

**SLEEPY HOLLOW HOMES ASSOCIATION
BOARD MEETING MINUTES
Thursday, January 5, 2012**

Present: Holly Briese – President, James Ayres – Treasurer, John Grubb – Vice President & Secretary, Linda Fowler, Mia Ludlow, Chris Staskus – Directors.

Absent: Luke Argilla, Natalie Kemp, Jay Trimble - Directors

Call to order: 7:34 pm

APPROVAL OF NOVEMBER MINUTES

The minutes were approved via an email vote.

NEW BUSINESS

SHNS Financial Proposal

Elyse Kurtowicz, the Sleepy Hollow Nursery School Board President, thanked the Board for the previously approved \$3,600 rent credit. She provided an update to the Board on fundraising. The school exceeded their fundraising goal of \$2,500 for the first semester due to three efforts for the holiday party: the party itself, a raffle and a silent auction. They raised \$3,200 total. The school has had a few slight enrollment changes, but needs more to get back to full financial stability. Their board is meeting in the middle of the month to discuss more fundraising for this semester as well as enrollment for this year and next school year. The Homes Association Board discussed forming a committee with the Nursery School to post and hire the position of "Director" for the school. The committee may decide to retain the current director, hire a new director or pursue new directions for the school. The Committee will have three to four members split between the School and the Homes Association.

Pool Operations Update and Presentations

Suzanne Christie and Bob Dickinson reported that there had been a meeting in December, 2011 among SHHA and SHST leadership, including Holly Briese, John Grubb, Suzanne Christie, Krista Rosen, and Bob Dickinson, to discuss major pool-related capital projects and how to pay for them in the future.

After presentation and discussion, the Homes Association Board took four actions laid out in further detail below:

1. Passed a motion unanimously to pay its 50% share of a \$9,550 capital and maintenance budget proposed by Bob Dickinson.
2. Passed a motion unanimously to codify an MOU between the Homes Association and the Swim Team to split future pool-related capital and maintenance budget items on a 50-50 basis after both parties conducted an extensive review of actual usage of the pool to arrive at the 50-50 split.
3. Passed a motion unanimously for the Homes Association to set aside \$1,000 a year, each year, in anticipation of a needed expensive pool re-plastering in the year 2029. The Swim Team is expected to set aside the same amount, both

entities placing the annual \$2,000 in an escrow account. The money in the escrow account may be used for other major pool-related expenses, pending approval of the Board of both the Homes Association and the Swim Team.

4. Gave approval for President Holly Briese to send out an email to the membership of the Homes Association seeking comment before a final vote converting the community's pool to a saline filtration system.

Bob Dickinson proposed the following capital and maintenance budget for 2012, which was approved by the Board:

Capital

- Replace one pool heater and reorient	\$5,500
- Add "Home of the Sleepy Hollow Sea Lions" sign to arbor	500
- Replace (2) ez-ups	400
- Replace (8) 45-gallon garbage cans	150
- Contingency	<u>1,000</u>
Total Capital	\$7,550

Maintenance

- Roto-root pipe between snack bar and baths	\$1,200
- Repair pool tiles	300
- Spread fine fir bark throughout bedding areas	300
- Fix ping pong tables / buy new equipment	100
- Tune-up chairs and lounges (parts)	50
- Reverse fan in storage area	<u>50</u>
Total Maintenance	\$2,000

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The MOU codified by the Homes Association had the following details:

Capital Projects

- The scope of shared capital projects would involve operating the pool. Clubhouse projects would remain the responsibility of SHHA.
- Assets are owned by SHHA
- Capital list decided annually – each January jointly by the SHST and SHHA Boards

Capital Budget

- The budget per year will not exceed \$10K total, except for major projects
- It will include \$1K set aside each by SHHA and SHST annually for replastering estimated to be done in 2029. The amount may be adjusted and the account may be used for other purposes with concurring votes of both the SHHA and SHST Boards

Capital Allocation

- Capital and maintenance costs will be shared 50/50 by SHHA and SHST
- SHHA may attribute some capital cost to other pool contractors via rental rates

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Following is a summary of research about replacing one of three pool heaters, running a chlorine line out to the street, and/or converting the pool from chlorine to saline.

