

# Minutes of WELCA Board of Directors meeting on Tuesday September 14, 2021

Attendees: Chris Grebe, Dave Zuege, Jackie Rozga, and James McGrath SR

1. Vice President Chris Grebe **called meeting to order @ 1003**

## 6. **Unfinished business:**

a. V.P. Chris Grebe introduced Attorney Samuel J Spurney from the same law firm that Attorney Andrew Steimle was part of our board meeting of August 06, 2021. Chris Grebe then stated that the board would now discuss the documents that you and Andy prepared for our review and that Jim McGrath, board Treasurer, requested that you join us for the call for any last questions or concerns the board has before these documents be sent out to general membership of the condo association and thank you for joining us. Because Jim requested this call he can go first. James McGrath SR questions: 1. a number of condo owners are wondering why this process of putting up a "housekeeping/rental building" is not being put on hold until the annual meeting in less then 60 days for a discussion at that time? 2. The documents show me signing for the association and Chris Grebe for WEL,LLC. but the bylaws call for the president to sign all documents? Chris Grebe then stated that he would sign for the association and GM Justin Behling would sign for WEL,LLC. Good answer. Jackie Rozga next had questions: 1. been approached by a couple of people wondering about the 2,600 sq ft laundry building that some time of commercial operation run out of there and that you told me that only a couple washer/dryer in a Email but why 2,600 sq ft? Chris Grebe stated that the purpose of this building will not be a laundry facility or ever intend to do commercial laundry out of this facility and that we are relocating this from in back of the Blue Heron building. 2. this is a lot of things way over my scope of practice and as a attorney representing us do you often see someone willing to pay for everything in a situation like this that they won't own, to me something just isn't adding up? Samuel stated that it's a little different because it's a condo association condo situation but there are we have situations were people have if it make business sense they will certainly agree to pay for everything and maybe not own the land or the actual building but rent it under a long term lease and that's what we are kind of doing here WEL,LLC is paying for everything construct it but it's going to be leased for a very long time it would be difficult and a lot more expensive to carve out a new unit or change the plot or the actually real estate part of it this was the most efficient way to do it for everyone involved in it the fact they would pay for all cost and then lease it for a really long time rather than actually owning the lease it and pay for everything rather then actually owning

it the building and the real estate I would say that it's not that all uncommon just the way we did

to make it as efficient as possible for everybody to get to the end goal that everyone wants to achieve. Then James McGrath SR asked a follow-up question to Samuel: 1. a couple owners stated that if the management company owns the building they pay the property taxes and if the building is owned by the association all seventy eight (78) owners would split the cost of that building's value, is that correct? Samuel stated that we have that addressed in here

that during the term tenant which is WEL,LLC shall be responsible to pay directly to landlord which

is the association all taxes related to tenant's rental of the property etc, etc. the process we envision when real estate taxes are due the board will take that tax bill and provide a fair calculation of what the taxes applicable to the building are and give WEL,LLC a invoice for that and WEL,LLC will actually be paying for real estate and taxes for that building. Then Dave Zuege had questions: 1. getting this approval for the changes of the plot send out this document that has to be approved both by mortgage people and owner that I understand it right how long will take will take? Chris Grebe responded with a political comment then you Samuel can make a legal answer Dave I'm first off reaching out to everybody directly who does not have a mortgage on their unit and soliciting their vote for this and when I go thru the numbers that should get us pretty close and then I'll obviously reach out to the rest of the owners as I go thru that reach

out process that's my intent to expedite the process to start with unit owners don't have a

