

10/19

LONG HILL CONDOMINIUM ASSOCIATION

Board of Directors Meeting

October 12, 1999

MINUTES

There was a Meeting of the Board of Directors of the Long Hill Condominium Association on Tuesday, October 12, 1999 at 15 Long Hill Estates, Peterborough, NH.

Present: Marilyn Britton, Rob Trowbridge and Cal and Ted Davison of Cardiff Management.

Absent: Jonathan Hampson

Call to Order

The Meeting was called to order at 4:07 p.m.

Review/Approval of Minutes

July 27, 1999 BOD Meeting

Deferred as no present Board members were at the subject Meeting.

August 23, 1999 BOD Special Meeting of Unit Owners

Deferred.

September 13, 1999 BOD Meeting

Deferred as no Minutes had been prepared by those present thus far.

Old Business

Open Position - Board of Directors

Rob confirmed that a brief meeting had taken place between Jonathan Hampson and himself at which time they had voted to appoint Marilyn Britton to fill the open position on the Board created by the resignation of Amy Myhaver. Jonathan had then contacted Marilyn to confirm the appointment with her and which she then accepted.

Marilyn then advised those present that via e-mail she had received a resignation from the Board by Jonathan Hampson, dated October 11, to be effective immediately. However, as this would leave only the two very new Board members, *acceptance of his resignation was deferred*.

In regards to appointing someone to fill Jonathan's position, once the resignation is accepted, Marilyn indicated she had someone in mind who may well serve as a replacement for Jonathan, but would review with Rob prior to taking any action regarding asking if there was interest in serving by the individual.

Review of Declarant Issues

Ted reviewed for Board members Rob and Marilyn the recent events and current status of outstanding issues associated with the Declarant, primarily as required by the Town of Peterborough. All work required by the Association had been completed to the satisfaction of the Association and, in fact, Jonathan had signed a Release to that fact for the Declarant. The Declarant had also provided a payment of \$5000 to the Association to address any minor issues that may become evident.

Current outstanding issues of concern is a dispute between the Town engineer and the engineering firm retained by the Declarant regarding deficiencies in the manholes and corrective action to be taken. Ted raised concerns that the Declarant was apparently beginning some work in this regard but had not contacted him as she had committed she would do. The other issue outstanding relates to TJ Jarest who has made repeated commitments over the past several months to do some work on the area near building #9 to meet Town requirements, but had thus far failed to do so despite several reminders.

Rob and Marilyn then raised concerns associated with poor drainage in the lawn areas beside and behind building 9. Ted reviewed the suggestion by the Town to replace all lawn areas with 3/4" stone in the back and sides of these units but that Jonathan felt this would not be acceptable by the adjacent unit owners. Therefore, at his direction the alternative correction of putting in additional drains and save the lawns for the residents to enjoy was selected and carried out. When Marilyn asked if trees could be cut down in the back to allow more sun to dry out the area faster, Ted reviewed the directives by the Town engineer (and as agreed to by the engineer representing the Declarant) that the trees must remain in order for their root system to prevent erosion.

Other Business

Review of Financial Reports

There was a review of the financial reports sent to Board members at the close of each month.

In response to a question from Marilyn, Cal and Ted explained what the various columns in the Delinquency Report represented.

When Rob did not understand why the Expense Report of September 30 did not include October checks generated, Cal and Ted advised that it was because it only included checks cut in September, not those cut in October; those generated in October appeared on the October Expense Register. Rob then raised concerns that the total on the Balance Sheet for September was less than that of same report for August. Cal and Ted brought to his attention that it was only the Operating Account which was lower and that was due to the invoices paid in October just as a personal checking account would increase and decrease according to checks written and deposits made.

Basketball Net Installation

Marilyn raised a question regarding the installation of a basketball net she had been advised by Jonathan that was pending. Ted reviewed the vote taken by the Board in the Spring in which

they voted to not install a basketball net in the tennis courts, as well as the conflicting directive he had received in September from Jonathan to go forward with having the work done inside the court. Rob and Marilyn felt placement in the tennis courts was inappropriate. Therefore, there was agreement to defer any decisions until the Spring of 2000.

Easement/Sand Pit Work

Rob felt strongly that no further work be done on the easement/possible theft of land owned by Long Hill due to cost involved. There was no vote taken in this regard, however. There was agreement that in any instance where there was direction for action, particularly regarding expenditures of non-standard costs between Board meetings that the directive to Cardiff be in writing.

Cardiff's Contract

There was a discussion regarding Rob and Marilyn not having had a copy of the contract for management services with Cardiff. Cal advised that she had previously advised Jonathan that the retiring or resigning Board members were obligated to give their copies to their successors and had felt this had been done. The Board then advised that they had obtained a copy from Amy and would make copies for themselves.

History of Board/Management Relationship Thus Far

Cal and Ted reviewed concerns they have had with the Long Hill Board since the inception of the Management relationship including, but not limited to the following:

- Incorrect information received from Tom Forman regarding an amendment he claimed had been taken and recorded to change the fiscal year which was later found to be incorrect causing substantial problems with tax filings, discrepancies between the IRS, the State of NH and the Bylaws regarding the term of the fiscal year, etc.
- Directives given to Cardiff outside of Board meetings by Tom and then Jonathan which often were in conflict with voted decisions made at Board meetings.
- Decisions by the Board or directives by Jonathan outside of Board meetings to not enforce the provisions of the documents (Declaration, Bylaws and Rules) for many violations, including by Board members.

