

Minutes
STILLHOUSE CANYON CONDOMINIUMS BOARD MEETING
June 11, 2019
6:00 pm

1. Call to order
 - a. Attendees:
 - i. Carolyn Wright President
 - ii. David Greene Vice President
 - iii. Marc Duchon Treasurer
 - iv. Phil Rothblum Secretary
 - v. Seth Klempner Member-at-Large
 - vi. Mike Hill Granite Properties
 - b. Carolyn called the meeting to order at 6:00 pm
2. Reading and Approval of the May Board Meeting Minutes
 - a. motion to approve, the minutes were approved
3. Owner Comments/Recommendations
 - a. Joni Elliot Unit 161 (by email)
 - i. Power washing the deck
 1. scheduled to be done
 - ii. Poison ivy - instructed landscapers to look for it by the pool area
 - iii. Structural issue on kitchen floor
 1. Mike will send a letter stating no further action will be taken
4. Old Business
 - a. Status of general repairs on building #2
 - i. Almost complete, some staining remains to be completed
 - ii. Ready to walk building 3 by the end of June
 - b. Proposed tree cutting policy proposed by Carolyn and sent to the Board. It was approved, Mike will post on Granite website
 - c. Possibly expanding of tree trimming requirements
 - i. Motion to obtain 2 bids, standard 4' trim from buildings, extended 8' trim from buildings
 - d. Memorial day trash pickup missing
 - i. Mike will obtain a quote from TDS trash service for the exact same services we receive today.
 - e. Status of balcony/patio railing modifications as required by insurance

Mike Hill briefed the board on new information concerning the requirement by Farmers Insurance that Stillhouse retrofit some or all of its balconies to have spacing of 4-inches on center rather than the current 6-inches on center. Although current code in Austin requires 4-inch spacing, Stillhouse is grandfathered with the City. Farmers, however, is requiring the change if we want to continue our coverage with them.

Mike has recently spoken with Patrick Watkins of Watkins Insurance, a respected agent and one that Stillhouse has worked with successfully in the past. Watkins reports that the spacing issue is a "real" requirement and not a passing concern based on one or two local incidents. Watkins says that all primary markets (e.g. Farmers) and secondary markets (e.g. Stata) will impose this requirement nationwide.

According to the State Board of Insurance, Stillhouse is on the small end of the large condo property scale which starts at about 160-180 units. Stillhouse has 180 units. Many carriers will not cover large properties because of the greater liability they pose. Farmers is the only insurance company in our area that is writing for large condominiums and Watkins says no one can come close to matching their premium. As for Strata, their premium was much higher for 2019 and Watkins believes they will require railings to be addressed after 2019.

Mike says we are at a crossroads and must make a decision about how to proceed. He recommends

that we hire an expert such as the William Perkins architecture firm to give us a written proposal of our options. The report would cost \$3500. Neely's has hired Perkins for the same sum. There is no cost-sharing available for this proposal phase, but perhaps some economies of scale/cost-sharing with Neely's could be realized on future aspects of the railing project. Mike will explore.

Mike thinks he needs to send a letter to Farmers by the end of this week indicating what steps Stillhouse has taken, e.g. hired Perkins to do a survey and make a proposal of options. Mike is concerned that if we don't take immediate steps, Farmers will cancel our policy.

Next steps for the project after receiving the proposal are to:

1. Determine which solution/option to choose.
2. Cost it out and find resources who can implement the solution.
3. Determine how to fund, e.g. special assessment or increased monthly HO fees.
4. Determine from Farmers which railings must be replaced, eg., can lower railings on Buildings 1-4 remain in place as there is no falling risk? Can railings on stairs remain in place even though in some cases there is a falling risk. At present, Farmer's seems to be focused only on balcony railings.
5. Determine from Farmers the maximum timeline over which the project can be implemented in an effort to spread out costs. Mike thinks three years is the outside maximum and is unsure if we could get that much time.

Stillhouse has \$245K in reserves. Mike thinks we could spend up to 50% of that as a loan to ourselves this year to be recouped in 2020 from the homeowners. He thinks Farmers might require that we begin work/expenses by October, 2019.

The Board agrees with Mike that we need to send an advisory memo to homeowners as soon as we have enough information to answer most basic questions. Timing of the memo to be discussed further. One purpose of the advisory notice is to start to educate HOs on payment options so that a vote can be taken at February 2020 annual meeting. NOTE: Annual meeting is February 11, 2020.

In conclusion, Mike recommends that the board hire an outside expert to assist in defining options for Stillhouse. He thinks the project is too complex and expensive for the board to do it without expert help. He recommends William Perkins who has done this type of assessment for other condominiums including Neely's.

After discussion, the board approved a motion to spend \$3500 to hire the William Perkins architectural firm to write a proposal for how Stillhouse can address the railings requirement imposed by Farmers. Mike will send a letter to our Farmer's agent indicating we have hired an architect and are taking steps to comply with their requirements. The board plans to meet with Mr. Perkins in the near future to clarify certain questions about the project he is doing.

5. New Business

- a. Water shut off policy was ratified by email

6. Manager's Report

June 2019 Total Income:	\$ 45,025.12
June 2019 Operating Expenses:	\$ 30,025.12
June 2019 Non-Operating Expenses:	\$ 6,330.00

For June 2019, the association had the following summary of accounts:

Operating Account Balance:	\$ 4,565.10
Money Market Fund Balance:	\$ 245,000.95
Total:	\$ 249,566.05

7. Adjournment

Meeting adjourned at 7:40