

Hidden Creek HOA Board Meeting Minutes

Thursday, December 16 2021 1:30pm MT

I. Establishment of Quorum

Board Members

Jeff Holland
Lisa Graveline
Carri Moentmann
Michael Berlin
Steve McBride

Greg Paul
Jen Gourde
Alan Agle
Lenny Leslie
Jim Meland
Jennifer Bommer
Michael Bradley
Margaret & Nick Wright
Tom Gourde
Hal Cook
David Knecht
Megan Hulse
Amy Blue
Dan Johnson
Leanne Miller
Greg Paul
Eduardo & Xin Yee Loo Panteleon

ASHM

Jim Simmons
Garrick Malin
Mike Williams
Carissa Nosack

Homeowners

Lili Holland
Brad Graveline
Jan Mitrovich
Dan Mitrovich
Faye Morrison
Deb Lovci

II. Additions to Agenda - None

III. Owner's Comments

- a. Robert Clymer: Budget
 - i. Roof replacements total \$4.35M—two separate expenditures
 1. Maintenance: Roofs that have exceeded their lives must be replaced
 2. Capital improvements can be made within the roof life
- b. Jennifer Bommer: Roofing
 - i. Roof has been completed, deposit has been paid—when will the final bill be due
 - ii. Carissa answered: There will be no additional bills to individual owners
 1. The special assessment was done for all homeowners
 2. The funds from the roofing project will be allocated accordingly
 3. Further future assessments are needed to complete the roofing project
- c. Hal Cook: What is the purpose of the new Legal Committee?
 - i. Carissa answered: Its purpose is to assist and make recommendations to the Board; There is enough going on in the community to justify its implementation (ongoing litigation, other legal issues, etc.)
 1. All board members agreed to the implementation last month
 2. Steve & Carri referenced protocol policy
 - a. Not all members of the Legal Committee are legal attorneys (concern)
 - b. Regardless of advice, there is no attorney-client privilege, thus potentially publicizing legal issues, which is strategically unwise
 3. Carissa responded: It is a misunderstanding that there is no attorney-client privilege, and this matter will be further discussed later in the meeting

4. Hal commented: There is further concern that they will be exposed to liability
 - a. It appears that the purpose of the legal committee is to stonewall BOD, seek other parliamentary technicalities/rules that thwart the popular vote
 5. Carissa responded: Ongoing litigation against the HOA was previously mentioned, including, but not limited to the surrounding lands of the property. These matters will be further discussed later in the meeting.
- d. Tom Gourde: Expressed concerns about the Legal Committee
- i. Are they licensed to practice? What payments are involved? Can homeowners sue for mistakes made? How should homeowners proceed if given poor advice?
 - ii. A legal committee within an HOA is a foreign idea
 1. It appears to be an effort for the Board to shield itself from controversial actions taken
 2. Why has the Board not gotten back on him (Tom Gourde) on his request to join the legal committee?
 3. How are people selected? What are they doing? Do members [of the committee] take on liability on behalf of homeowners? How can they be confidential? Are lawyers included/involved? Are they assigned retainer with the HOA? Are they paid? Many issues are present.
 4. Carissa responded: The Protocol Resolution will address these questions
 - a. We are waiting on Steve and Michael to propose edits so the board can vote, and they plan to take it to an attorney to make any necessary adjustments.
 5. Carissa added: This subject will be further addressed later in the meeting. Such details include, but are not limited to board liaisons, who is on the committee, who manages the committee, etc. This committee will function in the same manner as the other existing committees.

IV. Meeting Minutes (Nov)

- a. Unresolved edits—
 - i. Table approval proposal
 1. Observation: Some edits were not included in final draft
- b. Motion passed

V. Management/Maintenance Report

- a. Building 27's roof was completed
- b. Altitude Snow Removal hired a subcontractor to help with the snow removal process
 - i. Touch-up snow removal was executed behind Altitude
- c. Completed/In Progress/Parking Report
 - i. **Please move vehicles as much as possible to improve snow removal procedures, especially in common areas**
 - ii. **Please do not park by the trailhead or the dumpsters**
 1. Snow gets moved to these areas
 - iii. Long-term parking is now available
 - iv. Maintaining the trailhead can be done in the future
 - v. Warnings have been placed on cars with out-of-date parking placards
 - vi. Side-by-side (Mule) maintenance was completed
 - vii. Rain Gutter inspection and clean-out completed
 - viii. Heat tapes have been turned on and double-checked
 - ix. Insulation covers have been placed on water spigots