Heater - *Project approved by Board*

One of the three heaters needs replacing. All of the heaters run on gas. Two of the newer ones are Raytechs; the older one is a High E2. None of the heaters are cooper nickel. Cooper nickel varieties will better resist the corrosion by salt. Replacing all three is not necessary if we convert to salt. Replacing any new heater with cooper nickel is preferred, however. Pool Scene confirmed today that a new heater with cooper nickel would be \$4,800 installed. Conservatively, the budget is \$5,500 in case Pool Scene needs to raise or alter the heater to improve airflow which has been a problem with the current installations.

Chlorine line - *Project rejected by Board*

The rationale for considering a chlorine line is to improve efficiency by not having to use plastic barrels which can tip over and spill causing an immediate health threat, increasing safety by keeping chlorine contained, and reducing liability. To run a chlorine line out to the street, the project would require installing a double-wall 500 gallon tank on Butterfield Road. A black color is recommended to not compromise the chlorine stored inside. Code requires that the tank sit on a concrete deck. Such a tank may or may not be an eyesore to passers-by. Plumbing would have to be run from the pool house out to the street presumably behind the swingsets and into the tank. In addition, there would have to be a system to monitor tank filling so that the chlorine containers in the pool house don't overflow. A preliminary estimate based on similar jobs would be \$2K for the tank, \$1.5K for the plumbing and concrete work under/from the tank, \$1K for the monitoring system, several hundred dollars for fittings, several hundred dollars for shipping, and labor to connect. Pool Scene estimates the job to be as low as \$7K and as high as \$10K.

Saline Conversion - *Project met tentative approval from Board, pending input from the community, input from the fire department and a final email vote of the Board*

Advantages.

There are many advantages by converting from chlorine to salt: softer water, more consistent chlorine readings, nicer on eyes and hair, less aggressive on skin, and lower ongoing costs.

Disadvantages.

The disadvantages are the high cost of installation, replacing cells every couple of years, and corrosion on equipment. A salt system would have to be installed which converts salt to chlorine.

Installation

Pool Scene says we have plenty of room in the back of the pool house to put them in. In addition to the cells, we would have to install a bypass on the plumbing with a ball joint and install two power centers on the wall, one for each cell. It would take about a half-day to install a new salt system. No other equipment would have to be changed out (e.g., filters, piping, etc.) Installation can be as little as \$10K and as high as \$30-40K. For our ~80K gallon pool, we could use 2 Pentherre IC-60 cells which handle 60K gallon capacity. The cells are about 2 feet long and 6 inches in diameter. For our pool, installation is in the \$10K range.

The water does not have to be drained out of our pool. The chlorine derived from the salt mixes in with the already-chlorinated water over time. To start, it would take between

1,000-1,500 lbs of salt to convert to salt water or 37.5 40-lb. bags. Cost would be approximately \$525+tax.

Chlorine currently costs SHHA and SHST about \$8K per year, our chlorine tanks are rented so there is no capital replacement cost, the annual cost of a salt system would be up to \$1K for salt, and the pro rata capital cost would be \$1K for replacing a cell every couple of years, we would save about \$6K each year on chemicals. With a \$10K installation cost, we would break-even into the second season.

As for maintenance, on an ongoing basis, 40 lb. bags of salt would be added when the pool is in high use. In the winter, salt does not have to be added as much. At \$14 per bag, the seasonal cost of salt is less than \$1K. Every couple of years, a cell needs to be changed out at a cost of \$2K-\$3K. This would be like the rotation for the heaters and pool covers. Pool Scene can add salt as part of their weekly cleaning, but they recommend doing it a couple of times a week so we may need to up their schedule or have someone assigned to do it. Once the salt is added, it cannot be left standing because it would harm the plaster. It takes a couple of minutes per 40 lb. bag to mix it in enough with the water. The salt would get added directly into the pool. Some salt system owners add it through the cells/pump but that affects the life of the system (i.e., you don't want salt flowing through the pump and lines). It wouldn't be a problem to add salt while people are using the pool. The only issue might be those that have concern about that taking place while they're at/in the pool but it wouldn't harm them.

Salt will corrode our non-plastic equipment and pipes slowly. There is some additional wear and tear, as much to do with the handling and storage of adding supplemental salt as with the salt water itself. Pool Scene assumes that our pump seals will wear out about two times as fast than with a chlorine system. It won't, however, hurt the pipes under the deck because they are PVC/plastic.

We would have to store a pallet of salt bags to maintain the system (like we do with chlorine drums). The salt comes in plastic lined bags so they could be stored out, but putting a tarp over them is recommended as well. Indoors away from equipment would be preferable.

