

2012 Soda Creek Annual Homeowners' Meeting Notes

January 28, 2012 – The Keystone Center – 9 a.m.

2011 HOA Board Members

- Paula Samuelson (495D, pjsam@comcast.net, 970-389-5343)
- Andy Petrash (395F, andy@peak1media.com, 970-368-2639)
- Chris Magnotta (395B, chris@crestonefinancial.com, 303-322-9911)

Meeting Attendees (18 units represented)

- | | |
|------------------------------------|----------------------------|
| • 395B – Chris and Sara Magnotta | • 435H – Wilbert Martinez |
| • 395C – Greg and Valerie Sprenger | • 495D – Paula Samuelson |
| • 395D – Ignacio Deluna | • 495E – Joanie Rozinski |
| • 395F – Andy and Jillian Petrash | • 495F – Heather Gerhart |
| • 397E – Ashley Nettles | • 497A – Sue Brind'Amour |
| • 397F – Brent Morris | • 497B – Nathan Nosari |
| • 397G – Becky Granger | • 497D – Jen and Mark Prim |
| • 435A – Julie Rybak | • 497F – Donna Udoff |
| • 435G – Walter Galdamez | • 497H – Victor Meza |

Proxies (5)

- 497G – Lynea Hansen (Paula)
 - Paula can vote as she sees fit
- 435B – Kristin Martin (Paula)
 - Vote for whatever is best for HOA
- 495C – Nichole Perisho (Paula)
 - Agree to 1 year trial of property management but no increase of dues
- 435D – Shirley Beaty (Wilbert)
 - Each building should have someone on the board
 - No vote to raise dues
- 495H – Eudora Burns (Joanie)
 - No vote to raise dues
 - No vote for outside property management

Meeting Notes

- With 18 attending units and 5 proxies, there was a quorum present.
- Motion to approve 2011 meeting minutes (first Jen, second Sue)
 - Motion passed unanimously
- Key to the Rockies Financial Report for 2011
 - Operating Budget: 2011 financials came in under budget by approximately \$12,000.00. This saving is due to the following:
 - Income – Coin Revenue: The additional \$1,795.00 is from the coin operated laundry machines located on site. This income is not included in the budget.

- ♦ Income – Late Fees: The additional \$1,240.00 is from owner late payments of dues. This income is not included in the budget.
 - ♦ Landscape Expense – \$1,150.00 was not used for landscape upgrades in 2011.
 - ♦ Repair & Maintenance -\$9,725.00 savings was experienced as the major repair & maintenance expense (boilers) was covered by reserve repairs in 2011.
 - ♦ The only account that will come in over budget is the Snow Removal account due to frequent high levels of snowfall over the 2010/2011 winter season.
 - ♦ Insurance fees went down a little (not a lot).
 - ♦ Budgeting to put more money into reserves over time.
- Key to the Rockies recommends that any savings experienced in 2011 be transferred to the Reserve Budget to help cover upcoming repairs & maintenance to the buildings.
- Discussion of Hiring of a Property Management Company
 - We have traditionally had three board members in place but generally only two active at a time. There is too much work for two people to manage, plus if a board member is a second homeowner, they aren't onsite so they can't help with day-to-day issues. We are self-managed which means the board is responsible for taking care of all aspects of projects: finding contractors, meeting with them, and getting all agreed-upon work done. Also, they need to understand and follow HOA management laws as well as following up with homeowners who fall behind on their dues. The board also manages day-to-day issues: late night calls about lost keys, complaints about neighbors, pets, parking, etc. KTTR is currently managing our money but that's all. Last year we discussed that it's unsustainable to expect three volunteers to continue to do this and ultimately it's probably not best for the complex to try to continue in this manner. Moving to a property management company wouldn't mean that we would have to switch from our current contractors (Walter, Mike Jedd, etc). Analogy: with a property management company, the board members would be the rudder of the boat and the property management company would be the oars. Last year, we agreed to get some property management bids and bring it back to the group for discussion. We have two bids to discuss today. We did not ask the companies for a specific checklist of things we need – we asked them to propose what they would cover based on conversations about us and what the board members do. The services proposed by the two companies are very comparable and include the following:
 - ♦ Financial management – dues collection, paying bills, etc
 - ♦ Annual meeting prep – minutes and notes
 - ♦ Buildings and grounds maintenance – supporting Walter in daily maintenance, working with contracts and vendors to get bids to be decided on by the board
 - ♦ Day-to-day help – 24h help with lost keys, homeowner relations (complaints about parking, pets, noise, etc) but remember, if there is an immediate issue with a neighbor, you should call the police, not the board or property management company
 - Pros of having a property management company
 - ♦ This is their job – they know what needs to be done, what the laws are, state requirements, etc
 - ♦ We aren't asking volunteers to police their neighbors
 - ♦ No late night calls when someone is locked out
 - ♦ Removes liability from board for personal property access (board currently has keys to units)
 - ♦ Property management company will manage annual projects, including vendor relations, communications to homeowners, etc

