

Stoney Brook Homeowners Association
Minutes of the Meeting of the Board of Directors
January 28, 2021

Amended by the Board – February 24, 2021

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

Others Present: Angela Miller, Office Manager

Others Absent: Oliver Lynch, General Manager

Homeowners Present: Trina Shanks (Unit 311), Vincent DiBiase (Unit 380), Michael Cook (Unit 375), Donna Yocum (Unit 25), Kay Ceilley (Unit 378), Ben & Sharon Kassenoff (Unit 212), Eric Gary & Lori Maier (Unit 450), Timothy & Tonya Compton (Unit 506), Jane Salzer Richter (Unit 371), Evelyn Burke (Unit 44), John Jordan (Unit 505), Carnig Izmirian (Unit 131), Dolly Bunke (Unit 128), Bill Taylor (Unit 11), Barry & Debbie Wolach (Unit 370), Kerry Santambrogio (Unit 8), Terri Kottal (Unit 108), Paul & Kathryn Anderson (Unit 105), Jenny Austin (Unit 135), Daisy Berl (Unit 27), Richard Schoenmaker (Unit 31), Susan Schaecher (Unit 30), and Mark Winski (Unit 428)

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

Homeowners Comments: Mr. Izmirian requested clarification if the asphalt project will address all streets, cul-de-sacs, parking pads, clubhouse parking lot and concrete repair of curb pans. Mr. Weber confirmed this is correct. Mr. DiBiase mentioned the HOA initiation fee was not on the agenda and requested if it could be discussed at tonight's meeting. Mr. Cowan recommends the Finance Committee should address this plan at a different time when the Board is more familiar with the buy-in fee. Mr. DiBiase reassured the reason for bringing this up is for an option to minimize HOA dues increasing each year. The Board received a letter from Mr. and Mrs. Hansen (Unit 466) who objects the \$300 pond assessment since they do not receive benefit from the ponds. Mr. Trout responded per our declarations all assessments for common area are equally divided for all owners. Mr. Kappus added even though the street his unit is located will not be included as part of the asphalt project, the owners living in this area will still need to pay the asphalt assessment and abide by the declarations. Mr. Kiner mentioned owners have blocked off access to the ponds by displaying their large planters, etc. which is not allowed since its common area. Mr. Jordan noticed at the annual meeting a lot of concern amongst the owners about the big un-budgeted items in need of repair and needs to be taken in account moving forward realizing the expenses are continuing to increase. Mr. Jordan suggested bringing someone in to look what our expenses are and benchmark them accordingly. Mr. Izmirian discussed the life of clay pipes (approximately 45 years) and the majority replacement/repair costs can be an HOA expense and serious planning is needed to finance any sewer line issues. Mr. Cowan made known the LRP Committee is aware of this and about 40-50% sewer lines have been replaced. Ms. Anderson asked if the Reserve Study addressed sewer lines? Mr. Cowan doesn't recall if it's in the study, but the sewer line connections to homes are in our recurring cash flow budget. Mr. Vondras proposes researching the Metro District, as discussed in the annual meeting for any infrastructure projects. Mr. Cowan plans to address it with Paul and John if it's worth pursuing and can it be done within a private property. Ms. Kottal referred to the comment from the annual meeting regarding the \$400K reserve will not be touched and her understanding it is used for major improvements. Mr. Cowan responded the cash flow reserve is used when needed and budgeted by the long-range plan, but with a plan to replenish it. Mr. Winski discussed the recent experience he had with an HOA project (replacing the retaining wall) alongside his unit. Mr. Winski wanted to make it clear that he wants the privacy of his unit and his neighbors maintained in light of the project currently under construction by our great grounds crew. Oliver and he confirmed there were no plans that he knew of to replace the trees if they were destroyed, nor were there any plans for landscaping when they removed 75' of overgrown juniper bushes on each end of the trees. Jack

clearly told Mark there were no plans and there was no money in the budget to do anything whatsoever for landscaping after the removal. When the GM or the Grounds Committee starts a project, that budgeted amounts are available for replacement if necessary and that homeowners are notified and made aware of such project when their property is significantly affected prior to its start. If any such occurrences happen again, Mr. Winski recommends that Jack Kiner step down as ARC chair and be replaced with someone more attuned to the needs of the community. Mr. Kiner responded this project goes back 3 years ago when ARC was presented with a proposal from Mr. Winski. ARC rejected the proposal and Mr. Kiner has followed up with Mr. Winski the past several years the retaining wall will be replaced when the budget allows. The bushes were removed since it presents a hiding place for critters. A meeting is set for tomorrow to discuss with the GM and the Grounds Committee. Ms. Wolach stated a meeting is set for tomorrow with Mr. Lynch to decide what type of plants should be planted and suggested owners should be notified of any upcoming projects. Ms. Ceilley would prefer her name be on the list of any landscaping projects in the works, especially the ponds behind her unit. Mr. Wolach inquired about the difference between loss assessment and loss assessment deductible coverage as recommended per Mr. Branish Insurance Summary. Mr. Trout and Mr. Cowan are only aware of loss assessment coverage. Mr. Wolach would like to confirm which coverage to get since he is in the process of switching insurance carriers. The sewer deductible is for sewer backup not collapsed lines. Mr. Cowan mentioned if owners have loss assessment coverage this should pay for the replacement of a roof, since the HOA deductible is too high. Mr. Gary suggested if an owner is required to submit request for an exterior change, then the HOA should go through a similar process if making any landscape or common area changes/improvements. Ms. Anderson referred to her own loss assessment policy, HO-6 with a maximum of \$50K coverage which costs \$20 per year and suggested owners to contact their personal insurer to add this coverage. Ms. Berl inquired how many quotes received for the asphalt project, if any estimates were from City of Denver and are the estimates available to review. Ten quotes were solicited with two responding per Mr. Weber. Mr. Cowan followed up by mentioning the estimates ranged up to \$1.5M and are available for review. The City of Denver does not take care of our streets, which are designated as private roads.

Election of Officers: A motion (Kiner/Cowan) to nominate Mr. Trout to remain as President and Mr. Bulkley as Vice-President. A motion (Bulkley/Weber) to nominate Mr. Cowan as Treasurer. A motion (Trout/Kappus) to nominate Mr. Klatskin to remain as Secretary. The slate of the 2021 Board Officers passed unanimously. The following directors are as follows: Stan Trout, President; Mr. Bulkley, Vice President; Andrew Klatskin, Secretary; John Cowan, Treasurer.

Approval of the Minutes: A motion (Weber/Bulkley) to approve the December 16, 2020 Meeting Minutes passed with no opposition.

General Manager's Report: Ms. Walker recommends the GM attend the meetings to address some area of concerns as we heard tonight. Mr. Lynch provided a report.

ONGOING PROJECTS:

- Retaining wall behind Unit 428
- Installing Fence @ Union/Temple
- Pruning in-house

NEW PROJECTS:

- Tree removal to begin next week.

ON HOLD PROJECTS:

- Redesign stream from Units 440-444 week – prep completed.

COMPLETED PROJECTS:

- Lamp Posts Lanterns Painted Black
- Retaining wall @ Unit 432

Treasurer's Report: Mr. Cowan provided the December 2020 Financials, 2021 Budget and 5-Year Plan reports. Mr. Cowan reported year end cash flow total of \$71K which \$44K is the Capital Reserve deposits and \$27K operational cash flow this leaves a \$16K over budget. Mr. Cowan outlined a summary of the financials which included the sewer line replacement hit us hard in the beginning of the year, landscape project placed on hold and YE bonuses. The Capital Reserve fund section reports the 2021 assessments per each unit (asphalt \$3200 + pond liners \$300), Truck Replacement in 2022 and 2024. The balance sheet as of the end of December reflects consolidated reserve balances of \$293,187 of which \$114,288 is in bank checking or investments accounts, and another \$171,948 is in prepaid insurance, which will result in increased cash flow over the next 7 months as a result of being a non-cash item in the Profit and Loss Statement. The 2020 Audit and internal control letter were provided to the board directors with no discrepancies in reporting. A **motion (Weber/Kappus)** to accept the 2020 Audit as prepared passed unanimously. The 2020 Audit will be posted on the website. Mr. Klatskin requested the under budget or numbers in parentheses be in green font not red font.

Finance Committee: Mr. Cowan wanted to point out the committee meeting minutes once approved are on the website for owners to review for any upcoming projects. Mr. Cowan provided the January 14, 2021 meeting minutes and detailed asphalt report.

Mr. Letson implemented a summary of the asphalt project and contract information as follows: In 2019 the Long-Range Planning Committee recognized the need to assess the condition of our asphalt pavement and the potential costs of maintaining it and appointed a subcommittee for that purpose. After over 1 1/2 years of study with the assistance of the best asphalt engineers, using the most advanced equipment, and taking into account alternate cost structures the subcommittee recommended and the Board needs to approve a program which is both sound and cost effective. Each area of asphalt will be treated according to its present condition and need. With respect to cost we are fortunate. Because of the recent depressed state of the paving market, we have obtained a firm price from a good contractor which is saving us \$630,000 under our prior estimate. The plan calls for all work to be done this year because that favorable price is only available if the work is all done this spring and early summer as the market has strengthened. The contract from Perfect Patch is subject to attorney approval and is ready for Board Approval. The project will be funded by an assessment of \$3,200 per homeowner funded by June 1, 2021. If some homeowners want some level of financing, \$1,400 can be paid overtime, subject to a homeowner approved bank loan so the contractor can be paid in full.

Mr. Fireman measured the curbs, gutters, and cross pans. Mr. Cowan presented the breakdown of the Road Repairs Cost & Assessment based on final measurement (01/14/21 Finance committee minutes on the website) Mr. Cowan planned to collect the assessment within 2 years. The contractor quote is good only through June 30, 2021. The proposal also gave a price for homeowners to repair their driveways if needed, this would be between the contractor and homeowner separately from the asphalt project. Mr. Cowan mentioned payment method options, financing, the daily schedule of the project and a homeowners' information meeting in the works.

Ms. Walker asked what the estimated life span of the new road and does this also include the removal and replacement of the speed bumps. Mr. Cowan answered 20 - 25 years for the roads, our current roads are at 45 years, we have invested in *remediation* work throughout this timeframe.

When questioned about removing the speed bumps, that if anyone can limit people from speeding the around those corners then they could be removed.

Mr. Bulkley inquired when the contract is due and should we have the homeowners' info meeting prior to signing the contract. Mr. Cowan prefers the contractor start the concrete in March. Mr. Klatskin indicated we don't have the money to sign the contract, but we have a plan for it. Mr. Weber assumed if we were to approve the contract then also, we are approving an assessment of \$3200 per owner and then the question to be determined how we collect that \$3200 to address in the owners' meeting. Mr. Cowan agrees and soon as the board declares the assessment then it is technically funded. The Board has the responsibility and the ability to assess to pay for the maintenance of Stoney Brook. Ms. Walker mentioned a vast majority of the homeowners most likely are not aware of this project/assessment therefore we should get the message out to them even though it's been discussed at previous meetings, board minutes and newsletter. Mr. Letson mentioned let's get the contract/assessments bundled up and sent over to *counsel* to get this project started because it's just too good of a deal. Mr. Kappus pointed out what if 20-30 owners decide not to pay the assessment, he assumes we are planning on using the \$100K credit line to make up the short fall while taking up legal credit collections against any of these owners that do not pay. Mr. Cowan expects the finance committee should consider any owner hardship and payment options. A motion (**Bulkley/Weber**) to accept the asphalt contract contingent on legal review in which the contract is supported by an assessment due June 1, 2021 in the amount of \$3200 per homeowner with payment terms to be defined later passed with no further discussion.

Insurance Committee: Moody Insurance provided the new rates for the employee insurance. The Kaiser plan increased by 5.3% plan at a gross amount of \$4,946 per month and continuing with the employees 10% contribution to the health care plan. A motion (**Weber/Cowan**) to accept the health insurance plan passed with no objections.

Committee Chair Appointments for 2021: The Board directors will remain chairman of their committees. Mr. Trout will reach out to Mr. Beakes to volunteer for Insurance. A proposed volunteer committee list will be presented by the February meeting.

Communications Committee: Any articles for the March/April newsletter should be submitted by February 26, 2021.

New Business: The Board of Directors had no objections for the proposed 2021 meeting dates that were available for the Board to review. A motion (**Weber/Bulkley**) to ratify the email vote for approval of signing the Altitude Law legal services and fee agreement of \$200/month passed unanimously. A motion (**Weber/Kappus**) to ratify the email vote for approval of signing the Olson, Reyes & Sauerwein audit engagement fee letter in the amount of \$5,100 passed with no objections. A motion (**Weber/Walker**) to accept the virtual meeting policy passed with no oppositions. Mr. Trout included Ms. Goff's suggestion to begin instituting a non-refundable \$50 fee to cover any unexpected expenses for the clubhouse. Mr. Kiner proposes to reinstate the clubhouse committee to revise the clubhouse rules. Mr. Cowan and Ms. Walker agree Ms. Goff should be asked to be the clubhouse committee chairman. The Board agreed to place the \$50 fee suggestion on hold until the committee is in place. Mr. Trout received a message from an owner in The Chermont (north of SBHOA), who reminded us a handshake agreement was made for their residents to have use of our swimming pool. Mr. Trout responded back to the resident if they want to proceed, she may draw up a proposal for the board to review. Mr. Cowan advised the Chateau is a separate HOA and pays a percentage for use of the amenities.

Safety Advisory Committee: Mr. Kiner wanted to remind residents that when our streets are slippery please use caution of others by slowing down to prevent any accidents, in addition when walking please stay on the side of the street when snowplows are in use. Mr. Kiner updated on the proposed

new community and entrance signages; these will be displayed for owners to vote for their favorite out of three choices when available.

Adjournment: At 8:33 p.m., there being no further business, a **motion (Walker/Kiner)** to adjourn until Wednesday, February 24, 2021 passed unanimously.

Respectfully submitted,
Angela Miller, Recording Secretary