

**Saco Woods Condominium Association  
2020 Annual Meeting**

**Saturday, December 12, 2020 10:00 am  
Attitash Grand Summit Hotel**

Property Manager Erik Chandler of EG Chandler called the meeting to order at 10:03 am. Board authorized Erik of EG Chandler to moderate the meeting.

Certification of Quorum: Roll call was taken and with 13 present and 37 represented by proxy totaling 50 units represented a quorum was declared.

Board Members Patrick Barrett, Ellin Leonard and Paula Shappell were introduced.

A motion was made by Barbara Butler to approve the Annual Meeting Minutes of 2019 as distributed, with a second from Ruthann Boucher. The motion carried with a unanimous vote in favor of and the 2019 annual meeting minutes were approved.

**President's Report:** A President's report was read which reviewed the challenges of 2020 with Covid 19; the capital repairs needed in 2021; thanking the volunteer community gardeners; and recognition of Mrs. Crasper. Mrs. Crasper is SWCA's eldest resident turning 100 of December 28<sup>th</sup>, 2020. See Attached Report below as read.

**Dissolve Saco Wood Corporation in accordance with current Bylaws:**

A motion was made by Jeanette Heidmann to dissolve Saco Woods as a corporation, with a 2<sup>nd</sup> from Ruthann Boucher. Motion passed unanimously.

**Treasurer's Report:**

Ellin Leonard introduced herself as Treasurer and explained the process of approving invoices, the expenses of a 96 units association and its complexity.

Balances in our accounts at 11/30/2020:

Operating Account: \$14,110  
Reserve Account for Capital Repairs \$201,203  
Reserve Account for Carports \$ 9,325

**Loan Information:**

Board Member Patrick Barrett reviewed the loan process the board has worked hard on.

**Budget Ratification:**

Board reviewed and answered questions to 2021 budgets as previously sent to owners and copies were provided at the meeting as well. The "2021 Budget -Rev 2 Approved by Board of Directors , Oct 13, 2020" was presented with no dues increase, and a line item for debt service.

Sara Holtby made a motion for owners to ratify the budget as presented, with no dues increase, and a line item for debt service with a second by Jeanette Heidmann. Motion passed with a unanimous vote in favor of.

### **Loan Approval and Special Conditional Assessment:**

Owner Sara Holtby made a motion to Authorize the Board of Directors to approve a loan of up to \$1 million for capital repairs to be undertaken in 2021 with a second by Jeanette Heidmann. The motion passed with a unanimous vote in favor of.

Jeanette Heidmann made a motion to approve the Special Conditional Assessment upon default of the loan, with a second by Ruthann Boucher. The motion passed with a unanimous vote in favor of.

**Construction 2021/Property Manager Report;** With the budget ratified by owners, official owner approval to have the board proceed with loan, and the approval of a special conditional assessment in the event the association were to ever default on that loan, the stars have aligned and we can continue to proceed with 2021 construction plans. Please see the attached report below as read.

### **Question and Comments from Owners:**

Jess Wright asked a question regarding Air conditioners which was clarified

Jeanette Heidmann recognized and thanked the board for all the time, work and effort put in.

### **Election**

Two 3 year board member and a 1 yr board member seats were open for nominations.

Ellin Leonard recommend and nominated, nominations was seconded by Jeanette Heidmann:

Matthew Morano for a 3 year term

Patrick Barrett for a 3 year term

Wend Broker for a 1 year term

No further nominations were brought from the floor.

The vote was unanimously in favor of Matthew Moran, Patrick Barrett and Wendy Broker as board members.

### **Adjournment**

There being no further business brought before the board, a motion was made by Sara Holtby to adjourn the meeting at 10:45am with a second from Jeanette Heidmann

## **President's Report for Saco Woods Condo Association 12/12/2020 as read**

This year has certainly been a year for all of us. We began 2020 with the revision of the bylaws and declaration to meet the current condo statute and we now have a set documents well written, easy to understand, interpret and manage with. A goal for 2021 will be to create a very basic website so these documents, board meeting agendas, meeting minutes and perhaps a newsletter can be easily accessed.

