

**BAYSHORE OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
February 19, 2019**

BOARD MEMBERS PRESENT

Michael Stahl, President
Kari Miles, Vice President
Dave Streit, Secretary
Brian Collier, Director
Doug Lipinski, Director
Doug Steffen, Director

BOARD MEMBERS ABSENT

Wallace Swanson, Treasurer

STAFF PRESENT

Susan Jensen, General Manager
Jeff Johnson, Maintenance Supervisor
John Gill, Staff
Glenn Hagberg, Event Manager

HOMEOWNERS/RESIDENTS PRESENT

Robert Lloyd

GUESTS

Darcy Carney, CPA, Carney Consulting LLC

ROLL CALL/DETERMINATION OF A QUORUM

Michael Stahl, President, called the meeting to order at 7:02 p.m. A quorum of at least four board members was present.

ADOPTION OF THE MINUTES

Motion: To adopt the minutes of January 15, 2019, with minor correction
By: Brian Collier
Second: Doug Steffen
Vote: Motion passed

TREASURER'S REPORT

Darcy Carney, CPA, of Carney Consulting, LLC, gave a report for Fiscal Year 2018 that included information in the following reports:

- Accountants' Compilation Letter, p. 10
- Statement of Financial Position – Comparative, p. 11
- Statement of Activities – Comparative, p. 13
- Statement of Activities – by Class, p. 14
- Budget vs. Actuals – HOA, p. 15
- Budget vs. Actuals – BELC, p. 18
- Supplemental Cash Report, p. 20
- Acct 5265 Capital Projects Transaction Report for 2018, p. 21

Financial documents are on file at the Association office and owners are welcome to make an appointment with the General Manager to review and discuss.

HOMEOWNER/GUEST COMMENTS

Robert Lloyd: Mr. Lloyd spoke about a few items: 1) He thanked the folks from Bayshore office who post announcements of meetings on the community sign; 2) He phoned the police and found information

regarding Amber Bay Circle, that vehicles must be 50 feet from an intersection; and 3) citations can be issued via mail by police if they are sent a photo with location and license plate number.

COMMITTEE REPORTS

Architectural Control Committee

Karen Leszczak, ACC Inspector

February 19, 2019

ACC Business

There was no meeting of the Architectural Control Committee in February.

0 Projects Approved / 0 Denied for FY 2019

Breakdown is as follows:

| | | | |
|----------|---|-------------------------------|----------|
| Addition | 0 | Paint | 0 |
| Deck | 0 | Roof | 0 |
| Denied | 0 | Shed | 0 |
| Door | 0 | Siding | 0 |
| Driveway | 0 | Tree | 0 |
| Fence | 0 | Walkway | 0 |
| Gutters | 0 | <u>Windows</u> | <u>0</u> |
| Lawn | 0 | YTD Projects Requested | 0 |
| Other | 0 | | |

34 Violations and Complaints for FY 2019

Breakdown is as follows:

| | | | |
|-------------------|---|--|-----------|
| Animal | 2 | No Approval | 1 |
| Antenna | 0 | Noise | 0 |
| BB Hoop | 0 | Other | 0 |
| Business Activity | 1 | Paint | 0 |
| Crime | 0 | Parking | 7 |
| Driveway | 0 | Roof | 0 |
| Fence | 1 | Signs | 1 |
| Flags | 0 | Snow Removal | 3 |
| Greenbelt | 0 | Stored Items | 16 |
| Lawn/Yard Care | 2 | Tree Stumps | 0 |
| Mailbox | 0 | <u>Vehicle</u> | <u>0</u> |
| | | YTD Violations & Complaints | 34 |

Requests for resale certificates

| | |
|--------------|---|
| January 2018 | 2 |
| January 2019 | 1 |

FACILITY REPORTS

Bayshore Owners Association Operations Report

Susan Jensen, MPA, General Manager

February 19, 2019

Earthquake and FEMA

In January 2019 the Bayshore Board of Directors requested information about filing a FEMA claim in case we find sufficient damage to warrant needing help. We also had a structural engineer examine the building to make this determination (Bayshore Maintenance Report 2/19/2019, Attachment B). It does not appear that there is any need for FEMA assistance.

I tasked Ivy Poe, Bayshore Administrative Assistant to research FEMA and, in follow-up, our insurance policy:

Ivy Poe, Administrative Assistant for Bayshore reported:

I contacted Robert Forgit the FEMA Alaska Area Manager and he was very helpful. He gave me contact information for the disaster assistance program and for the small business administration. He was unsure if businesses were eligible for funding/assistance or if we were only eligible for small business loans.