- x. Question asked: Is there an update on the water main?
 - 1. The fire hydrant and valve were replaced
 - a. The Fire Department and Mountain Regional Water were contacted
 - i. The Fire Department only inspects hydrants every three years
 - b. Please ask Mountain Regional Water about making a comprehensive plan to conduct preventative maintenance on hydrants and meters
 - 2. Who pays for the fire hydrant repairs?
 - a. It is the property's responsibility because it is on private property
 - b. Mountain Regional Water was aware of the poor conditions but ignored them—must create a better comprehensive plan moving forward
 - 3. Mike Williams added: The water should be turned on by 3 o'clock
 - 4. The numbers are not yet known regarding expenses
 - 5. Very reputable employee within the dispatched company will conduct the repairs
- xi. Question: What can be said about ice damming?
 - 1. Heat cables are the primary method to reduce but they can only do so much
- xii. Mike Williams responded to a question asked regarding the roofing project
 - 1. It is difficult to prematurely discern any issues until water reaches the inside of a building
 - 2. It is infeasible for my (Mike Williams) crew to go out and roof rake after every storm—To do so would require hiring another external company
- d. Fannie classified Hidden Creek as a Condotel for 2022
 - i. Specific details are unknown
 - ii. This may create problems for future purchasers/refinancers
 - iii. Nightly rentals are currently allowed (primary issue)
 - 1. The process to be removed from the "Condotel" list is currently unknown
 - iv. Likely to be a costly process and time involved process

VI. Finance Report (Oct)

- a. Oct 2021 Financial Report
 - i. Expenses: \$3,906 higher than revenues (deficit)
 - ii. Revenues (Oct): \$80,060
 - 1. over budget by \$2,344
 - iii. Violations and fines and other income
 - 1. Drivers expenses \$83,965
 - a. Over budget by ~\$10,000
 - b. Legal/professional fees and contract services for the drivers
 - iv. Cash Breakdown of Balance Sheet of Hidden Creek (End of Oct)
 - 1. \$1,246,539 Cash/cash equivalents
 - a. Special Assessment: \$675,889
 - b. Operating Account: \$107,000
 - c. Reserve Contribution: \$203,871 as of this point in the year
 - d. Long Term Maintenance Reserve: \$259,576
 - v. YTD Financials
 - 1. Revenues: \$15,866 higher than expenses (excess)
 - 2. Revenues throughout year: \$831,251
 - a. Over budget by \$54,000
 - i. Fines and late fees are over budget as well
 - 1. Good for money that HOA is bringing in

3. Expenses: \$815,385
 - a. Over budget by \$50,000
 - i. Revenues higher, expenses higher as well
 - b. General/Administrative over budget by \$45,000
 - i. Legal and professional fees that were not budgeted
 4. Utilities over budget by ~\$5,000 as of Oct 31 (for the year)
- vi. Cash Breakdown
1. As of Dec 2021
 - a. Annual look at what reserves should be
 - b. Beginning Reserve: \$409,012
 - c. Annual Reserve Contribution: \$244,646
 - i. Forecasted Reserve expenses would total \$494,653
 1. Based on asphalt, retaining walls, landscaping, J2 consulting
 - ii. Anticipated ending reserve balance for these items (2021): \$159,005
- vii. Special Assessment for roofs
1. \$1,000,000
 2. Clearcut Contract: \$306,000
 3. Change order: \$49,000
 - a. Increased \$355,000
 - b. Remaining special assessment funds would be \$644,000
- b. Pre-Budget Questions
- i. Steve: Special Assessment
 1. \$1M assessment—approved for building 17, 27, 38
 - a. motion ratified 10/15 meeting
 - i. Board approved add. Investigative testing
 - ii. Cost for proposals for J2 & Clearcut
 1. Total: 13 additional building rooms excluding bldg. 17, 27, or 38--\$50,800
 - a. Unclear—additional/separate budget that was approved, separate from assessment earlier in the year. How will this be accounted for? Reserve funding to fund the \$50,800?
 2. Carissa answered:
 - a. Comes out of either \$149k reserve balance or out of remaining special assessment funds
 - b. Operating Budget is already over budget—reinvestment fees are keeping it under control
 3. Conflict/Difference
 - a. Assessment was approved for specific work and cost/allocation
 - b. Not prudent to have an additional motion/need for expenditures 9 months later that isn't being allocated towards special assessment, then use \$50,800 out of the special assessment budget, thus leaving ~\$700k left over, with or without a motion

