) weeding costs the HOA \$35/man/hour, but some of it is done by volunteers. She suggested hiring a high school student for such tasks as weeding, spreading corn gluten, etc. It was noted that Kurtis weeds where he mulches, but that a cheaper option might be good for keeping up with it the rest of the year; (9) Fall mulching – Director Lauer would like to wait to see how things look in the Fall. Spring mulching was \$2,700 but is more expensive than Fall mulching because it requires redefining of the beds.

- Director Lauer stated that she will make a list of tasks Kurtis should discontinue doing.
- President Rath noted that Director Lauer's plan should at least be tried and that if there are any complaints about particular areas, the topic will be revisited.
- Director Lauer added that Kurtis did not raise his prices for this year (relative to last year).
- VOTE: Taken on landscaping budget cuts. Director Lauer moved; Director Hood seconded; budget cuts were unanimously approved.

#### Guidelines Committee Update

- President Rath noted that Charles Wagandt has agreed to pay for half of the fee charged by Richard Wagner for created the Architectural Review Committee Guidelines.
- President Rath noted that a draft is now in the hands of the ARC Guidelines Committee. Secretary Youngblood, who is on the committee, added that the guidelines are being reviewed line-by-line and that a final draft will soon be available for comment.

#### Board Action Items from ACM

- The Board would like Alan Mangen to attend the May, August, and November Board meetings, currently scheduled for the third Monday of each month.

- A resident attended the April Board meeting to report an increase in construction debris and junk stored in the common area by the resident of 730 Pleasant Hill. The debris is in the parking lot and behind the outhouses (potentially causing damage), in spite of the fact that the construction project has had many months for completion since the last violation notice was sent to the residents. Mr. Mangen should be asked to request that the residents of 730 Pleasant Hill remove the items immediately, or the Board will have them removed and will bill the owner(s) for the expense.
- Budget cuts have been agreed upon for the community's landscaping due to this year's budget crisis following an extremely high snow removal cost. These cuts will be announced on the HOA website. Kurtis should be notified of the following:
  - Stop trimming the Millrace Trail (twice yearly);
  - Stop mowing the area opposite 732 & 734 Oella Avenue (steps) and do not trim the bush;
  - Mow only every other week behind 927-947 Oella Avenue (Spring Street) and the area of Pleasant Hill between the guard rail and the wall on Oella Avenue;
  - The "Tot Lot" behind the antiques store should be left to naturalize. A path – a single mower's width – will be mowed to allow residents to pass through. This should be done every other week. An adjusted price should be requested for the reduced mowing area (which is currently \$45/mow);
  - Bushes and hedges should only be trimmed once. Mulching should only be done this Spring. The Board will decide later in the year if it can afford Fall hedge trimming and mulching.
- The Board is extremely hesitant to approve a special assessment, as it does not wish to overburden homeowners in these difficult financial times. It is the Board's hope that the aforementioned budget cuts will help to avoid this.
- The tree sap situation at the 943 Oella Avenue parking space is being assessed. It is not currently clear whether the tree actually sits on HOA property. The site and plats will be reviewed.
- Spring inspections are being done between 04/22-05/07. ACM will be inspecting all HOA properties for violations, upkeep and maintenance issues.

#### Old Business

- President Rath stated that the two additional encroachments on either side of 811 Charles James Circle were brought to the attention of the Board when the survey was done at 811. She added that Resident Joey Pulone and Mary Hyder sent letters asking for additional time in removing their structures.
- President Rath opened the floor to comments. She added that the Board has an obligation to get things removed from HOA property for liability reasons.

- Resident Pulone stated that the letter he received from Attorney Rapaport alerted him to the fact that his yard is much smaller than he had originally thought. He also has a 10-foot utility easement through the middle of his backyard. His swingset, which he has been asked to remove, is a temporary structure and can be removed at any time. He noted that he can easily get signatures from all of his neighbors saying that they don't have a problem with the swingset being there, and that it takes up a very small amount of space. Just behind the swingset is a sharp drop-off, making the area something that other homeowners would not be likely to want to use. Resident Pulone asked the Board for an exception: Can the swingset be used for a few more years until his children are older? Currently, there are no play areas of any type in the neighborhood and other children use the swingset besides his own.
- President Rath noted that there is potential that an easement can be granted. This is a removable, temporary structure, unlike the wall in question next door. She added that the goal of the survey was not to create a kind of "Witch Hunt", and that it was not the goal of the Board to uncover others as a result of surveying 811 Charles James Circle.
- Treasurer Hall asked: If a neighbor's child used the playset and was injured, who would be liable? President Rath responded that Attorney Rapaport is looking into liability issues.
- Director Lauer added that the purpose is not to keep people from enjoying HOA property; it is a question of liability.
- Treasurer Hall added that another issue is that of setting precedents.
- Resident Carol Reiss asked, "If a person working on the adjacent house has a contractor who walks across my property and damages it, who is responsible?" to which President Rath responded, "the person who invited the contractor."
- President Rath thanked Resident Pulone for coming to the meeting to share his story and added that a Witch Hunt would be counter-productive to what the Board is trying to accomplish, which is to create standards and to stop spending money on legal fees.
- Director Lauer stated that she would rather wait for advice from Attorney Rapaport concerning the wall at 811 Charles James Circle, her main concern being that pulling a wall without a plan firmly in place would lead to a landslide.
- Treasurer Hall asked if a permit would be required to pull the wall. President Rath responded that anything over 3 feet high would require a permit.

