

**MINUTES
KIRKLAND CENTRAL OWNERS ASSOCIATION
ANNUAL ASSOCIATION MEETING
March 20th, 2007**

Date and Time: Pursuant to Article 2 Section 2.2 of the Kirkland Central Association By-Laws, the first annual meeting of the Association was held on March 20th, 2007, at 7:00 pm at St. John's Episcopal Church, 105 State St. S, Kirkland, WA 98033-6610.

Officers: The President, Marna Hanneman, opened the meeting at 7 pm. The Secretary, Melissa Lising, was present to record the meeting.

Quorum: The following Board Members were present:

Stan Hill – Vice President

Ritchie Tryon - Treasurer

Andrew Person – Member-At-Large

Larry Hoyt – Member-At-Large

Joan Hensley – Member-At-Large

Sally Barkley – Facility Manager

HOA Lawyer: John Coe

Suhrco Residential Properties, LLC: Jean Norberg

Call to Order:

The annual meeting was called to order at 7 pm.

Roll Call:

The requirement for a quorum was met as set forth in Article 2 Section 2.6 of the By-Laws. Marna introduced the officers and members of the Board, Sally Barkley, John Coe and Jean Norberg.

Proof On Notice of Meeting was distributed in accordance with Article 2 Section 2.5 of the By-Laws.

Minutes of Preceding Meeting. Since this is the first annual meeting, there are no minutes of a preceding meeting.

Report of Officers

1. **John Coe** is the HOA's attorney. He introduced himself and identified the documents that govern the condominium and its residents. He helps with corporate issues and the interpretation of the governing documents. He is also the HOA's registered agent.

2. **Jean Norberg of Suhrco** introduced herself as our new Property Manager that the Board chose to replace CWD.

3. **Sally Barkley**, our Facility Manager reported on the following:

- There is no set date for the garage cleaning. Sally will know within the next couple of days. She is arranging with St. John's for temporary parking for our cars while the garage cleaning is taking place.
- Oil-based paint needs 12 hours to dry. Painted doors need to be propped open as the paint dries. Sally is scheduling this project to be done about 6 am so that the building can be secured in the evening.
- Window washing will happen in 4 to 6 weeks.
- Equipment orientation can be scheduled in one or two sessions for those who are interested. Michael is willing to do an evening one as well as a Saturday one.
- Hallway vents should not be closed as interfering with these stresses the furnace and will take years off the life of the furnace.

- Washington Mutual is having an event tomorrow night for our residents.
- KC currently has 35 units that are rentals, 2 are vacant and may also be rentals, 2 are for sale. All other units are owner occupied.
- Sally's new office hours are MWF from 9 am till 5 pm and TTh from 10:30 am to 6:30 pm.

4. President's Report

- The Board has hired Andrew McAllister as our transition auditor to ensure the proper transfer of funds and to determine our financial position is clear. This will assist the Board in making financial decisions.
- Developer issues. Warranties depend on the proper maintenance of all equipment. Jean is helping in ensuring that we have the right vendors for the maintenance work.
- Maintenance contracts have not been signed especially those involving the elevators. We do not need to sign contracts with the vendors that provided the equipment if the same equipment does not work properly.
- Policy review. The Board passed a resolution limiting 2 pets per unit. The Board also increased the move-in fee from \$100 to \$300 to defray costs and to discourage units being used as rentals.
- Future issues for the new Board are document review, rules and regulations, insurance evaluation, reserve analysis, envelope evaluation, developer issues (clock started ticking when we had our first unit close on May 23rd, 2006), and a lot more.

5. Vice-President's Report

Stan asked for everyone's help in preventing some minor irritants such as:

- Cigarette butts – remind people not to throw these around.
- Pet clean up and unauthorized use of the courtyard lawn instead of the sidewalk.
- Move-in and move-out notifications need to be given to Sally so that pads can go up and thereby minimize any damage caused by the move. If damage does result then the appropriate party will be billed for the cost of repair instead of the residents.

The city of Kirkland considers Stan's lawn as a landscape area and never intended to be used as a picnic or recreation area. According to John Coe this area can be used by the association and is not for public use. If you use it then it is at your own risk. Warning signs will be posted.

Gas BBQs are permitted by the City of Kirkland. Charcoal BBQs are not permitted.

Exterior changes to a unit has to be approved by the Board i.e. painting doorways, changing locks, etc.

Carts for P1 and P3 need to be returned to their respective garage levels and should not be left in P2 which is unsecured.

Knobs to prevent skateboarding on the concrete benches at the front of our building will be installed by the City of Kirkland as soon as the temperature reaches the 70 degree range.

Secure parcel boxes will be installed in the mail area to accommodate larger mail items.