COVID hit creating many new challenges for everyone. Construction start on window replacements/rot work was delayed due to the fear and shutdown and we faced many unknowns.

With the Reserve Study completed in late July at the same time an incredible amount of rot found in a deck structure behind building 3, the board realized that phasing the rot work over several years was simply not an option. The Reserve Study Engineer, Granite State Glass, the builders we consulted with, the builder on site, the building inspector and the fire chief all pointed out issues that have been brought to the boards attention and we have begun to look at tough solutions.

With my construction background, I knew ceilings installed underneath decks would contribute to rot, however, not to extent ever imagined. The structural rot, ants nests, squirrel nests, hornets nests and mildew were all discovered. Having to notice owners they could not use their deck for safety during the repair work got my attention. It is estimated we have 13 ceilings left to be removed.

A deck flooring solution, to prevent future rot as the design of the decking allows water from rain storms as well as splash from the A/C roofs infiltrate into the exterior wall, and those ceilings further trap the water. Hours of consultation, discussions and visits with several professionals took place. This solution will also prevent the need for ceilings as the solid base will prevent dirt and debris from coming down on you. The building inspector and fire chief, questioned our pressure treated decking as spec'd and requested a fire rated material due to the deck enclosures and ceiling that are allowed. As the fire rated material they wanted us to use is not rated for exterior use, through much back and forth pressure treated was accepted.

Through the wall A/C's have been discussed, discussed and discussed again. Side vented A/CS and A/C's extending beyond the drip line of the roof all create rot issues. Any wall penetration leaves risk for damage, that may not be easily discovered until the damage is extensive. We will be moving to not allowing any future through the wall A/C's. Portable A/C's have come a long way and seem to be the safer, less risky option and advised by the lawyer as the better option.

Fully glassed enclosures were brought into question by the fire chief and building inspector and the ceilings create a fire code issue. Essentially, one is making the deck into a living space and therefore would need to have sprinklers installed. They also create a greenhouse effect by trapping warm moist air and being a breeding ground for moss, mold and mildew. We will be working to determine the best practical solution, and keeping the side glass if possible for first floor units especially due to roof splash.

We all need to be open to listening to these opinions even though we may not all like the answers or solutions. Staring down almost a \$1 million dollars to finish the project on 2 2/3 buildings is pretty serious. With only one deck structure out of 16 completed—NOW is the time to do it right.

One of the things that struck me at the first educational meeting to review the bylaws was the lawyer asked “who here owns a deck or a balcony?” Every owner in the room raised their hand. The lawyer corrected all of us and explained that in the documents both old and new, the decks/balconies and carports are designated as a limited common area, this means they are there for your individual use, but you do not own them. As they are listed as such, the condo statute holds the Association liable to tend to the repairs (to make sure they are done correctly, however those expenses are then billed to the individual owner using that deck).

We need to look at the upcoming year as a “Reset”. For 2021, with the ratification from owners to accept the budget as presented and recommended by the board, we will not be increasing monthly dues. We have been approved for a loan of \$1 million. Payback of that loan will be through the line item that we have had in the past 6 years budgets for Roof Replacements/Rot Repairs. Patrick will go into more detail in a bit. HOWEVER, owners with through the wall air conditioners and enclosed porches will need to make some decisions and be prepared financially for needed upgrades, removals and reinstalls as these items are having a profoundly negative affect on the buildings, and are not a common expense.

Thank you for all the words of encouragement throughout summer, it’s been a very challenging year.

Thank you to all the volunteers who helped with the community gardens and meeting the challenges of necessary water restrictions we posted due to the Drought. We receive weekly updates from NH DES as our water system is considered a public system due to the number of folks we have here.

We’d like to take the time to recognize Mrs. Crasper, an owner who has been living here for many years and quite an interesting person to talk with. On December 28<sup>th</sup> she will be turning 100 years old, if we had a Boston Post cane to present to the oldest person at Saco Woods we would, however they don’t make them anymore. We encourage everyone to drop her a card or note to wish her a happy 100<sup>th</sup>.