#### New Business

- As previously noted, on April 13, Director Gray (via e-mail) resigned his position from the Board for personal reasons. Director Ames agreed to serve as ACM's

Architectural Review Committee contact. Director Lauer agreed to resume her former duties as Board contact with ACM.

- PROBLEM: At 943 Oella Avenue, there is a tree dropping sap onto the car below. Director Lauer stated that she will drop by to assess the situation. Note: It was later determined that the tree does not hang over the space.
- Resident Berger mentioned that he has done some landscaping in the past in the area where Pleasant Hill curves and comes back around to meet Oella, and would like to do more. Director Lauer suggested that he look online at the landscaping plan in order to determine appropriate native plantings.
- Resident Berger presented photos of several junk piles on HOA property on Pleasant Hill. Director Lauer stated that she will ask Mr. Mangen to pay special attention to this situation while completing the Spring inspections and, if the junk is not promptly removed, the Board will call 1-800-junk and bill the homeowner for its removal.
- Resident Carol Reiss pointed out that she and others she knows had a very large amount of damage from this winter's snowstorms. She added that there will be people with pods outside containing their belongings while their floors are being replaced, etc.
- Resident Berger suggested that the Board speak with Mr. Mangen and request that the standard extension for the repair of gutters, etc., be made 90 days. He added that after all of the damage from this winter's snow, it is harder than ever to get a roofer to come to one's house because there are so many people calling for their services; in addition, some people are waiting for their insurance companies to come through with payment, etc.
- Resident Carol Reiss noted that her neighbors suffered approximately \$15,000 in damages from the snow.
- VOTE: Director Hood made a motion to put the reserve study online; President Rath seconded and it was unanimously approved.
- Resident Berger asked about the possibility of placing a permanent garbage can on Oella Avenue across from Lillies Lane, in the gravel lot where the residents are already placing their garbage. Director Lauer noted that the HOA would have to enlist a volunteer to pull the sack and place it in the garbage pile, as the garbage collectors would not do it. President Rath noted that a garbage can there would be a good idea, and that the Board should look into it. Treasurer Hall noted that keeping the can from disappearing would be as simple as running a chain around the pole. Director Lauer pointed out that the can would need to be a nice-looking one, or the people living on Lillies Lane might not approve.

- President Rath stated that the House Tour garden plan is going through. There will be a landscaped area put in on the corner of Oella Avenue and Frederick Road, at the entrance to Oella.
- Resident Carol Reiss asked if homeowners are allowed to plant things on common property that is attached to their backyards. Director Lauer said that permission should first be requested from the Board.

Meeting adjourned at 8:39 p.m.

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SPECIAL NOTE: Due to a resident's inquiry to the Board concerning the approval of the Long Range Planning Committee, a summary of the committee's inception and creation will be included here.

- 2008 Annual Meeting – Plans to do a master landscaping plan were announced. No one objected, and the attendees seemed to think it was a good idea.
- October 12, 2009 Board meeting – It was decided that Stone Hill should be contacted (and was inadvertently left out of the Minutes).
- October 14, 2009 – Director Lauer contacted Stone Hill.
- November 18, 2009 – The Board received a proposal after Director Lauer consulted with Shari Depasquale in person.
- November 19, 2009 – An e-mail vote was taken on whether to accept the proposal, and it was unanimously approved.
- November 20, 2009 – Stone Hill was hired. The community at large was notified that the Board was working with Stone Hill at the 2010 annual meeting. No one objected. There was plenty of money left in the landscaping budget from 2009 to cover the costs. The annual meeting minutes will not be posted until approved at the next annual meeting, per ACM's advice.