mortgage work my way thru to everybody else and Samuel I'll let your answer from a legal standpoint what that process looks like. Samuel then stated this is all governed by Wisconsin statue that relates to condominiums so that's the scrip we go by so if we want to change the plot which we are doing we have to do it in the same manner as we change the declaration and that the statue says that in order for a unit owners vote and we need a requisite number of unit owners to affirmatively vote yes to do this so in order for a unit's vote to be valid if they have a mortgage on their unit they have to vote yes and also their mortgage holder to vote yes so this may be stating the obvious but the way we do that we send a copy of this amendment #1 which shows the plot and up to dated shape as we can possibly make it we send it to the unit owner and also send a letter to their mortgage holder and we need both of those affirmative yeses before the vote can count what has worked in the pass is like Chris said the person looking for the yes votes reaches out if it is a local bank usually allows it to come back pretty darn quickly if it is Wells Fargo or Bank of America it can take a really long time to get those back so really a lot of times so the more we can get in touch with loan officers the quicker the process can go but the statue says that if we don't hear from the mortgage holders that if we sent out via certified mail and we do not hear back within sixty (60) days that we assume they voted yes Dave Zuege then responded by stating that amount of time takes you well beyond the time what I'm getting too is what if we send all of this out with the understanding this building will be discussed and approved at the annual meeting so you are going to throwaway what two (2) weeks so four (4) weeks of that time is the time that it's going to take to send out the documents and get the approval to change the plot then you are getting pretty close to the annual meeting? Chris Grebe then stated our excavator we need to be in the ground before our annual meeting and I can't call a contractor and say we have to wait until the annual meeting and it depends on what happens and if we approve it like you be there the next day to start

digging and if we don't approve it go to a different job it's going to tough to work that way

with a contractor so Samuel from a practical standpoint if we start reaching out to these owners directly to solicit their votes that can expedite this process correct? Samuel then stated it could and we had a similar situation that had to solicit a similar number of votes and reaching out do what is required of the statue but also reaching out informally via text email or phone that does help answering questions does help things move along I think we had all the votes we needed on a different condo association for much sooner then sixty (60) days maybe within two (2) to three (3) weeks. Then James McGrath SR had a follow-up question to Samuel: what if Chris reaches out to owners that don't have what you call it and each owner has questions

for him and he gives them answer and other owners asking different questions rather then everyone hearing the same questions and the same answers at the same time that the same question Jackie, Dave and I are asking? Samuel stated sure it's a delicate balance right so we need two/three (2/3) to sign off and in theory if 2/3 of the unit owners have signed on the dotted line then I guess 2/3 have answers to their satisfaction it's a balance of making sure everyone is involved vs the ultimate need goal to get 2/3 of the people to sign off. Chris Grebe then stated that there will be a few owner's storage units we will sub lease to condo owners. Samuel then stated that in the lease in section 1.10 explains about use by unit owners of WELCA, Inc. Samuel then also agreed from Dave Zuege comment that the lease would include language including the board's input in determination of rental price. After final comment Samuel exited the meeting.

The board then a lengthy discussion on the terms of the lease and the other documents in regard

the proposed housekeeping/storage building. After this discussion the board did the following: change the lease to have Chris Grebe sign for WELCA, Inc and GM Justin Behling sign

for WEL,LLC. Any Emails the secretary receives about this building vote will be forwarded to other board members. Also the board agreed that the cover letter going to all owners have my Email address to owners can contact me if they wish with questions in regard to this plot vote and

that the board secretary would go to attorney's office in Manitowoc Wi to verify the vote count on the plot vote. Assuming these edits are made as discussed Chris Grebe would like to take a

vote e to approve these documents to be sent out for communication to the association as soon as we

possibly can. James McGrath SR then said what if I only give the ok because my name is on the document and Dave Zuege, Chris grebe and Jackie Rozga all verbally agreed. We all understood that Chris Grebe's call for this vote was a motion and Dave zuege seconded it. This motion passed unanimously.

2. **Notice** complied with bylaws.

3. Dave Zuege made a motion **to approve** the board minutes of August 06, 2021 and it was seconded by Chris grebe. Motion passed unanimously.

6. **Unfinished business:**

**7. New Business:**

- a. James McGrath SR made a motion that our board is approving that November 06, 2021 Annual Membership meeting be dual this year because of COVID-19 pandemic either in person or by ZOOM and it was seconded by Jackie Rozga. Motion passed unanimously. James McGrath SR will mail out a letter identifying this approved motion to all owners asap.
  
- b. Due to the length of this meeting, James McGrath SR made a motion to table all remaining agenda items until next meeting and it was seconded by Chris Grebe. Motion passed unanimously.

- 8. Motion to adjourn** made by Dave Zuege and seconded by Chris Grebe. Motion passed unanimously @ 1138.

Respectfully submitted  
James McGrath SR