

HOA Meeting Minutes - June 28, 2015

Meeting was called to order by president Firks at 5:27 PM at the Gazebo. Board members present: Steve Firks, president; Bill Sheaves, VP; Mike Heer, treasurer/secretary; Wayne Bartley, Covenant Control Committee; and Phil Heacock, Common Areas Committee. The purpose of this meeting was to elect HOA Board members, as required by the covenants, and other business as stated in the letter to the HOA members announcing the meeting. Steve Firks presented the letter announcing this meeting for the record (attachment 1).

Reading the minutes of the last meeting was waived by the members present, (the minutes are available to all on the Pinons HOA web site: thepinonshoa.com).

The number of proxy forms presented was certified as 11, with eight given to the HOA Board President, and three to Jim Potts. A sign-up sheet for members present is attached (attachment 2), reflecting 21 lot owners, representing 11 lots, attending this meeting. A Total of 22 lot owners represented by attendance or proxy established a quorum for the conduct of business. Proxy forms received for this meeting are maintained in the HOA Secretary files.

Steve asked all members present to introduce themselves and indicate where they were born and/or raised.

Board of Directors Election.

Steve then turned the election of Board members over to VP Bill Sheaves. Bill discussed the covenant requirements for HOA Board membership (minimum of three, maximum of seven), and indicated for various reasons the Board has been operating with only six members, but desired to return to a full Board of seven members. He indicated the "class" schedule, (whereby it is desired to have the 3-year terms of Board members staggered, so roughly the two or sometimes three Board members depart the Board in any given year) has gotten out of sync, so that this year (2015), four members terms are up for re-election or new elected members. In order to re-set the schedule, the four members whose terms expire this year (Firks, Heer, Bartley, Heacock - all had indicated a willingness to be re-elected) each drew a piece of paper with either a "2" or a "3" on it, thus indicating the years of their next term . Bill also noted HOA member Jim Prickett has indicated a willingness to serve on the Board (but was unable to attend this meeting at the last moment due to a family emergency). The term of this new member on the Board will be one year, to also correct the class schedule. Heer and Heacock drew number 2s, and Firks and Bartley drew number 3s.

The floor was opened for any other nominations, and there being none offered, Steve called for a vote of any opposed to the election. None were opposed so the five were elected unanimously, with terms as noted above.

Reports.

Steve Firks asked for reports from Board officers and standing committees, then deferred his report until later.

Mike Heer gave the Treasurer's report, noting current assets of \$33,420.73, and also reported the remaining major outstanding expenses were the various insurance policies. Attachment 3 is the balance sheet thru June 28, 2015. The significant expenses to date were the mailbox concrete pads (\$6,240), and Turkey Canon Ranch HOA BLM road access fee (\$2,460). No questions were received on the report.

Reports of Committees.

Phil Heacock reported for the Common Areas Committee, and noted the new concrete mailbox pads looked really good. He also noted several Board workdays were held to spruce up the front entrance monuments areas, and place rocks along the edges of the mailbox pads. Phil again solicited inputs from members at the meeting for other ideas for improving the HOA areas, noting the improvements do help with maintaining property values for all. Phil noted monies are not always available in the budget for a given year for unplanned improvements, but if ideas were presented, they could be addressed by the Board and plan for budgeting monies for them if possible.

Bill Sheaves noted one item was being discussed by the board to have a contract let to install a water-diversion wall at the North side (and partially along East and West edges) of the concrete pad to divert runoff from entering the gazebo.

Steve Reed, Architectural Control Committee, was absent due to work travel, but Steve reported no new actions pending. For the benefit of new members attending, Steve reminded everyone that most changes to a property, particularly houses/buildings and fences, for example, required ACC/Board approval.

Wayne Bartley reported from the Covenant Control Committee there were no active complaints at this time. He did note the number of large RVs/trailers being parked in very visible locations on various lots was increasing again. This was a complaint from last year. Deidra Steen asked if renters were given a copy of the covenants to read, so they would be aware of what is required while they are renting here. Steve noted the rental property across the road from the Steen's did have a copy of the covenants in the house.

Steve Firks reported for the Propane Committee (which is also part of his President's report). He noted the successful conclusion of selling the propane system to the Turkey Canon Water District at the end of December, 2014. The paperwork for the 'Transfer Agreement' and Bill of Sale (signed by the HOA and WD boards) were received and copies filed. Steve noted the WD, as noted in the Transfer Agreement, will lease the propane system to the HOA for the annual cost equal to the incremental cost of the increase to the Water District's annual insurance premium. The HOA would be responsible for all operation and maintenance of the system as is currently done using Glaser Energy Group or another company if Glaser would be unable to continue doing it.

Jim Potts, member and also Board member on the WD, noted the insurance cost had not been completely settled yet, as the insurance company required a contract from Glaser Energy before the discounted rate would apply. As it stands, the insurance premium is on the order of \$2,500 per year, but expected to be reduced considerably once the contract is completed. Jim noted Glaser was not

being responsive to producing a contract. The HOA Board noted this concern and agreed to assist getting this action completed.

General Discssion.

Mike Heer noted the expenditures for the budget line item for the Common Areas had exceeded the approved budget amount by \$87. Mike noted the insurance line item was over-budgeted due to uncertainties in December, 2014, on the required amount for propane system insurance. Since this issue is mostly resolved, adequate funds could be moved to the Common Areas (aka Landscaping, ...) to insure adequate monies are available. Steve requested a motion, and it was moved, seconded, and approved by the members present to move \$3,000 to the common areas budget line, making it now \$10,000, vice \$7,000.

Bill Sheaves asked Jim Potts to report on some good news regarding water, and Jim noted the artesian head had returned on the two wells owned by the WD, which indicates the increased rainfalls in the aquifer area has topped off the aquifers. Bill noted a conversation with a realtor about a potential buyer for a house in the Pinons, wherein the prospective buyer declined unless “proof of adequate water” could be provided. So the incorrect information in the realtor community persists about the Pinons water. With the new ion-exchange system installed last year, there is no longer any question about water quality – but the realtor community is probably not properly aware of this.

Steve Firks then discussed the results of the State of Colorado PUC inspection of the Pinons’ propane system and operation (by Glaser). He noted there were 15 items rated unsatisfactory, mostly items Glaser needs to fix. One item the HOA Board would be required to produce was a risk mitigation plan for any potential risk to the system. The HOA was required to submit, and did submit on 15 May, 2015, a Plan of Action and Milestones for the correction of items on the report. All items need to be fixed in one year, when re-inspection will occur.

Steve Firks asked if there were any other questions or discussion from the members. Being none, it was moved, seconded, and approved the meeting be adjourned at 6:15 PM.

Michael Heer, acting Secretary