- ♦ More likely to have people who are willing to serve on the board
- Cons
 - ♦ Costs more. Right now the board is working for free.
- Bids
 - ♦ Both firms have good reputations and are worth considering. We would sign a one-year contract with one of these companies.
 - ♦ KTTR: If we select KTTR, they would just add more to their responsibilities. They have some more fees for night/weekend calls than Basic. They manage Snake River, Antlers Gulch. KTTR is a larger company than Basic. Bid was \$1,200/month = \$14,400 year. \$30/month/unit. This includes the money we already pay them, so expenses would go up by \$8,000/year.
 - ♦ Basic Property management: If we selected Basic, all management would shift from KTTR to Basic for a flat transfer fee to move the data. Located in Silverthorne. They manage Summerwood. Bid was \$950/month = \$11,400/ year. \$5,400 additional cost above what we currently pay a property management company for financial administration.
- To not increase dues, the board recommends applying part of the \$12,000 operating overage to paying for the property management firm.
- Question: Have we looked into incentivizing the board? It would require us to change our covenants and declarations and can be messy, so it's not really viable.
- Three new board members to be elected
 - ♦ Jen, Ashley, Wilbert volunteered to serve, provided we have a property management company
- Motions
 - ♦ Motion to approve the concept of property management for our HOA (first Victor, Donna second)
 - 20 in favor
 - 1 abstain
 - 2 opposed
 - Motion passed
 - ♦ Motion to nominate Jen Prim – with the caveat that she will only sit if there is a PM company so if there is not a PM company next year, she may not be able to continue (first Paula, second Donna)
 - 19 in favor
 - 3 abstain
 - Motion passed
 - ♦ Motion to nominate Ashley Nettles (first Jen, second Paula)
 - 19 in favor
 - 3 abstain
 - Motion passed
 - ♦ Motion to nominate Wilbert Martinez (first Paula, second Brent)
 - 19 in favor
 - 3 abstain
 - Motion passed

- ♦ Motion to select KTTR as property management company for one year trial basis with review every year (first Brent, second Donna)
 - 20 in favor
 - 3 abstains
 - Motion passed
- ♦ Motion to approve board's proposal to fund the property management company with the operations overage with no increase in dues (first Jen, second Valerie)
 - 19 in favor
 - 1 opposed
 - 3 abstains
 - Motion passed
- ♦ Motion to leave this year's overage in our operating budget to cover the property management company plus give us operating cover for next year (first Valerie, second Nathan)
 - 20 in favor
 - 3 abstains
 - Motion passed
- ♦ Motion to approve the 2012 operating budget as presented (first Jen, second Victor)
 - 20 in favor
 - 3 abstains
 - Motion passed
- New board will negotiate a 1 year property management contract with KTTR.
- New board needs to appoint board officers.
- General acclamation from the group for all the previous boards' hard work.
- Board will investigate obtaining insurance on the board no matter what happens.
- Reserve Budget: The projects expenses from the reserve budget in 2012 are as follows:
 - \$14,985 for Decking & Fencing
 - \$10,000 for Landscaping
 - \$5,000 budgeted for Reserve Fund Study, expecting it to be more like \$1,500
- Board status report
 - Projects completed in 2011
 - ♦ All domestic water tanks were replaced due to age and sediment blockages
 - ♦ Heating system Boilers are in progress, delayed due to cold (can't turn off heat when it's so cold)
 - ♦ New snow plowing contract established with new company
 - Projects approved but not completed in 2011
 - ♦ Asphalt re-paving: inspections deemed that full re-paving not necessary; another inspection should be scheduled for 2012
 - ♦ Front side landscaping
 - Projects on 2012 agenda
 - ♦ Patio/deck repairs & staining
 - ♦ Installing bird-deterrents to keep the swallows from nesting in our eaves
 - Valerie suggests looking into ribbons
 - ♦ Asphalt re-inspection
 - ♦ Drywall needs to be replaced in the ceilings of some breezeways (497, 495, 435) once the weather warms up