I called the FEMA disaster assistance hotline and was told that we could apply online at disasterassistance.gov. The helpful operator, Dorinda, informed me that we should fill out the application using the EIN in place of a social security number. However, on the website it states to use the name and SSN of the business owner or representative. It asks for SSN, DOB, and bank information among other things. Also, it states to contact your insurance company first because FEMA is unable to provide assistance for losses already covered by insurance.

I reviewed our insurance policy and did not see earthquake coverage. I called State Farm and confirmed with Dave, we did not carry earthquake coverage on the policy in 2018. Our 2018 policy is the exact same coverage as 2019.

Bayshore Owner Association Maintenance Report

Jeff Johnson, Maintenance Supervisor

February 19, 2019

Dec 2018 Completed Project

DOORS:

Five doors were replaced in the lower level in 2017. An additional swap out men's and women's storage locker doors and lifeguard /toy room door has been completed. The lifeguard door had significant failure around trim area along with chipped tiles, rotted wood, rotted sheetrock, and rust. All the new doors have life very long-life expectances. They are made of a fiberglass reinforced product. The old doors to be replaced were at least 44 years old.

Funds were approved in June for \$10,308. An additional cost of \$225 each for the two locker room doors so they will have louvers to keep air flowing through easily, especially since they remain closed almost 100% of the time. The third door already had louvers included. Funds of \$10,758 came from Board Designated Dues Savings at Alaska USA in December 2018.

Update 2/19/2019: We called door company back in because there is some bubbling on the door jam in the lifevest room. The local vendor believes the door jamb is slated for replacement by the manufacturer at no cost to us.

2019 Projects in Progress

TOY/LIFEVEST ROOM: I met with Board Member Doug Lipinski in 2018 to look at the toy and life vest room in the pool area to talk about making repairs due to excessive water in the room. Four contractors gave estimates for repairs including drywall, painting, and redoing concrete floor so that it all slopes towards the drain that is in the back of the room.

On November 20, 2018, the Board approved an estimate by *Repair as Needed LLC* for \$6,900 to Make modifications to the toy/lifevest room in the pool area. Funds to come from Board Designated Dues Savings at Alaska USA. They are slated to begin work in late February.

Staff member John Gill and I have begun work to expand area of closet by closing in the alcove in the lower lobby. One of the walls was inspected prior to removal to ensure proper load bearing. The project will include some light electrical. Carpentry and drywall will be mainly in-house. A small portion of work will involve a plumber that includes a drain pipe change. The benefit is that the closet will have more room, increase air flow and stop the bottleneck at the entrance.

Initial demo work by in-house staff has shown significant mold under the surface including the back side of sheetrock. There were also rotted wood boards. Sheetrock continues to be removed. There is a plate that rests on the ground that studs anchor into. Some of these studs will be removed because they have dry rot.

Update 2/19/2019: Making steady progress on project.

WATER HAMMER ARRESTORS: Bayshore Early Learning Center reported a very loud hammering noise occurring every time the men's toilets were flushed. Ameresco came out to inspect. They installed water hammer arrestors in late October that should have prevented the pipes from hammering the walls. The project cost \$1,427 and was paid with funds from Operations Budget.

Unfortunately, the repair did not relieve the sound and the company continues to recommend installing a water pressure reduction valve.

Possible or Proposed near future projects

WATER PRESSURE ISSUE: When Ameresco came to look into the water hammer problem, they noticed that the building's water pressure was above recommended levels. They wondered if anything had changed recently that might have affected the pressure. After discussing with Susan Jensen, Bayshore General Manager, we figured out that it must be the

major work done by AWWU a few years ago to improve fresh water main lines throughout the neighborhood. It makes sense that this would increase water pressure as the old underground lines were riddled with leaks.

AWWU was skeptical that their work increased water pressure to the building and we have no evidence since no test was done prior to their install. At the Board's request from October, I asked AWWU if they can turn down the pressure to our area. They stated that is not possible, that the pressure all over the city is what it is and there is no way to reduce to specific areas.

Problems caused by high water pressure

Continuous water flow at excessive pressure can critically erode pipes and other plumbing fixtures in short time, and ruin the life expectancy and performance of sinks, faucets, washing machines and toilets. Overly pressurized water often causes plumbing fixtures to leak, as stoppers within these fixtures will not be able to stop water from forcing its way through.

Additionally, high water pressure contributes to what is known as the "water hammer" effect. When you shut off water fixtures with regular psi flow, internal air chambers effectively protect your pipes when running water stops.

