

Fairlington Commons Council of Co-Owners

3367 South Wakefield Street

Arlington, Virginia 22206

October 2, 2008

Minutes of the Annual Meeting of the Fairlington Commons Council of Co-Owners

The Annual Meeting of the Fairlington Commons Council of Co-Owners was held on Thursday, October 2, 2008 in Room 100 of the Fairlington Community Center located at 3308 South Stafford Street in Arlington Virginia. Board President John D. Sinks called the meeting to order at 7:30 p.m.

Board members attending included President John D. Sinks, Vice President Arvy Myers, Secretary Bernard O. Weaver, and At-Large Dennis Mariduena. Treasurer Christine M. Sivigny was unable to attend due to a mandatory work commitment. Outgoing Board Member Dennis Mariduena served as Teller.

President Sinks presented the postmarked envelope demonstrating that the notification of the meeting had been mailed to the Co-Owners within the period of time prescribed by the By-Laws. He then called for the reading of the minutes of the last meeting of the Council of Co-Owners (the Budget Meeting of December 6, 2007) or a motion to dismiss reading of the minutes. Such motion was made, seconded, and passed.

President Sinks then called for the Officers' reports. At-Large Dennis Mariduena provided a brief report of his activities in support of the Commons. Vice President Arvy Myers read a statement from Treasurer Christine Sivigny regarding her absence from the meeting (see Attachment A). President Sinks announced that the Treasurer's report would be combined with the President's report. Secretary Weaver briefly reported on newsletters and other business of the Secretary. Vice President Arvy Myers, who has been attending the meetings regarding the HOT Lanes proposal, provided a report on the status of the HOT Lanes project. President Sinks then provided a combined President's and Treasurer's Report that is included with these minutes as Attachment B.

President Sinks then called for Committee reports. Commons Service Coordinator Eric Pamer provided a brief report regarding the status of ongoing maintenance activities, and James Sharpe provided a report on the condition and utilization of the Tennis Court. President Sinks recognized two volunteers who have served the community: Norman Waters, who monitors parking on one court, and Brian Federico, who led the competition of the insurance contract early in the year.

There then followed a discussion of topics of interest to the Co-Owners, including holly tree pruning or replacement and deteriorating maple trees located on South 34th Street. As part of this discussion, Mr. Sharpe indicated that Arlington County officials have been receptive to his offer to provide them with a list of dead or dying trees not only in the Commons but also throughout South Fairlington. He said he would examine the maple trees on 34th Street for possible inclusion on the list.

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With the announcement by Teller Dennis Mariduena that a quorum had been reached with 44.5 percent of the Co-Owners (101 units) represented, President Sinks then directed the attention of the meeting to the announced purpose, the election of three Board Officers. Proceeding in alphabetical order, each candidate provided a brief statement regarding their background and goals should they be elected.

Following the statements, and there being no additional candidates from the floor, President Sinks called for the ballots to be cast.

Teller Dennis Mariduena announced the results of the election once the ballots had been tabulated. The results were:

John D. Sinks and Arvy Myers were reelected to the Board with 34.2% and 34.5% of the vote, respectively, and James Sharpe was elected to the Board with 27.8% of the vote. Cynthia Epler and Stephanie Reimers were not elected, with 18% and 18.7% of the vote, respectively.

Following announcement of the election results, Co-Owner C. Wilson Kniseley raised the question of whether Mr. Sharpe was a co-owner, a requirement for serving on the Board, as the unit in which he resides is carried in County records in the name of Susan Grossman. Ms. Grossman was present and stated that Mr. Sharpe was a co-owner. No documentation was presented to the Council for examination and no motion was made on the issue. The discussion ended. (*See note, below*)

President Sinks called for a motion to destroy the ballots in two weeks unless there was a request to examine them further. Such motion was made, seconded, and passed. There being no additional business, President Sinks called for a motion to adjourn. Such motion was made, seconded, and passed. The meeting was adjourned at 8:40 p.m.

Note: President Sinks and Secretary Weaver subsequently examined a deed provided by Co-Owners Grossman and Sharpe providing documentary proof regarding Mr. Sharpe's status as a Fairlington Commons Co-Owner.

