

HOA Special Assessment Meeting and Vote Minutes

11/2/19, 9:00 AM

Minutes recorded by Adrienne Kvello

Residents signed in, including signing in for their proxies.

Board Members Present:

- President Randy Wilburn
- Vice President Adam Hedman
- Treasurer Leslie Poynter
- Secretary Adrienne Kvello

Around 35-40 residents are present

Introduction by Randy Wilburn

Explanation of what we are trying to do with pool repairs. One of the biggest concerns of the past several years is whether the pool will last. McClelland Engineering did a study on the pool. Design of pool is the main issue. The deck was attached to pool incorrectly which pulls pool outward. The board contacted several contractors but had issues getting people to show up. Adam and Randy had 13 people not show up to give estimates. The deck is biggest cost. The second issue is the retaining wall because there is not adequate drainage behind it. This is pushing the pool. In addition, the skimmers need to be replaced and the pool resurfaced. It has to be fixed.

Motion to use Rules for Motions instead of just talking over each other

Lucas Regnier suggests we to use Rogers Rules of Order so that people would know what they are voting on and the record will be clear. It was agreed.

Discussion of Whether Notice was Sufficient

Shannon Servoss stated concerns about whether the notice was sufficient. She said notice was not sufficient because it did not state the exact amount of the special assessment being voted on. She did not know what the amount would be until recently and said she didn't get a response from the president until a few days before the meeting. She also said notice went out 29 days ago instead of 30. Adam Headman disagreed, saying he counted the days before sending out the notice and it was 30 days.

Lucas Regnier made a motion to adjourn the meeting if there are concerns about the adequacy of the notice. Clint Schneklath seconded the motion.

Forest Denger said we should still have meeting so we discuss what we are voting on.

Shannon Servoss wanted to know when estimates were received. She said drainage was put in retaining wall before when she was on the board and that contractors have looked at the wall before and had different opinions on what needs to be done. Randy Wilburn said we don't have any documents on what was done before. This is McClelland Engineering's opinion, not just a contractor.

Heather Ghomghani-Mitchell at 3242 N Nottingham Ct, said she used to live in Park Place and said our facilities are better and dues are lower. She also said this is the first time she's seen a dollar amount. She doesn't know if we have to adjourn legally, but doesn't want to adjourn the meeting. She doesn't think we need to bury a dead horse and then dig it up and beat it again. She would vote against adjourning.

Clint Schnekloth also says we shouldn't adjourn and should just vote.

Randy Wilburn said he specifically didn't put financial numbers on social media because he wanted it to be private.

Lucas Regnier put the motion on floor to adjourn meeting. Clint called the question of voting up and down to adjourn meeting.

Victoria Bruton, expressed concern that the vote might be ineffective and we won't be able to enforce payment.

Lucas says he thinks notice is valid. He also said there is always some sort of argument or objection to be made and it will never be perfect.

There was then a discussion about how we can for people for non-payment. Randy Wilburn said there are about \$10,000 in dues outstanding and we have been lax about going after people.

Victoria Bruton wanted to know if we would have enough to finish the project if people won't pay. Randy Wilburn said he calculated financial aspect to allow for this possibility and that if we delay and do this in 4 or 5 years it will cost even more.

Matthew Waymack asked if delaying the meeting will this delay construction. Randy Wilburn said "yes."

A vote was held to adjourn the meeting. Vote to adjourn meeting failed.

Sarah Horne 3224 Warwick said she is not on social media. She didn't know the amount. She also wanted to know how it was decided that we are definitely keeping the pool.

Randy Wilburn stated that McClelland engineering determined it would be more expensive to get rid of the pool. This was discussed in numerous previous meetings.

Motion to Allow Residents to Vote and Leave Without Further Discussion

Lucas Regnier made a motion to proceed immediately to vote for those who want to leave. Adam Hedman seconds motion.

Forest Denger disagreed with that idea and wanted to talk about financials before people vote. He doesn't think anyone should vote without financial information.

Tad Scott from 3221 Warwick said rules of procedure need to be followed. He thinks we should discuss financial aspect as well but there is a motion on the floor.

Lucas Regnier said anyone can stay and discuss if they want, so this is not limiting discussion, but those who know how they want to vote should be allowed to vote and leave in the interest of time.

A Vote Was Held on Motion to Allow People to Vote and Leave, Motion passed

Shannon Servoss stated that before people vote, she wants it known that the bylaws do not allow duplex owners to get 2 votes. The declarations state each lot gets a vote, not each household or door. She said the voting rules are different from who pays dues. She also stated concern that the minutes are not complete from previous meetings.

Many Residents Filled out Their Ballots and Left

Some residents began to vote. Their name and any proxy names were checked off the list before being issued a ballot by Leslie Poynter.

Discussion of Financial Information and Quotes

Randy Wilburn proceeded to discuss quotes received. He went through the financial information spreadsheet that was handed out to residents. The cost to build will be around \$200,000 total. The special assessment will be \$1100 per unit. There will be options to pay because some people can't pay all at once. Residents can pay a lump sum, 2 payments within next 12 months, or quarterly payments over 3 years. A line of credit will be taken out with a max amount of \$155,000 to bridge the gap between assessment money received and spent.

Forest Denger doesn't want there to be a \$500,000 encumbrance on property. He thinks there should be a reasonable cap on the loan and said as written, there is nothing preventing taking out a larger loan than the \$155,000.

More residents voted and left.

Motion to Cap Amount of Loan and Amount of Project

Forest Denger made a motion to say that the board cannot take out a loan for more than the quote. The motion was seconded to vote on a cap on loan. Forest Denger wants to make sure won't be in the hole \$300,000 on the pool.

Clint Schnekloth said the language might address that already because it limits it only to capital improvements. So something like furniture would not be included.

Shannon Servoss said that the bylaws state that the assessment can only be spent on what was voted on, so shouldn't be an issue.

Randy Wilburn said the line of credit is not a loan and will be \$155K. He said They came up with \$1100 based on the amount of reserves we have now and amount of work to be done. Some more funds will be coming in with home sales/loan closings. He feels very strongly we will be able to collect this.

Forest Denger said we need to vote on a maximum amount of loan and that only covers uncollected dues. He is worried it will cover things other than non-collectables.

The 155K is only to be used to take care of the difference between what we have collected and amount owed and board will not use for other things or pursue any additional funds beyond that.

Clint Schnekloth said the motion is asking for a vote on something the board can't do anyway.

Randy Wilburn stated that motion will be to put it on record that loan will not be for more than this amount.

Adam Hedman stated that the reason for not putting specifics as to amount is that interest rate have decreased and we needed the flexibility to take that into account.

Forest Denger argued he was concerned that there is not cap on the ballot.

Lucas Regnier said that practically speaking, there is no way a bank would lend for no purpose and run up a high loan amount and also, the board has fiduciary duties already.

Randy Wilburn stated it is the goal of the board to spend as little as possible.

Vote on Motion to Cap

Randy Wilburn clarified that the motion being voted on is that there will be a cap on the line of credit of \$155,000 and repair amount limited to \$250,000. A vote was held on the motion and it passed.

Discussion on Work to be Done

Cosmo Denger wanted to know the expected life of deck and pool. Ron from Bolder Construction said it shouldn't be less than 25 years. He agreed the retaining wall is pushing and the deck is pulling. If there was a French drain done at some point, it isn't working now and isn't there.

Cosmo Denger had a follow up question about whether concrete around pool is getting replaced. The contractor said "yes." The fence will be replaced as it is now because, as Shannon Servoss stated, the police wanted them to take out every other picket so they could see in or they would not come out for calls.

Discussion of Handicap Accessibility

Shannon Servoss asked the contractor if we know that City won't come back and say we have to be make the pool ADA compliant because in the past, when we have done work, they have wanted those changes made. The contractor said when he met with city, they said there's no way we could do it and the City says it is ready to issue a permit right now. He said they are not really making improvements, just taking out and replacing. He said he expects a six week construction time.

Forest Denger asked about the fence being removed to clear leaves and will that be an easier process. The contractor said they will have a secure gate to allow for this.

Heather Ghomghani-Mitchell wanted to know how you tell the POA which payment option you want. Randy Wilburn said a letter will go out and then people can respond with which one they want. We will make it as easy as possible.

Shannon Servoss again wanted it noted that each lot has a vote, not each door. Lucas Regnier said that we can certainly scrutinize the vote if anyone votes more than once. It was noted that only two duplex owners were present and they would vote once.

Randy Wilburn closed discussion we proceeded to vote.

Special Assessment Passed

Adrienne Kvello and Leslie Poynter counted the ballots to make sure the amount of ballots was the same as names checked off on the sign in sheet. It was. They then proceeded to count votes. 40 ballots were cast with 34 in favor and 6 against.

Meeting concluded at 10:50 AM.