- c. Funds have not been spent
 - 4. Not eager to spend money on anything that doesn't make sense in the community.
 - a. Important thing is that the money was not spent and the cash balance is where it is.
 - 5. How do we as a business manage our assessments? (\$700k for specific work)
 - a. How do we allocate funds?
 - b. Avoid conversation of re-allocating funds without owner approval
 - c. Roofing project is an applicable substitution
 - 6. \$700k should be discussed—how it will be used
 - a. Complete this project before we spend the money elsewhere
 - b. Leftover money? Discuss what will be done with it after the project has been completed
 - 7. Carri responded: The assessment that was earmarked for considered project was not specifically designated for a specific building/roof. Due diligence must be completed for project overall.
 - a. Designated for Building "27" is incorrect
 - i. General purpose of coming up with diligence; not for a specific building/roof—broader assessment
 - b. It was earmarked, not specifically labeled for a specific purpose
 - 2. Final numbers will be based on money expended
 - a. If all funds are not expended, then assessment will be returned to the owners
 - b. The assessment should take place to decide what is done with leftover funds from projects—avoid looking for something to spend leftover money on
 - ii. Apologies for misunderstanding/misconstrued message about looking to spend leftover money on other projects without any assessment
 - iii. Nothing legal has changed, only the dollar amount
- c. Budget
 - i. Operating Budget 2022 Adjustments
 - 1. General/Administrative: Decr. \$23,368—legal/professional fees will be less
 - 2. Repair/Maintenance: Incr. \$48,011—snow removal, landscape contract
 - 3. Utilities: Incr. \$9,938—3% increase for utilities (based on trends)
 - 4. Reserve Fund Contribution: Incr. \$19,908—will help with future capital maintenance items/capital items in general
 - 5. Combination of changes in budget results in Dues increase of 8.6%
 - 6. **Note: Each owner may see an increase that is slightly different than 8.6%, when averaged across the community, it comes to 8.6%.

ii. Capital Budget

1. Due to Special Assessment, beginning reserve now totals \$1,217,717
 - a. Anticipated annual reserve contribution will total \$264,552
 - b. Reserve Expenses from roofs and envelopes, building consulting from 3rd party consultant (landscape irrigation, water valves, dumpster enclosures): ~\$2,421,850
 - i. If it were to be paid out of current cash held by HOA, the balance would be in a deficit of \$939,580
 - c. Roof/envelope cost amount in the budget is a placeholder
 - i. Exact cost is unknown
 - ii. Number exists because of Clearcut estimates
 - iii. Financing of how HOA will fund project is to be determined
- d. Final Comment
 - i. Finance committee will get together after expenditures are signed to figure out proper capital structure for entity and the proper loan amount/interest rate/etc.
 - ii. More to be done regarding specifics

VII. Governance

1. Ratify Email Actions

a. Roofing Project J2 drafting AIA

- i. Additional meeting was held on Dec 9, parties include J2 and BOD
- ii. Email sent on Dec 2, vote held to have J2 draft AIA, regarding the townhome roofs
 1. Michael made motion
 2. Seconded by Jeff
 3. Lisa, yea
 4. Carri, yea
 5. Steve, abstained**6. Motion passed**

iii. Ratified email action

1. Jeff made motion
2. Carri Seconded
3. Lisa, yea
4. Michael, yea
5. Steve, yea

6. Motion passed

2. 2022-2023 Roofing Project

- a. 4-5 follow-up meetings (phone calls, emails, etc.) were held within the last month
- b. On Dec 10, Lisa made a motion to approve executing the AIA contract
 - i. Seconded by Michael Berlin
 - ii. Jeff, yea
 - iii. Carri, yea
 - iv. **Steve asked to have the motion taken in a meeting rather than over email, thus killing the motion**
- c. Community-wide roofing problems exist, according to a professional
- d. New Ad Hoc Roofing Committee
 - a. Steve commented, many homeowners actually live here full-time to make up committee—especially with domain experience