Attachment A

Statement of Christine Sivigny

Treasurer, Fairlington Commons Council of Co-Owners

*Read into the Minutes of the Fairlington Commons Council of Co-Owners
Annual Meeting, October 2, 2008*

“Fellow Neighbors,

My apologies for not being with you this evening. I am currently out of town for a work assignment. Otherwise, I would be there with you all at this important meeting. Please do not interpret my absence as an indicator of my interest in Fairlington Commons. I love living in Fairlington Commons and believe it is a wonderful place to live. I'm sure many of you agree. My dog and I walk thru and around it several times each day. I take great pride in living in this neighborhood. And, I want to continue working to keep it a great place to call home.

Tonight's primary agenda item is electing new Board members. I look forward to working with the newly elected and/or re-elected Board members. We have quite a challenge ahead of us in the next couple of months, re-competing contracts and developing a proposed budget for the upcoming year. Budgeting is a tough balancing act - managing limited resources and prioritizing expenditures. Each of you has a stake in the Commons. And, you are placing your trust in us to make the best possible recommendations for how to best maintain our neighborhood. I pledge to continue working on your behalf, and welcome your suggestions, input, and questions. And, I look forward to seeing you all at the next meeting, if not sooner.

Christine”

Attachment B

Statement of John D. Sinks

President, Fairlington Commons Council of Co-Owners

Combined President's and Treasurer's Report

Presented at the Fairlington Commons Council of Co-Owners Annual Meeting

October 2, 2008

"I am going to give a combined President's and Treasurer's report.

During 2007 the Commons continued to replace aging infrastructure as well as provide on-going services:

1. Roofing. We replaced the slate roofs on two buildings that cover 9 units using synthetic slate. We replaced the flat roof on one building that covers 2 units. We resealed all other flat roofs in the Commons—5 buildings that cover 10 units. Emergency repairs were made on roofs that leaked and one damaged by a tree falling in a storm. The Commons needs to increase the pace of roof replacement by roughly a building per year, given the life expectancy of roofs with Bangor slate. However, the Board does have a plan to cover this cost, as we announced last year and will be discussed shortly. 2008 roofing was within budget. As a result of using synthetic slate, we saved about \$22,000 this year, some of which was allocated for roof maintenance and some for pool maintenance.
2. Sidewalks. We replaced the remaining old walks on the first parking lot as you go around Wakefield Circle. Work included eliminating a trip hazard from the risers of a porch step being of unequal height. Replacement of sidewalks needs to continue each year so we do not face excessive deferred maintenance. Sidewalks were \$2,000 over budget. Extra cost was incurred because a second sidewalk was buried under the top sidewalk at conversion time.
3. Fences and Decks. Four decks and one adjoining patio fence are being replaced this year, like last year. A number of fence and gate repairs have been made during the year. After this year, a half a dozen old decks will remain and are due for replacement. When those are complete, we need to start replacing patio fences, virtually all of which date from the 1980s. The fence replacement project will last for roughly a decade.
4. Other Building Maintenance. Every year we replace some wood and columns on our buildings. Most of what needs to be replaced is found by the painting crew. Much of the planned budget for this line item addresses storm damage and this year was no exception. Two storms each caused water damage to about a half a dozen units. French drains were installed beneath two units that had leaked multiple times over the last half dozen years and leaked again this year. We have a deficit of \$16,000 in this line item, but we can cover this from other building line items.

