

Villa Antigua HOA's April Homeowners Annual Meeting Presidents Report

It has been an eventful year for Villa Antigua. We accomplished a lot and I want to highlight a few of those accomplishments. We also got a serious wake-up call on present and future maintenance requirements that we need to focus our attention on. Let's talk about accomplishments first.

Accomplishments

You have probably all seen the new asphalt parking lots at the tennis courts and here at the clubhouse. Both of those lots were scheduled for slurry seal but, given the deteriorated condition of those lots and the short useful life of a slurry seal, the board opted to reconstruct those lots. The trade-off between multiple slurry seals and a one-time long-term fix just made sense.

We are fortunate to have two concrete professionals (Dave and John) on the board. They were instrumental in drafting the specifications and reviewing the bids. Thank you both!

In other business, our landscape architects completed the designs for our future drought resistant lawns. Those designs grew out of a collaborative effort between the board, the landscape committee, and the architects. Many thanks to the homeowners who volunteered their time for committee work and to Bob Bergman and Joe Lindsay who co-chaired the committee. I am sure we are all looking forward to that future day when we can turn those designs into reality.

Speaking of landscapes, the board is close to awarding a landscape maintenance contract to replace our in-house team. As Former Board President Joe Lindsay reported at our last annual meeting, we lost two long-term landscape employees. Unfortunately, we have struggled to fill those vacancies with experienced grounds keepers. As a consequence, the board has reluctantly determined that since we are unlikely to overcome our staffing shortfalls, we need to contract out that work.

We received offers from five highly qualified companies and have narrowed the field to the two who promise the best value to the Association. We anticipate the winning contractor will take over with the new fiscal year on 1 July.

Our current Landscape Supervisor Kirk Juneau, who has been with Villa Antigua for 41 years, is expected to continue on in a part-time capacity performing non-landscape-related facilities work. Kirk will also function, at least in the short-term, as a consultant to the takeover contractor, especially on irrigation issues.

The landscape maintenance contract cost is expected to be on par with current expenditures.

Wake-up Calls Regarding Maintenance

Let's talk now about wake-up calls regarding maintenance, including balconies, stucco walls, and driveways and the funding of repairs to these components. Our development was built in the late 1970's by Christiana Construction Company. That company is no longer in business. Our Association and others successfully sued Christiana in the 1980's over construction defects and failure to adequately fund the reserve accounts.

Reserve accounts are, essentially, savings accounts funded initially by the developer and later by homeowner monthly fees. The board grows reserve accounts with the intent to be able to fully fund repair

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or replacement of facility components at the end of their useful life. Our annual budget includes monies identified to particular components (such as tennis court surfaces or swimming pool pumps) and tied to a depreciation schedule. For example, if a pool pump has an expected life of five years, the board allots one-fifth of the expected replacement cost to each of the five years preceding the anticipated replacement date. That system works well if components meet their life expectancy.

Over the past several years, the board has been forced to increase monthly fees because some components are failing faster than expected. These components include balconies, stucco walls, and driveways.

Balconies

Balconies were not expected to fail at all or only rarely if properly maintained. Proper maintenance requires a refresh of the elastomeric moisture barrier every three to five years. The Association has followed that schedule. Nevertheless, over the past five years we have experienced a significant and growing number of balconies requiring repair, or, in most cases, replacement.

Balcony issues are, generally, due to one or the other of two causes. A major cause of balcony issues is improper installation of sliding doors. The door system has to be properly tied to the deck system in order to prevent water intrusion under the moisture barrier. Where doors are not properly installed, leaks occur, damaging the deck and often interior walls.

The other common cause of deck issues or leaks might be called misuse of the deck. Decks are designed for light foot traffic but are sometimes loaded down with heavy furniture, stressing the deck surface. Decks need to be swept regularly to prevent leaves, sticks and other debris from accumulating. Even a small pile of leaves will collect and hold moisture. Left in place long enough, that moisture will eat through the deck coating. For the same reason, homeowners should not keep pets on balconies. Pet waste, even on or in pads, will eventually damage the deck surface.

For whatever reason (poor construction, misuse, or even heavy rain) our decks require an increasingly bigger and bigger slice of budget. Our past three budgets included \$100,000 for deck maintenance and repair. Four or five years ago we could repair up to ten balconies with that money and we seemed to be keeping up with demand. Over time labor and material costs have risen along with demand. We pay more now for each balcony and we have more balconies in need of repair.

Stucco Walls

Stucco repairs are also increasing. We are seeing more wall repairs than just a few years ago. Courtyard walls, boundary walls, and residential walls are requiring more work. Some wall repairs are due to poor original construction, some to cap or roof leaks. Courtyard and boundary wall problems are often related to rotting wooden posts.

To prolong the life of courtyard and boundary walls, the board has begun replacing stucco with Hardyboard and wooden support posts with galvanized metal. These materials cost a little more but last much longer.

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Driveway Repairs

Driveway repairs are continuing. We are budgeted for ten driveways per year but always seem to have 20 in need of repair or replacement.

The Bottom Line Regarding Maintenance Needs

I could go on but the bottom line here is that our infrastructure is aging and needs more attention than our current budget will allow.

As people age, they typically find themselves needing more and more medical attention. Your hips and knees were fine when you were 40 or 50, but if you are now 70 or 80, things are a little different. Houses age too.

Our houses were built in the late 1970's. They need more work now than they used to. They also seem to be aging faster. The depreciation tables used to calculate useful life, apparently, did not account for poor construction practices or for misuse.

We need more money than we have in order to keep up with maintenance demands. The board is asking you to help us determine the financial way forward. We need to build a budget that meets current needs and adequately funds reserves to meet projected future needs. Building that budget will require hard work and an open mind. An adequate budget might require increased fees, a special assessment, and/or changes in maintenance responsibilities. It will not be easy but we can and must do it.

I would invite any homeowners who would like to be part of the solution to meet with me and other board members beginning next week Wednesday, April 24th @ 6pm in clubhouse, to begin our task. This is our problem, yours and mine. We need to solve it together.