### **Construction Work 2021/Property Manager Report as read 12/12/2020 Annual Meeting**

With the magnitude of the project, loan requirements and the complexity of the deck issues, the board is contracting with a construction manager to oversee the project. Charles Allen, has been contracted to manage the project and provide on site supervision. We have spent several weeks estimating, discussing the schedule and how to complete this project in the year we have to draw funds, with essentially 6 months of weather suitable for exterior work and painting in NH. Charles has the knowledge of the industry knows all the players in the valley, knows what pricing is reasonable and how to negotiate better pricing. His current project is the Home 2 Suites in North Conway and HEB Engineers recommended him for our needs. The challenge: to find a contractor with a crew large enough to meet this schedule. A&M builders—the current contractor declined to bid as they don’t have the crew to meet the schedule, as well as several other local contractors. Charles has negotiated with a firm from Boston who completed the siding work at Home 2 Suites so we know they can handle the volume.

We have negotiated a unit pricing with a not to exceed contract. This means less risk and cost for us, however they will be wanting to get in and get out. We simply cannot have owners discussing the project, ask to make schedule accommodations with the workers, the site supervisor, EG Chandler or the construction manager. You will be noticed of a time frame of entry and they will have access.

The Construction Manager as per his contract, will communicate and look for decisions from one point person, and the board has authorized me to be that person. EG Chandler's role will be to contact owners for notice of access. Complaints or comments regarding the project may be funneled through EG Chandler's office and will be forwarded to the board for response.

Construction will likely start by May 1<sup>st</sup> and as per the request of the construction manager, all deck enclosures will need to be removed before contractors arrive and remain off until painting is completed. They will need easy clear access to decks several times throughout the project, and he sees those enclosures as an issue and frankly does not want anything to do with them. We are setting the expectation now that you will be without your enclosure for the summer. This will be tough for us all... I know... I will miss my screen porch next summer as will Sophie kitty.

This spring/summer we will be working with Charles, Granite State Glass, the Building Inspector and Fire chief for the best solution moving forward to prevent rot and be in compliance with code. Details and logistics are being worked out for removals and reinstallation. Any modifications and reinstallation needed will be an owner expense, as these are not common elements.

Air Conditioners:

### **Consensus of the board as voted on at our November meeting**

1. A/C's that are in the exterior wall that are side vented must be removed or replaced (total 32). Unit owners with correct wall A/C's now (with sleeve), will have the same options listed below (total 14)
2. **Removal Option:**
  - a. During the 2021 rot repair work only, we are affording any through the wall A/C owner the following option:
    - i. We will remove the A/C, close up the hole from outside and install sheetrock on the inside at the Association expense.
    - ii. Owners will be responsible for interior sheetrock, mudding, taping and painting. You can hire your own contractor as you see fit as this is the interior of your unit.
    - iii. Permission letters will be granted for portable A/C units (costing you \$400-\$800)
3. **Replacement Option:**
  - a. The model will be chosen by the board of directors to assure the correct model with sleeve and uniformity
  - b. No little roofs will be installed
  - c. Any damages found during the replacement or modifications needed to make the A/C as safe as possible will be your financial responsibility.
  - d. Upon transfer of ownership, you agree to have the unit removed and hole repaired by SWCA contractors, at your expense.
  - e. A replacement option would likely cost \$2,500 or more depending upon found conditions.
4. No new through the wall penetrations for A/C's will be allowed moving forward.

Decisions will likely be needed by mid- February so that we have a complete list for the construction manager. Anyone wanting to replace your through the wall A/C we will likely handle this before the rot/windows work begins.

Side vented A/C's will not be allowed to run this summer.

Drainage: The engineering estimates for the drainage as designed came back unrealistically high. The construction manager has sent them out to bid, and we will discuss with the low bidder other options. We were anticipating using the contingency we originally built into the loan amount for this, however, it is not looking realistic for this year. Once we complete one building we will re-evaluate but with constructions schedules as they are now, 2021 may not be a doable option. We will simply have to wait and see.

2021 will be very busy and challenging year for the board. The construction will be noisy and disruptive for us all... have patience and understanding.