As for Marin Swim League regulations, both our coach and our Marin Swim League representative say that we will remain in full compliance.

Our liquid chlorine tanks and system would have to remain in place as a back-up system. The chlorine backup system would have to kick-in if during heavy usage the salt system stops working. This would be rare and the chlorine cost would be minimal. Chlorine is derived from salt, so the new system would be making its own chlorine in a better form to keep the pool water purified.

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Membership Drive

Vice President John Grubb reported that he had done fairly extensive research on the membership of the Homes Association over the past eleven years. He shared that membership had peaked at 448 households and hit a nadir of 356 homes. In past decades, membership was routinely above 500. Sleepy Hollow has 785 homes and 637 of them have paid membership dues at least once in the past 11 years. Grubb set a target of

getting more than 500 households as members in 2012 and proposed sending out three mailings and putting up a thermometer fundraising sign at the "gates" of Sleepy Hollow for the two month membership drive that begins on February 15. Looking at the data, he felt the Board could reasonably target the top 575 most likely households to get the Association to its goal.

He asked the Board to also consider raising the dues and pool fees (especially in light of the new saline system) to keep up with inflation. The Board approved membership dues at a \$175 level, SHHA member pool dues of \$220 and non-SHHA-member pool dues of \$425.

By-Law Change

President Briese proposed a change in the by-laws that the Satellite Organizations - the Swim Team, the Legend Club, the Nursery School and the Tennis Team - report to the Board on a quarterly basis, rather than an annual basis. Such reporting would promote a better relationship and help clear up financial questions. President Briese reported that she had checked in with the clubs in advance and they all approved. The Board approved the bylaw change unanimously.

Donation Requests

President Briese reported that the Homes Association had been solicited for two donations. The first was from The Friends of Hal Brown seeking a donation for Sleepy Hollow resident Katie Rice's 2012 campaign for Supervisor. Katie is the former Chief of Staff to Hal Brown, whom Governor Jerry Brown had appointed to the Supervisor's job in mid 2011. The Board did not feel it was appropriate to make a political donation on behalf of the Association, but Vice President John Grubb let the Board know that individuals certainly could and that he was working with some past SHHA Presidents on fundraising events for Katie.

The second donation was from the Friends of Corte Madera Creek. The Board requested more information before making a decision on the donation

OLD BUSINESS

Status of the Club House Mortgage

President Holly Briese and Treasurer James Ayres met with Circle Bank to discuss the Homes Association's current mortgage taken out to finance the new pool and refinancing to a lower rate. Given the impending repair or rebuild of the Club House, the Bank advised that it would not be worthwhile to refinance now, but would be eager to work with the Association when a decision was made on the Club House. The cost of refinancing fees and assessments would be much greater than the expected savings on payments over the next year or two. The Bank let James and Holly know that they had worked with the Rafael Racquet Club on the rebuild of that community center, which began a few months ago. The bank offered to put SHHA in touch with the Rafael Racquet Club to discuss best practices in a redo of a community center. The Bank also told Holly and James that given SHHA's cash flows, they would be willing to lend \$1.3-1.5 million to the Homes Association for a new Club House.

Club House Repairs-Remodel Survey

President Briese shared a survey that the Rafael Racquet Club had conducted for its rebuild. Vice President Grubb reported that he was also looking at other surveys that had been completed by community centers across the country. The surveys would be compiled for the best fit for Sleepy Hollow and then sent out to the members.

Nominating Committee

President Briese reported that the nominating committee had completed its work. The slate had been sent out to the membership via email in December as well. The proposed 2012-2013 Board would include the following individuals:

Returning-

- James Ayres, Catskill Court
- John Grubb, Butterfield Road
- Mia Ludlow, Irving Drive
- Chris Staskus, Deer Hollow Road
- Jay Trimble, Garden Rock Road

New Members-

- Alex Gauna, Butterfield Road
- Jennifer Richard, Mather Road
- Dan Stein, Martling Road
- Katie Van Der Wal, Fawn Drive
- Maria Young, Oak Knoll Drive

The slate was closed and approved unanimously.

COMMITEES REPORTS

House and Grounds

There was no report.

Treasurer's Report

Treasurer James Ayres reported that the Association's finance remain healthy, with about \$70,000 in our cash accounts. That amount compared with \$55,000 in 2010 and \$21,500 in 2009.

Adjourned: 9:34 pm

The next Board meeting will be on Thursday, February 2nd.