- b. Some funding (as-need basis) for independent oversight for help with project
 - 2. Carri commented it is unnecessary to have a 3rd party oversee another party's (J2) work
 - a. \$50,800 was budgeted for destructive testing
 - i. We can take a couple thousand dollars and do what our neighbors have asked us to do on their behalf, to appease and silence any misinformation that J2 is not doing their job
 - ii. Probably less than \$100 per owner
 - b. Would put uncertain minds at ease that are concerned about J2's and Clearcut's work
 - i. Act as quality control
 - c. Dollar cap of \$10,000 proposed—less than \$100 per unit
 - i. Strictly advisory
 - d. Amended motion—Ad Hoc Roofing Committee
 - i. \$10,000 cap
 - ii. No veto power
 - iii. Strictly advisory
 - iv. Liaison: Michael
 - v. Lisa made motion
 - 1. Seconded by Jeff
 - 2. Steve/Jeff amended (group effort)
 - 3. All in favor
 - 4. **Motion passed**

3. Discussion:

- a. How many roofs are affected
- b. Dramatic mistake to postpone resolving this issue for another year
- c. Provide spreadsheet to owners breaking everything down
- d. Building science issue exists across the entire community
- e. Change orders for additions and deletions
 - i. If a particular roof does not need everything J2 prepared, they will adjust accordingly
- f. Hold a town hall for board members to speak with community and inform them of arranged plans
 - i. Abruptly cancelled without discussion
- g. Carissa's clarification
 - i. Protocol resolution
 - 1. Take direction from quorum of the board
 - ii. Use of management services are stopped for a single board member per request
 - iii. All board members act as liaisons for their committees
- h. Michael: Without management's help, it is almost logistically impossible to fairly conduct such a meeting
- i. Under impression that other board members agreed that Steve could proceed on his own after the meeting was cancelled—misunderstanding

4. Board agrees to keep the meeting going, despite the additional cost to extend

5. AIA Contract Approval

- i. Motion made by Jeff
- ii. Seconded (indiscernible)
- iii. Carri, yea
- iv. Lisa, yea
- v. Steve abstains
- vi. Motion passed**

6. Special Meeting Request

- a. Over 30% of homeowners to call for a special meeting
 - i. Board must notice time, location, date, matters to be considered, send to homeowners
- b. Lots of divisiveness, Carri is concerned about waiting 30 days (too long)
 - i. Difficult to function/move forward without vote/special meeting
- c. Jan 5 @ 5 pm via Zoom proposed**
 - i. Motion made
 - ii. Notice out by 12/21
 - iii. Steve: Board must ensure that those asking for meeting have procedure and process defined—no technicalities that are checked off (must be informed of process and steps required to hold meeting and conduct business on behalf of the HOA)
 - iv. Carissa’s clarification: Meeting called by homeowners—it is the homeowners’ responsibility to understand governing documents
- d. Carrie made motion
- e. Seconded by Michael
- f. Lisa, yea
- g. Steve, abstained
- h. Jeff, yea
- i. Motion passed**

7. Steve addresses conflict:

- a. Legal Committee
 - i. 11/17 and 18 meetings established legal committee
 - 1. Seconded under certain terms
 - a. Miller Harrison draft parameters for committee
 - b. Address confidentiality/legal issues
 - 2. Liability to HOA because it involves personal information
 - 3. Pause committee until Harrison can be contacted and parameters can be assessed—is this legal?
 - 4. Under impression that committee would be solely to address TCFC CVMA HC land dealings
 - a. Committee is also involved with owner fines and litigation
 - i. Have we fully thought out the liability of this committee—the scope/role of having non-BOD members’ neighbors some with legal background, some not, with access to this information
 - ii. Avoid legal/financial harm
 - 1. Motion to pause legal committee (expenses, dealings) until HOA confirms viability with lawyer and receives written parameters of committee
 - a. +2 hours of Miller Harrison fees (\$900 cap)

- b. Define parameters
 - c. Permissible (yea/nay)
 - b. Legal committee was properly formed and unanimously formed in the Nov meeting
 - i. Plan to receive consult through HOA board training—make everybody comfortable with forming the legal committee—occurred during board training
 - ii. No discussion about legal parameters
 - iii. If certain members are uncomfortable with the idea that a specific board member is not an attorney, they must not participate—must simply perform diligence for board to proceed
- 5. Michael, yea
- 6. Steve, yea
- 7. Jeff, nay
- 8. Lisa, nay
- 9. Carrie, nay
- 10. **Motion failed**
- b. Steve made motion to personally access counsel and approval for funding
 - i. Legal committee's validity and liability of such a committee
 - ii. Right to communicate with owners as board member (not just an owner)
 - iii. 3-6 hours of counsel
 - iv. Concerned about potential conflict of interest
 - v. During training, Tyler stated that he represents the board as a whole, not individual homeowners
 - vi. Seconded by Michael
 - vii. Lisa, nay
 - viii. Jeff, nay
 - ix. Carri, nay
 - x. **Motion failed**
- c. Steve revised his previous motion to have the same parameters, but for Miller Harrison to provide one-on-one counsel
 - i. Attorney-client privilege
 - ii. Conflict of interest for any board member to go to attorney that drafted the resolution and question the validity
 - iii. Clarification made: The resolution is an internal, working document that is currently off the table and is still up for discussion
 - iv. **Motion failed**
- d. 1.5 hours of Miller Harrison training remain
- e. Dissenting opinion is available on anything
- f. Motion to retain Miller Harrison to assist with land use and easement matters with a \$5,000 cap by Jeff
 - i. Seconded by Carri
 - ii. Michael, yea
 - iii. Lisa, yea
 - iv. Steve, nay—concerned about conflict of interest

v. **Motion passed**

8. ARC Committee Report

a. Garage Door Standard/Deposit Schedule

- i. Clopay classic steel model 9203, elegant long panel, solid elegant long panel top (no windows)—black model must be purchased, 25-gauge steel, insulated foam
- ii. Self-installation/paint details: Refer to standard—100% latex-coated paint—if ignored, warranty is voided; must match building color
- iii. Proposed/suggested Installation deadline: Dec 31, 2024
- iv. Installation is homeowner's cost, should be completed by a Clopay or Home Depot representative
- v. Deposit Schedule: \$250 (\$50 non-refundable (Administrative))
- vi. Motion made Carri
 1. Seconded by Jeff
 2. Lisa, yea
 3. Michael—uncomfortable with installation deadline date (yes to standard, no to date; counted as nay)
 4. Steve, abstain
 5. **Motion passed**
- vii. Proposed idea of a mass installation to potentially reduce cost and gain more homeowner support

9. Finance Committee Report

- a. Addressing expenses line by line (1st quarter)—Seek value for what was paid
- b. Discuss loan, how to spend money, reserves, etc.
- c. Interested in more members and ideas
- d. Discussing financing 4.5 AIA contract? —Yes
 - i. Recommendation: Prepare loan options by next meeting in Dec

10. Landscape Committee Report -on hold

- a. New members are needed

11. Rewrite Committee Report -on hold

- a. Katie can no longer be chair of the committee—too many obligations
- b. Addendums/amendments to by-laws piece-by-piece
 - i. Will be discussed with Katie's replacement
 1. Suggestion made: Contact and include Tim Knecht on such matters
 - ii. Katie and Georgine are no longer committee members

IX. Hidden Creek Meetings

1. Regular Meeting Schedule: Third Thursday of each month at 3:00pm, MT
 - a. January 20, 2022 3:00pm, MT
 - b. **Avoid 3-hour meetings in the future**

X. Adjourn

*****Please add the following emails to your safe email list to make sure you are receiving communications from ASHM*****

Carissa Nosack, Property Manager	cnosack@allseasonshoa.com
Mike Williams, Maintenance Manager.....	mwilliams@allseasonshoa.com
Kathy Shappart, Account Specialist	kshappart@allseasonshoa.com
Austin Guymon, HOA Administrator.....	admin@allseasonshoa.com donotreply@managebuilding.com

To submit a maintenance task please follow this link:

[Resident \(managebuilding.com\)](http://Resident.managebuilding.com)

Select "Create Request"