Hard surface policy rules and guidelines are available. Applicants need to get the unit below's approval prior to presentation to the Board for consideration.

6. Treasurer’s Report

As of the end of February 2007, the Association had the following funds:

Operating Funds	\$65,972.54
Replacement Reserves	\$30,288.47
Insurance Reserves	\$20,587.39
Reserves in Transit	\$13,176.00*

* Two of the banks that CWD uses still have a considerable amount that belong to our Association. CWD needs to transfer these funds to Suhrco.

Accounts Payable	\$23,575.44*
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* \$14,260.14 of the Accounts Payable amount is owed to King County by the developer but is being charged to Kirkland Central.

Accounts Receivable	\$25,562.98
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Delinquency Report as of the end of February was \$8,142.84. Delinquencies over 60 days are \$13,973.46.

7. Secretary’s Report

Approved minutes of prior meetings are available with Sally and can be sent via email or post. We are working on creating a website where these can be made available.

Report of Committees

Avril Pattenaude of Unit 327 is the Chair for the **Rules Committee**. She wants to meet with some of the members of the Board in order to determine how extensive we want these rules and regulations to be. She is also looking for volunteers to work with her in this committee.

Marna called for volunteers for the **Social and Maintenance committees**.

Larry Hoyt stressed the importance of having a **Rental Cap** for Kirkland Central. According to Jean if owner occupancy falls below 70% then we would not qualify for Fannie Mae. If we fall below 60% then we would not qualify for Freddie Mac. If we fall below 50% then we would not be eligible for primary insurance coverage and may be in danger of not finding any insurance coverage at all. Setting a rental cap encourages participation in the community and pride of ownership. The process is arduous and should be started now.

Election of Inspectors of Election

Greg Peszek of Unit 407 and Rich Bergdahl of Unit 227 volunteered as inspectors.

Election of Directors

Nominees were Marna Hanneman, Stan Hill, Melissa Lising, Ritchie Tryon, Diane Brondello, Bob Dodson and Alan Aho.

Newly elected Board members are Marna Hanneman, Stan Hill, Melissa Lising, Ritchie Tryon, Bob Dodson and Alan Aho.

Unfinished Business – None discussed.

New Business

- Marna posed the idea for the HOA to purchase a studio unit which would be rented out to our residents' out of town guests / family members. There was some discussion for the proposal by Jack Brondello of Unit 524 and against the proposal by Carol Selhorn of Unit 304.
- Valerie Thornquist of Unit 206 asked about the rental cap process. This will be addressed with the next Board. It is not a simple process.

She was also concerned about cigarette butts dropping from the unit above hers. She was advised to talk to Jean Norberg regarding this.

- Arunpriyaa Nachimuthu of Unit 211 complained about the garage door at P3 getting stuck when using her key.

Pointed out that the first commercial parking space by our driveway is a blind spot. HOA will ask the City of Kirkland if we could designate that space as a loading / unloading zone or even a 15-minute zone.

Asked if we can provide guest parking. Sally said no.

Wanted to know if she could install locks on her door facing the street. She was told that she needs to present this to the Board for approval.

Also wanted to know if she could get blinds with a different color facing the inside of her unit. She was informed that the blinds facing outside should be white.

Asked for copies of the developer issues.

Complained about the long response time from Suhrco when she called them about her ISTA bill.

- Avril Pattenaude of Unit 327 announced that there were meetings held by the Moss Bay neighborhood in the Heritage Hall every other month on the third Monday where you can learn a lot from City Management and City Council Members.
- Carol Selhorn of Unit 304 asked about the status of the Merrill Garden construction. Marna reported that the pub will go down in 3 to 4 months. She recognized Ritchie, Stan and Bill Anspach's efforts in ensuring the setbacks would preserve our views. Merrill Garden is expected to break ground in June or July.
- Marna announced the Board's appreciation of St. John's accommodation of our needs and allowing us to their premises for our meetings. She also thanked Bobbie Reed for her efforts in getting us this arrangement.

- Laura Genova of Unit 315 asked if announcements for activities can be put on the shelf in the mail area.
- Patrick Thornquist of Unit 206 asked about the yearly walk thrus with the developer. Sally told him to schedule that with the developer. He has one year from when the original owner of the unit took over.
- Rich Bergdahl of Unit 227 asked if a fan can be provided for the exercise room. Sally said that we do have the budget for a fan.
- Ritchie informed the group that the insurance premiums due next month are a budgeted item under Operating Funds. If funds are not sufficient then the reserves would need to be used. These reserves would then need to be replaced. This is the reason for a reserves study.

Adjourn: There being no other business the meeting was adjourned at 8:40 pm.

MELISSA LISING, Secretary

MARNA HANNEMAN, President

Date:

Date: