

**Stoney Brook Homeowners Association**  
**Minutes of the Meeting of the Board of Directors**  
**May 26, 2021**

Amended by the Board – June 23, 2021

**Directors Present:** Stan Trout, John Cowan, Uli Kappus, Craig Weber, Jack Kiner, Andy Klatskin, Robert Bulkley, and Bill Letson

**Director Absent:** Christine Walker

**Others Present:** Oliver Lynch, General Manager and Angela Miller, Office Manager

**Homeowners Present:** Mike Davis (Unit 17), Mark Winski (Unit 428), Trina Shanks (Unit 311), Peter & Lucille Zwanzig (Unit 456), Evelyn Burke (Unit 44), Joseph & Karen Palaoro (Unit 118), Jan Melson (Unit 214), Hal Fireman (Unit 459), Dolly Bunke (Unit 128), Stacy Beakes (Unit 462), JoAnn Taylor (Unit 455), Jerry Gordon & Laura Goff (Unit 323), Paul & Kathy Anderson (Unit 105), Vincent DiBiase (Unit 380), Holli Benkelman (Unit 379), Jenny Austin (Unit 135), Lenora O'Connor (Unit 38), Tom Watson (Unit 132), Kay Ceilley (Unit 378), Judi Hutson (Unit 408), Jennifer Hilger (Unit 417), Donna Gleditsch (Unit 444), Lois Leder (Unit 21), Bill Taylor (Unit 11)

**Call to Order:** Mr. Trout called the meeting to order at 6:30 p.m. with a quorum established.

**Homeowners Comments:** Ms. Zwanzig asked about liquid nitrogen tank on a truck parked on a nearby parking pad. Mr. Trout mentioned it should not be on a residential street.

**President's Comments:** Mr. Trout commented about that the recent security concerns, reminder lock car/unit doors, remind visitors/contractors to lock their vehicles, and may want to notify a neighbor if their garage door is open; also report incidents to the Denver police, they still keep statistics of thefts in the neighbor hoods. Mr. Trout pointed out that owners and contractors should be aware of the no parking area signs and curve parking to limit any traffic concerns. Road Assessment is due on June 1, 2021. If you have yet to pay the assessment it is advisable to pay to avoid late fees.

**General Manager's Report:** Mr. Lynch provided a report.

**ONGOING PROJECTS:**

- Pond 6 - unable to spray liner due to incoming water – will have to install rubber liner (in-house) & concrete (receiving bid)
- ARBOR GARDEN: Pruning & tree removal
- Pond & Stream clean up
- Bi-weekly: string trimming & edging

**NEW PROJECTS:**

- Respraying stream @ Units 128-130
- Pool opening May 28th

**COMPLETED PROJECTS:**

- Pond 7 liner installed
- Sprinklers are turned on

Work Order Priorities: lights, sprinklers, and pond repairs

Mr. Palaoro asked when the water will be turned on in the pond behind Unit 114. Mr. Lynch informed we are trying to locate a leak and repair in the lower stream.

**Approval of the Minutes:** A motion (Cowan/Kiner) to approve the April 28, 2021, Meeting Minutes as written passed with no opposition. Mr. Klatskin questioned from the Social Committee section that Porfie will be working for the Grounds Committee one day a week. Mr. Lynch reassured this is correct.

**Treasurer's Report:** Mr. Cowan provided the April 2021 Financials. Mr. Cowan was happy to announce the Chateau's payment has been received and is current through May 2021. The Overtime account is over budget (\$5K) by cause of the snowstorm season.; Workers' Comp dividend received (\$2K); Legal over budget (\$1.8K) due to advisory of contracts and declaration amendment; Fertilizer account under budget (\$2K) due to timing; Ponds & Streams account over budget YTD (\$4.7K) due large purchase of treatment chemicals; Utilities are under budget (\$3.7K); Tree Maintenance/Removal under budget (\$53K) due to timing; The activity of the Capital Reserve for the pond and road assessments were available for review of what has been collected as of April 30, 2021. The account receivable report was reviewed for the amount owing on the assessments. Mr. Cowan highly encourages owners to pay their assessments to avoid the board pursuing the collection policy process. The balance sheet as of the end of April reflects consolidated reserve balances of \$445,938 with \$625,803 in the bank checking or investments accounts, and another \$87,384 is in prepaid insurance, which will result in increased cash flow over the next 3 months as a result of being a non-cash item in the Profit and Loss Statement. Mr. Bulkley thanked Mr. Cowan for all his hard work & time during these projects.

**Finance Committee:** Mr. Cowan reported the recent meeting was in conjunction with the Long-Range Planning Committee. Mr. Cowan presented a Reserve Study to the committees which indicated reserve fund requirements to help avoid situations where future assessments may be required. The community is 45 years old, therefore it is necessary for the study to come up with a dollar amount to build our Capital reserve. so unexpected issues don't crop up and we find we have insufficient cash reserves to pay for things. We will continue budgeting for things the same way with their operational reserve. We meet each year and review projected expenses over the next five years funded with approximately \$300,000 of annual cash flow from current homeowner dues. The other category of reserve items is called the capital reserve. We recognized two years ago this reserve was needed. It was established it a year and a half ago and we have been funding it for two years now at the rate of \$44,000 a year. That represents \$13.00 per month of every homeowner's monthly dues. The new Reserve Study calculated \$190K a year is actually needed to fully fund capital reserve items., If paid by homeowner dues, it we would need to increase in dues to \$610 / month in 2022 up from the \$570/month originally planned. The Finance Committee is researching an alternative option by initiating a contribution of 10x the monthly dues from new buyers which would be \$5700 per sale. There will be a full explanation of this process, Ms. Walker will assist in preparing a presentation for a homeowners' meeting with a Q&A session and a recommendation from the board for owners to vote for amending the covenants to include this new homeowner fee to help fund the capital reserve.

**Long Range Planning Committee:** Mr. Weber, Mr. Cowan and Mr. Bulkley met with Mr. Lynch to discuss each line item of the 30-year plan. Mr. Weber reported this plan has two broad categories as Mr. Cowan referenced: infrastructure reserve items i.e., painting every year and items that are budgeted for every few years which are generally less than \$10K; the other category is capital reserve which is the repaving, the remaining pond liners, and trucks. The items were reviewed in terms of the expected lifespan and current cost. There was one suggested change and that was related to Court 3 where the outcome was that it is an eyesore that could be addressed on a phase basis to avoid an assessment. In fact, we've had four assessments in the last decade that kind of lead to the decisions that were made by the board previously to consider getting some additional funding from

new homeowners. We are working on this proposed change to our declarations now that would help fund this reserve as Mr. Cowan pointed out. If the if the homeowners vote positively for that recommendation when it is put forth, we are looking at dues at the \$570 range next year. If the homeowners vote against this new fee, then expect dues closer to be \$610/month next year, or roughly a \$40 increase. That increase would continue every year thereafter so the dues would be higher than they would be otherwise. This is going to be the basic question that will get posed. Ms. Walker is working on a slide deck presentation to all homeowners which will then also be posted on online or our website along with FAQ's that are answered that as we go forward. It's been a long process, but the recommendation was unanimous from the Long-Range Planning and the Finance Committees to the full board in terms of the direction we are moving. Mr. Trout noticed it appears we found software that will let us do our own reserve studies. Mr. Cowan mentioned Mr. Anderson, a new owner, is a property manager of several HOA properties and he recommended the software.

**Architectural Review Committee:** Mr. Kiner mentioned if anyone wants to attend ARC meetings, they are scheduled the second Thursday each month. Same rules as the Board meetings apply with owners speaking first then the committee has their meeting. Mr. Kiner informed that Mr. Kappus requested to be no longer on the committee. Mr. Kiner recommends to the Board Ms. Stonbraker as his replacement. She is currently on the Grounds, Signage, and Pool Rules Committees. A **motion (Cowan/Weber)** to accept Mr. Stonbraker as the new ARC member passed unanimously. Mr. Klatskin pointed out the bylaws requires three board directors to be on the ARC committee. Mr. Kiner confirmed there are three directors. ARC reviewed and approved requests from Units 109, 117, 423-425. Mr. Kiner mentioned the committee discussed a proposed change for tree/shrub removal on common area at owner's expense. The requirements included below along with a form for ARC/General Manager approval and neighbors' comments.

### **Tree/Shrub Removal in Common Area When requested and Paid by Homeowner**

*Purpose:* The removal of a tree or scrubs in Stoney Brook requires thoughtful consideration.

*Instructions:* In order for a homeowner to request removal of a tree/shrub in common area and at the homeowner's expense the following must happen.

1. An ARC application must be completed and sent to the ARC Chairman.
2. A picture of the tree or shrubs in question.
3. A Neighbors Comment form signed by all neighbors who have full view of the area in question, sent to the ARC Chairman.
4. ARC Committee must sign off. General Manager must sign off.
5. Process can take up to 45 days.
6. Any tree/shrub planted in common area without approvals, may be removed by our maintenance crew or an approved source and at homeowners' expense.

Mr. Kiner reassured this procedure does not interfere with Mr. Lynch's responsibilities of common area tree decisions. Mr. Weber thanked the committee for the guidelines of tree removals and suggested Mr. Trout inform the community that the guidelines have been developed and where they can be found on the website. Mr. Lynch commented if a homeowner requested to better the common area and is willing to pay for it and should be allowed, not ignored of their requests. Ms. Hilger mentioned there is an open view of her unit's window from the parking pad where a tree was removed. Mr. Kiner will follow up with Ms. Wolach. The process for tree/shrub removal within an owner's lot remains the same at this time.

**Safety Advisory Committee:** Mr. Kiner mentioned that State of Colorado, City and County of Denver have experienced an unbelievable increase in vehicle theft. Mr. Kiner advises the owners need to be vigilant and follow safety procedures, close garage doors, lock doors, make sure garage lights are

working, install a personal security camera or motion lights in hopes of decreasing thefts in the area. The police will take a report, but currently they are short staffed to complete any lab report, etc.

**Insurance Committee:** Mr. Beakes and Mr. Trout had a conference call with Mr. Towne of Moody Insurance. The Pinnacol Workers' Comp renewal is ready for consideration with premiums down about \$600 from previous year. A **motion (Weber/Cowan)** to accept the renewal of the Workers' Compensation Insurance with Pinnacol Assurance in the amount of \$16,363 passed unanimously. The master policy renewal for August was discussed. Mr. Beakes mentioned the replacement cost of our community increased, so that we are now under insured and expects a 15-20% premium renewal increase, in part because of the increase in replacement cost. The analysis is the HOA is better off purchasing association coverage versus trying to transfer the entire cost to individuals which could be \$1800 per owner. Mr. Beakes recommends owners to purchase loss assessment coverage. Mr. Cowan stated we are allowed 100% coverage per our covenants. Mr. Bulkley questioned if we are able to get insurance coverage and are we researching other agents besides Moody's insurance. Mr. Beakes replied yes to coverage and is confident in Moody's insurance has access to these markets. Mr. Kiner questioned the loss assessment coverage, does this applies coverage towards the current projects that owners are being assessed. Mr. Beakes replied it applies to fire or wind/hail damage claims, it is not tied to wear and tear in depreciation or maintenance. Mr. Kiner commented why this is the first to hear about the HOA being under insured. Mr. Beakes can't speak of prior years but mentioned the current increase in material and construction labor costs are a factor. Mr. Kappus commented there is a major problem if we are under insured with home values at \$300K when the units sold last year at an average price of \$700K. Mr. Cowan explained the \$300K is the original built construction replacement cost value. Mr. Beakes mentioned the key issue is not when there is a total loss but a partial loss. Mr. Letson gave an example of loss assessment coverage when his unit was damaged after the last large hailstorm. Mr. Letson's unit was the only one of four roofs damaged so the insurance company determined that his roof was totally gone and had to be replaced. Mr. Letson's insurance company mentioned \$18K to replace the roof the deductible that related to our four units was all put on my loss and that was \$16K. Mr. Letson was assessed \$16K of deductible and fortunately has loss assessment insurance so Mr. Letson's insurance company paid \$16K of the \$18K loss because they insured me against loss assessment, I had to pay \$2K that is how the loss assessment works. Mr. Trout mentioned the annual process of the renewal is making sure to have the right coverage and all the parameters are correct. Mr. Letson recommends owners need to review their personal coverage policies – the exterior shell of unit: HOA responsibility everything else inside: owners' responsibility. The insurance summary is available on the website. Mr. Beakes mentioned they plan to investigate adding Cyber liability to the coverage (\$1K) for the renewal. Mr. Kappus recommends asking your personal agent about the loss assessment cap amount. Mr. Bulkley would like to see a meeting with Moody's Insurance either with the Insurance Committee or community meeting to explain in detail, if needed.

**I-25 Interchange:** Mr. Zwanzig had nothing to report at this time.

**Road Reconstruction:** Mr. Fireman reported to date the curb/concrete work and parking pad except one have been completed. Mr. Fireman mentioned we had a cost increase of extra work to cut down the base under thin asphalt and build it up where we have thick asphalt so that will put us about \$10K roughly over what we anticipated to bring in and allocated road base, especially where it couldn't be compacted. Mr. Bulkley asked about contracting an engineer. Mr. Fireman responded the engineer will be for the asphalt and compact testing, not for the concrete or milling phases. Mr. Fireman will update Ms. Miller to inform owners daily. Mr. Kiner passed along from Mr. Davis the area near Units 16-17 of the Terraces; the concrete/gutters were not done properly. Mr. Fireman mentioned the Terraces are an engineering nightmare making a small fix impossible. The contractor replaced the curb/gutter and sidewalk in front of units 16 -19 because there was a significant ponding problem in front of unit 16. The contractor and Mr. Fireman flooded it and verified significant ponding the water

moved up into the driveway and out into the street because of the way the Terraces are engineered there is virtually no fall in that section which means water does not move readily so *we* are trying to *have the* contractor look at what we could do to mitigate it we can't totally correct the problem because they're just nowhere that you can move the water without significantly raising the sidewalks are lowering the roadbed and that's going to be phenomenally expensive so the sidewalks between Units 16 and 18 where the curb/gutter was replaced and was raised about 7 1/2 inches to create a half a percent fall to get water to shed towards the cross pan between Units 15 and 16. It will significantly reduce the ponding and there will still be water left in the gutters but that's to be expected. Mr. Fireman continued there are multiple areas throughout Stony Brook where fall is inadequate and water will stay in the gutter and as long as it stays in the gutter it's not an issue, but you don't want water ponding out into the roadway or up over the sidewalk. Therefore, this issue has been significantly mitigated but because of the overall engineering you can't just fix a small section without moving the problem in front of another section that's just the way the Terraces were engineered. Mr. Fireman suggested the only solution is that you rip out the road lower than the roadbed about 8 inches, tear out all the sidewalks and gutters, lower those eight inches because just fixing the gutters and sidewalks you have to change the driveways and because so many of those driveways are so short you end up with a situation where a car has its front wheels on the garage slab and its rear wheels still on the asphalt and it causes the rear ends to drag and so it's a delicate situation of getting an enough fall in the curb and gutter without significantly impacting the driveways so the areas between Units 16 and 18 were reengineered to get a half percent fall it should reduce the significant ponding there still will be a little water left in the gutters, but not as much as it was.

**Communications Committee:** Any articles for the July/August newsletter should be submitted by June 25, 2021.

#### **Old Business:**

- *Clubhouse usage fee* - Ms. Goff and Ms. Kassenoff provided the recommendation for a clubhouse fee only for non - Stoney Brook events of 20 or more people. Mr. Bulkley does not have an issue charging a fee if it is a private event but is concerned of what type of account will be used. Mr. Cowan mentioned a separate checking account and a reporting from the Clubhouse Committee chairman what they recommend the money be spent on and handled, trying to avoid a line item on our budget. Ms. Miller confirmed \$125 cleaning fee will be charged if the HOA cleans after an event. A **motion (Letson/Weber)** to approve the recommended *program from the Clubhouse Committee of an \$80 usage fee to be deposited in a separate Clubhouse account in which will be audited each year and use these funds for improvements* for a private event of 20 or more passed with Mr. Bulkley and Mr. Kiner opposed.

#### **New Business:**

*Fence* - Mr. Lynch received an excellent deal on fencing materials to install along Yosemite to Union. A **motion (Cowan/Weber)** to ratify an email vote to the agreement of purchasing \$28K in fencing materials at the fraction of today's cost passed with no objection.

*Website* - Ms. Miller provided a new website platform proposal from Vinteum premium plan. Mr. DiBiase recommends updating the website to integrate a better communication tool and has more feature functionality i.e. reserve courts. Mr. Bulkley questioned the cost and if it will be a user-friendly platform. The price will be about the same and not sure of the accuracy of an individual's level of website knowledge but should be easier to navigate than the current platform. A **motion (Weber/Cowan)** to authorize Ms. Miller and Mr. DiBiase to select a website program in the range of \$2K per year and report back.

**Final Questions:** Mr. Davis asked if Stoney Brook be repairing the drainage issue in front of his building. Mr. Trout suggested he and Mr. Fireman will stop by and assess it. Ms. Zwanzig wasn't

aware of any outside residents were using the clubhouse and what is the liability. Mr. Trout mentioned residents reserve and are responsible, must be present at the event. *Chatroom:* just paid \$3500 in road assessment fee and shouldn't have to pay for another fee. Mr. Cowan reassured any fee is for new buyers only, existing owners will benefit because it will replace having higher dues otherwise will have to pay. Mr. DiBiase believes this comment is referring to a current owner wants to buy/move to another unit do they have to pay the fee twice. Mr. Cowan assumes there is an exception when things transfer between family members, but not otherwise. Ms. Ceilley mentioned the HOA insurance only covers original shell of the unit and owners need their own loss assessment coverage. Ms. Gleditsch has concerns of the cost and location of the speed bumps. The speed bumps have been removed and will be replaced with gradual humps. Mr. Gleditsch asked what the homeowners dues will be next year. Mr. Cowan mentioned it could be \$570 or \$610/month.

**Adjournment:** At 8:35 p.m., there being no further business, a **motion (Kiner/Bulkley)** to adjourn until Wednesday, June 23, 2021, passed unanimously.

Respectfully submitted,  
Angela Miller, Recording Secretary