Overly-pressurized water flow, however, negates the effects of these chambers when water is suddenly stopped, resulting in a "hammer" effect that can damage critical pipe joints, valves and fixture heads. While these damages can be repaired by trained plumbing experts, it's better to avoid them altogether by monitoring water pressure and consumption.

(from <https://www.expresssewer.com/blog/bid/361187/can-high-water-pressure-damage-pipes>)

Right now, we have no way to regulate the pressure at the source. Ameresco highly recommends installation of a pressure regulator.

Update 2/19/2019: On November 20, the Board of Directors recommended that we obtain one or two more estimates including one from Denali HVAC. When I contacted Denali HVAC, they declined to come out citing they are back-logged for quite some time. KLEBS Mechanical bid is pending. We have received the following estimates.

- Pinnacle Mechanical \$1,983.00
- Central Plumbing \$2,860.00
- Ameresco \$3,426.50

Update 2/19/2019: After discussion the Board moved to approve the estimate from Pinnacle. Also discussed was doing the work after hours if it was possible to do it for under \$500. Susan will inquire about that possibility with Pinnacle.

Motion: To approve the estimate from Pinnacle Mechanical for \$1,983.00 to install a water pressure regulator. Funds to come from General Operations checking account at Alaska USA
By: Brian Collier
Second: Doug Steffen
Vote: Motion passed

EARTHQUAKE RELATED *(new 2/19/2019)*

- 1) Structural engineer inspected the clubhouse. No apparent structural hazards were found.
- 2) Two bids were obtained for repair work related to non-structural damage to include drywall in fitness room; drywall in stairwell; repair crack in kitchen. Paint will be applied only to repaired areas. Bids were for \$775 and \$2,905 for same work. Susan authorized approval of lower bid for work. We have used them previously with good results.

LIGHTING FOR COMMUNITY SIGN: We are looking into possibility of providing electric to area and include a light to shine on the sign. Alternatively, we could put reflective letters that light up with headlights. A roof has been added over the top of the sign in anticipation of adding lighting.

POND AREA LIGHTING: The pond area lighting has failed and now has only one out of eight lighting still working. This area can be quite dark in the winter. The Board is looking at lighting ideas and costs. This will be a large project with funds coming from Capital Projects. In July, I met with Board Member Wally Swanson and Meg Girard in July. Mr. Girard is an electrical engineer. We walked around the Boardwalk and discussed lighting possibilities. This project is underway with Board of Directors in the lead.

CLUBHOUSE FRONT AREA: Project to include lighting to building exterior and parking area, front of building facia, concrete stairs, entryway, parking lot surface, dumpster enclosure and landscape of island.

Bayshore Early Learning Center

Lauren Dowd, Administrator

February 19, 2019

Enrollment

Full-Day Preschool Program (Dragonflies Age 3-4): 10 of 10 students enrolled. We are full.

Full-Day Pre-Kindergarten program (Grasshoppers Ages 4-5): 17 of 18 students enrolled.

Before-After Program (Butterflies Grades K-1): 12 of 12 students enrolled. We are full.

Staff Update

We currently have a full staff and it has been great! We have a dedicated and awesome team her at BELC!

Program Update

The staff just attended our annual AAAYC (Anchorage Association for the Education of Young Children) Conference and it was so much fun, we brought back lots of useful information to help better our center! Two office staff members joined us at the conference. They will act as back-up to staff in case there is a need for staff-student ratio.

We are currently getting ready to celebrate Valentine's Day and have a Friendship Campout. The kids are so excited, we have fishing, kids' tent's, a fire (which is fake), and a bounce house all set up right here in our event room! We are looking forward to these next few months as we gear up for our end of the year graduation and our May Yard Sale!

Bayshore Clubhouse Event Report

Glenn Hagberg, Event Manager
February 19, 2019

Events

Clients continue to look at Bayshore Clubhouse to host their upcoming events. We are always trying to find the sweet spot on rates and I am constantly trying to accommodate those clients looking for a partial day rental for events such as adult birthday parties, baby and bridal showers, anniversaries, etc.

| | <u>Non-owner events</u> | <u>Owner large</u> | <u>Owner small</u> | <u>In-House Association</u> |
|----------|-------------------------|--------------------|--------------------|-----------------------------|
| Jan 2017 | 5 | 3 | 14 | 3 |
| Jan 2018 | 2 | 0 | 22 | 1 |
| Jan 2019 | 5 | 0 | 11 | 2 |

There were many walk-throughs/tours/site inspections, rehearsals, mock set-ups, A/V testing's, follow-up meetings and more throughout each week that are not included in the above numbers.

