

Duplex Council Meeting Minutes (Conducted Virtually via Zoom)

November 10, 2020

The meeting was called to order at 7:02 p.m.

Duplex directors in attendance: Robert DeMarco, David Heikoff, Andrea Heikoff

Duplex residents in attendance: Theda Marinelli, Amy Lawson, Tom Schuck, Diane Corcoran, Manojkumar Dange, Karen Gale, Larry Watts, D. Hooker, Lynn Allen, Milna Rosario

Robert DeMarco reviewed projected 2020 results and the proposed 2021 budget with those in attendance and highlighted the following items:

1. We anticipate a shortfall vs. budget of approximately \$39,000 in the 2020 results. This is primarily attributable to the \$20,000 overage in repair costs for 17 Scarlet Lane, \$11,200 overage in deck repairs and pest control expense and the balance is due to other miscellaneous items.
2. We have prepared a 2021 budget which reflects an increase in the monthly Duplex common charge fee of \$24 per unit (from \$325 to \$349). This will bring each unit's monthly fee to \$400 when combined with the \$51 monthly Conservancy fee assessment which is not increasing for 2021. A discussion ensued where we gave each resident the opportunity to express an opinion on the increase.
 - a. Should we consider an additional increase of \$25 (total \$49) to bring the monthly fee to a total of \$425 including the Conservancy fee?
 - b. Several individuals cited the economic climate due to the pandemic and this may not be the year to increase the fee by a more significant amount.
 - c. It was pointed out that the Duplex Council reserve study reflects we are approximately 17% funded for future years' capital

projects and it is necessary to increase our fees to improve our funding rate.

- d. A straw poll was taken of the 13 people in attendance (including the 3 directors) and 5 individuals were in favor of a \$49 per month increase while 8 individuals were in favor of a \$24 per month increase. Based on this straw poll, the directors will base the budget on a \$24 per month increase per unit with the understanding future council directors will need to strongly consider additional increases to the monthly fees to avoid large special assessments.
3. The significant increase in the 2020 General Maintenance and Repair line vs. budget resulting from the \$20,000 overage in the repair cost for 17 Scarlet Lane was discussed. Several residents raised the following issues:
 - a. A resident requested a written explanation from the property manager (Elite) as to why the council's insurance policy did not cover this repair expense. The directors noted that the damage was caused by a defect in the construction of the unit (issue with the flashing) and the time had expired as to when we could seek recourse from the builder. The directors were informed last year (when the issue arose) by the property manager that the insurance policy does not cover builder defects and therefore the council had to cover the cost of repair. The homeowner is not responsible for damage caused by defects in the exterior construction of the unit. The Duplex directors will request a written statement explaining this issue from the property manager to be shared with the residents.
 - b. Request the property manager obtain a quote to identify the additional premium cost to amend our insurance policy to include coverage for this type of risk, if available.
 - c. A former duplex director who attended the meeting indicated we changed insurance carriers a few years ago which resulted in significant savings in the premium. Was there a reduction in coverage when we changed carriers?
 - d. What is the contractor's warranty on the repair work performed on 17 Scarlet? Do we have this warranty in writing? Did both

the homeowner and property manager sign off on the completion of the work indicating it was done to their satisfaction?

- e. Should we consider hiring a contractor to do a visual inspection of the exterior of each duplex unit to determine if any other units have a similar structural issue? Can a visual inspection identify if there is an issue with the flashing? If so, what would this cost?

The council directors indicated they would follow up with the property manager regarding the questions raised during the meeting.

There being no additional comments or questions, the meeting adjourned at 8:10 p.m.

Respectfully Submitted,

Robert DeMarco
Duplex Council President