Cardiff advised that these issues made it impossible for them to carry out their responsibilities effectively for Long Hill, as well as causing a great deal of anger by many of the membership who blamed Cardiff for failing to enforce rules, etc. Cardiff reminded the Board that as they did not want to embarrass the Board or publicize the problems, they had not responded to those angry letters with the facts of why this or that had not taken place.

There was specific discussion regarding the failure of Amy Myhaver to remove the basketball net after being advised to do so by Jonathan, and Jonathan's decision to then not force the issue since Amy was a Board member. There was also specific discussion regarding the failure of Rob to remove his satellite dish that had been placed on the Common Area in conflict with the Bylaws despite a request that he do so. When he advised that Tom Forman had told him there was some sort of precedent to allow it to remain, he was advised this was not the case and, in fact, the documents specifically addressed the disallowance from any precedent arguments.

In regards to the basketball net and the satellite dish, Marilyn stated firmly that the documents had to be enforced. Rob did not raise a disagreement.

Ted also reminded the Board of the tremendous amount of serious issues that Cardiff was presented with since beginning the management relationship that were not part of the basic contact services including, but not limited to, the major Declarant issues, the easement issues, the very serious fiscal year/tax issues, sunrooms added without authority, multiple and different versions of the governing documents held by Unit Owners, premature failure of roofs, finding that there was no sheathing under the siding causing major warping of clapboards, etc.

Survey of Membership Re Management

Marilyn indicated she had been asked to lead a review by the Board regarding what they wanted in the way of management, specifically whether they wanted to be self-managed, keep Cardiff or look at other management firms.

She also advised she was planning an informal meeting of the membership in November so that the Board could share their ideas for the community. Additionally, the Board was going to do a "survey" of the membership "to find out how we are going to manage ourselves." Cardiff suggested that this was extremely premature and inappropriate at this juncture as such a meeting to survey the opinions of the membership would be giving the membership a forum to comment on something that not only they had no knowledge of, but which the two new Board members *also did not have sufficient knowledge of as of this point*. Accordingly, such a meeting would, therefore, only further divide the Board and management when they should be acting as a team for the benefit of the community as a whole.

Purchase of Large Envelopes for Use in Mailing Checks for Board Signature

Rob asked that the checks mailed to the Board for Board signature be mailed in larger envelopes so that they would withstand processing by the Postal Service better. Cardiff agreed but advised the cost of the envelopes would be borne by Long Hill. Marilyn did not object.

Roof Review

Ted reviewed the status of the sunrooms, including the six that had been replaced, as authorized by Jonathan.

Cal reviewed the need for identifying the balance of those needing replacement prior to doing any updated Capital Reserve Study. Ted reminded the Board that we had not charged Long Hill for the Study done in 1998 despite the contractual ability to charge for all work associated with preparing it beyond the first five hours. However, an updated report would be charged.

New Business

Budget Schedule

Deferred.

Grounds Care Contract - Solicit for Bids?

Deferred.

Trowbridge - Threats and Accusations

Deferred.

Suspension of Management Services

Ted and Cal reviewed the letter they had forwarded to the Board on September 29 formally advising of the default in the Management contract between Cardiff and the Association due to Rob's withholding payments due to Cardiff even with detail of charges provided. These checks/payments represented reimbursement of expenses paid on behalf of the Association at the direction of the previous Board and Board President since July 31, and for management services and non-contract services provided as also authorized and directed to be done by the previous Board and Jonathan Hampson since August 31. Ted advised that as the default had continued for an excessive amount of time, Cardiff had had no alternative but to suspend all services not covered under the basic \$600 per month fee; those basic services had continued but would be suspended if payment was not made immediately. Rob then signed the checks in payment to Cardiff as well as those he had been holding in payment of the legal services since September 1.

Cardiff also reviewed concerns associated with the memo generated by Jonathan Hampson on October 10 in which he claims that he felt the \$1500 he authorized regarding the easement was to represent legal and the survey. Cal advised that this was the amount authorized for legal only and that it was only after legal had become involved including site reviews and meetings with the Town, including Town counsel, that the need for a survey had been identified and reviewed with Jonathan who had then authorized this as an additional expenditure. Cal advised, however, that as the local surveyor would not do the work due to conflict of interest issues, and as the other surveyor contacted would not give a quote but expected to do the work and bill later for an undefined amount that she had suspended the work.

Cal and Ted each also reviewed with the Board the many progressive conversations that had taken place with Jonathan, including several regarding the cost of the actions he had been directing to be taken.

Management Report

Rob read the Management Report during the meeting. There was no further commentary on its contents.

Next BOD Meeting

The next Board meeting is scheduled for October 26 for 3:00 p.m. - 5:00 p.m. at 15 Long Hill Estates, Peterborough, NH.

Adjournment

The Meeting was adjourned at 7:11 p.m.

Respectfully submitted,