Attachment B

5. Plumbing. Plumbing has been relatively calm for the year. The Commons snakes lines equipped with cleanouts five times per year. In addition, a number of drains for storm water, including drainage for gutters, are snaked prior to hurricane season. We have not had to replace any lines this year. We expect to have a surplus approaching \$10,000 that will partially offset the deficit in Other Building Maintenance.
6. Gutter Replacement. We have spent about \$5,000 on gutter replacement and plan to use the balance of \$7,000 to offset the deficit in Other Building Maintenance. Were it not for the deficit, we would replace additional gutters this year.
7. Swimming Pool. Every year pool improvements are made prior to opening; usually costing about \$5,000-6,000 per year, but \$23,500 was budgeted this year. The old whitecoat was delaminating and we knew this had to be addressed in order to pass inspection and open the pool. The delamination was worse than expected, resulting in a cost overrun. In addition, safety regulations known as the Virginia Graeme Baker Act had been passed, effective next season and requiring changes to the pumping system. The Commons decided to make most of those changes prior to opening this year. Pool improvements totaled almost \$30,000, about \$6,500 over budget. The increase in pool maintenance was paid for by shifting the savings from using synthetic slate for roof replacement. The bathhouse needs carpentry and a new roof, probably next year. After that, most of this money would be available to go back into roof replacement, increasing the pace.
8. Painting. About 1/3 of the Commons was painted. This line item is coming in just under budget.
9. Other Grounds Service. This line item includes, but is not limited to, retaining walls, erosion control, drainage improvement, and planting ground cover in areas where shade prevents grass from growing well. One stone retaining wall and about four timber retaining walls were replaced. Some additional replacement of timber retaining walls is planned this year. The pace of work on stone retaining walls needs to increase in future years. We completed an erosion control project on Wakefield St. During storms, water cascaded down the hill adjacent the steps, threatening to flood units below. Although the immediate cause was a blocked county storm sewer on the street, erosion on the hill had started and we decided that we needed to do more than inform the county about their problem. We have deferred plans for additional planting of ground cover and scaled back retaining wall work this year even though there is \$12,500 remaining because it has been a very bad year for trees.
10. Shrubbery and Trees. We undertook \$9,000 in planned tree pruning at the beginning of the year. Storm damage to trees exceeded expected levels, beginning with the need to remove two large oaks on Utah Street. Two tulip poplars fell on Utah St., one causing roof damage. A large pine fell by 3323 S Wakefield, and there was damage to other trees. A number of trees died, especially pines that have been affected throughout the area by a combination of dry summers and woodborers. This month we removed two elm trees, one dead and one dying. We have a deficit of almost \$18,000 for this line

Attachment B

item. Fortunately, Snow Removal was light last winter and by cutting back on Other Grounds Maintenance this deficit is covered, barring early snowstorms.

11. Water and Sewage. Water and sewage is the largest line item in 2008 budget at \$84,300. Arlington County raised the rates almost 15% during the year. We are projecting a deficit in excess of \$10,000. We plan to cover this deficit by lowering the amount added to reserves at the end of the year. Nonetheless, we will make a healthy deposit to reserves, although not the full \$50,000 budgeted. It should be noted that water and sewage has increased over twice the rate of inflation, by 51% from \$57,837 in 1998 to \$87,236 in 2007—almost \$30,000.
12. Insurance. The Commons competed the insurance contract at the beginning of the year. An agency representing multiple underwriters competed against the incumbent, Nationwide. Insurance companies require a copy of the budget, so the competitor knew what we paid Nationwide in 2007. Early in the process they said that our rate was “in the right ballpark.” They also obtained by mistake an old, un-redacted copy of our policy that showed Nationwide’s replacement value before a big jump several years ago. The day before they were to present their proposal to the Board, the agency said they needed Nationwide’s current replacement value. I immediately thought, “If you have Nationwide beat on cost, you would submit your proposal. You are losing on cost and are trying to game your proposal by lowering your appraisal value.” What I said was, “It is necessary that any agency and underwriter that insures us be able to develop realistic estimates of replacement cost. We want to see what you come up with.” The agency did not show up for the meeting and we renewed with Nationwide. Insurance is a second area that has increased much faster than inflation, going from \$14,047 in 1998 to \$44,465 in 2007.
13. Grounds. The grounds contract and snow removal contract will be competed. This contract has gone up slower than inflation. Anyone interested in working on this should notify the Board.

The work done this year does represent the results of steady real growth in the Commons budget above the inflation level. We simply must do a lot more replacement of capital items like roofs than we did a decade ago. We have laid out our capital replacement plans in a report that is posted at the Commons website. It is located at <http://www.fairlington.org/commonsindex.htm> but can easily be found by Googling Fairlington Commons.”