January had a nice mix of non-homeowner events with three weddings, a company party and a celebration of life. We had 11 homeowner events, as well.

Anchorage Wedding Fair

It was a successful Anchorage Wedding Fair in January at the Dena'ina Center. We booked three events at the show which is somewhat unusual. We were visited with a number of clients already signed up to host their wedding at Bayshore, but this was a convenient opportunity for them to ask additional questions about the venue and protocol since I was there. It was good to reassure clients and solidify relationships at that show.

Superbowl Party

It was another good turnout at the Superbowl Party at the Clubhouse. Many neighbors came, ate, visited and cheered on the teams. This year, neighbors brought a lot of food to share which exceeded that which was brought in the past three years. I had issues with getting an additional projector working, but all worked out in the end. I will be researching projectors in the near future as we can use one in the Clubhouse for seminars, meetings and more throughout the year. This can be an additional rental fee so that it pays for itself over time.

Summer is Coming

We are excited for spring and summer as we are filling out the calendar with non-homeowner events. With that in mind, there are a number of projects we will be undertaking to get everything up to speed for our brides and others. These include an air conditioner installed in the Bridal Dressing Suite. Since warm air rises, there are many times during the summer (and winter, too) that the dressing suite is almost unbearable with temperatures about 5-10 degrees hotter than the main floor, and no ability to open a window up there. A small, portable air conditioner will give comfort to brides and their attendants while they get ready. Melting makeup will be eliminated. We are also going to build two new wedding arbors (or arches) for clients to use during their wedding ceremonies out on the lawn or inside the Chalet Room. There are more projects to keep the Clubhouse up to a professional standard as we progress.

OLD BUSINESS

AT&T Cell Sites in Bayshore. In 2018 AT&T replaced two existing light poles to attach a small wireless facility. The poles are located at the corner of Perenosa Bay Circle & Amber Bay Loop and on Alitak Bay Circle. The poles were 'live' as of late January and will improve service for AT&T wireless customers. There is a neighbor who is very concerned about 5g and is gathering information from AT&T through a Freedom of Information request. This is something the neighbor is addressing through the Bayshore-Klatt Community Council and others. Susan Jensen will keep the Board apprised of updated information. This is not a topic the Board is taking up or has been asked to take up.

Lobby Furniture Follow-up. In January a homeowner made a renewed request for comfortable lobby furniture. This past year the lobby furniture was replaced with oversize chairs and are not comfortable for people who want to sit up. At the January meeting the Board tasked Susan Jensen with finding a few chairs to add to the lobby. She purchased two leather chairs and small side table for the upper lobby and two vinyl swivel chairs for the lower lobby. People have been observed since that time enjoying the new furniture. Total cost was \$1,425.92. Funds from Operations Budget Alaska USA Checking.

Earthquake. In January, the Board requested that General Manager Susan Jensen open a FEMA claim with regard to any damage and costs associated with the November 30, 2018, 7.1 earthquake. However, as reported under Operations Report, the only option is for low cost loans and there does not appear to be a need at this time. Earthquake related costs will be tracked during 2019.

NEW BUSINESS

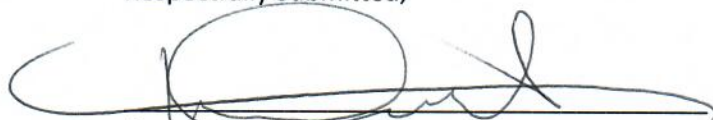
Website Emails addressed to Board of Directors. There is an address listed on the website directed at the Board of Directors (board@bayshore.club). Susan Jensen inquired of the Board members if there was a Board designee who they want to receive such emails; or, to continue practice of emails coming to her first and then forwarded onto Board with additional information on the topic, if any. The Board opted to keep current practice of having the rarely received emails looked at by Ms. Jensen first and then forwarded to the group.

2018 Operations Budget. The Board asked for follow-up at next meeting on details of specific accounts in the budget including accounts receivable, repair and maintenance and supplies. They want to see goal targets and progress for board designated dues savings included in monthly meetings.

Survey / Suggestion Box. Dave Streit made a suggestion that we do a neighborhood survey to see how we are doing for neighbor or have a suggestion box for email for people to submit comments. Susan will review old survey she created several years ago and bring verbiage to Board for review.

MEETING ADJOURNED at 8:32 p.m. by Michael Stahl, President.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Dave Streit", written over a horizontal line.

Dave Streit, Secretary

Approved on March 19, 2019