- ♦ Attic dryer vents are condensing and leaking – will need to inspect all attics to make sure all vents are properly sealed
 - ♦ Exterior window washing
 - ♦ Dryer vent blow-out
- Discussion items
 - Replacing decking materials with longer-lasting artificial material
 - ♦ Some homeowners have interest in replacing wood deck materials. Front side bottom has concrete pads, so perhaps aren't interested in paying for this.
 - ♦ Motion for board to evaluate replacing decking materials in 2012 in concert with our new property management company (first Becky)
 - Passed with no objections
 - Bike racks
 - ♦ Bikes aren't supposed to be in breezeways.
 - ♦ Suggestion is to investigate bike racks under stairwells (in the back would be preferable)
 - ♦ Need a disclaimer that the HOA isn't responsible for items
 - ♦ Concern is that one bike rack per building won't be enough for everyone
 - ♦ The 2012 board and KTTR will investigate this (Nathan Nosari is willing to help with this)
 - Window replacement
 - ♦ Milgard lifetime guarantee only applies if you are the first owner since we became Soda Creek Condominiums
 - ♦ Homeowners are responsible for costs involved in window replacement; if the new window will be different than the original, then you must get board approval
 - ♦ Recommendation is that 2012 Board should set a standard for window replacement so homeowners know what they can use. Also need to be clear about sidecut and flashing requirements so installers don't cut corners that will cause future issues.
 - ♦ If the window frame is out of square and that's causing a window problem, then the homeowner should make the case to the board that the association should be responsible for the expenses involved in squaring it out.
 - Landscaping projects
 - ♦ A landscape plan needs to be developed for the front side of the buildings, especially where grass has been decimated and shrubs not fared well.
 - ♦ Noxious weeds – We did some noxious pulling a few years ago but unless everyone participates it's not really viable to continue. Board will look into managing this potentially by mowing or use of organic sprays.
 - ♦ Need to replace front side gravel
- Reminders
 - Renters
 - ♦ Must be long-term (6 months or longer)
 - ♦ Renters may not have pets (cats count as pets so renters can't have cats)
 - ♦ Front side units may not have renters (roommates ok, but unit must be owner occupied)
 - Laundry facilities
 - ♦ No rate increases are scheduled for upcoming year

- ♦ Vents of laundry rooms will be cleaned in 2012
- ♦ Dry times should all be set at 55 minutes but some dry in that timeframe and some don't. Board will contact contractor to address.
- Unit locks/keys & master key
 - ♦ Board recommends that owners keep their locks on master key system
 - ♦ Board recommends that owners install a private “lockbox” outside each unit in case of lost keys or becoming locked out.
 - ♦ Board members will no longer keep a Master Key, only KTTR
 - ♦ Board and KTTR will look into setting up an account with a locksmith to set up the master
- Pets
 - ♦ Your pet is your responsibility. It must be under your verbal command at all times. Please use a leash if your pet does not respond. Pick up after your pet immediately. Be courteous to your neighbors; our complex is NOT your pet’s dumping ground.
- Recycling & trash
 - ♦ DO NOT LEAVE MATERIALS OUTSIDE OF BINS (take unwanted furniture/clothing/etc to donation centers)
 - ♦ Please follow all recycling guidelines set forth by local recycling program – we aren't doing a good job of separating our stuff and therefore the recycling goes to the landfill.
 - Board will redistribute the guidelines and work on educating the homeowners.
 - ♦ Break down cardboard boxes to leave room for more recycling products
 - ♦ We still have issues with illegal dumping – people come here to dump their stuff and it fills up our bins. Please help police the dumpster area for non-Soda Creek dumpers!
 - Suggestion to look into locking off the dumpster so people can't illegally dump.
- Spring cleanup day
 - ♦ Paula will coordinate spring cleanup day for 2012 after snow melts
- Point person for each building
 - ♦ In the past we have designated point people for each building to be a communication point or to help the board distribute notices. Now that we have a property management company, this is no longer necessary.
- In-home daycare?
 - ♦ It seems that someone is running a daycare out of their apartment with kids playing in the parking lot – is that ok?
 - ♦ Concerned about HOA liability for injuries/accidents
 - ♦ Declarations don't allow this, please report the unit in question to the board and the property management company will pursue

Motion to adjourn – 11:36am (Jen Prim)