

Hidden Creek HOA Board Meeting Minutes

Thursday, March 17, 2022; 3:30 PM MDT

I. Establishment of Quorum: 3:33 PM

ASHM

Austin Guymon
Carissa Nosack
Mike Williams

Alon Dakik
Rob Fink
Joe Garin
Tom Gourde
Lisa Graveline
Brad Graveline
Patricia Harwood
Lili Holland
Dennis Huff
Megan Hulse
Mackenzie & Eric Jellum
Dan Johnson
Lisa Kassel
Lisa Kassel
Brian Kirk
Elizabeth Kirk
Pamela Knecht
Tim Knecht
David Knecht
Debbie Kovalsky
Joe Kunzelman
Gretchen Lescher

Lenny Leslie
Deb Lovci
Leanne Miller
Dan Mitrovich
Carri Moentmann
Travis Muguerza
Damon Nielson
Paul Oberkircher
Eduardo Pantaleon Blas
Hubert Pasieka
Lidia Pasieka
Troy Pyles
Judy Sampaio
Brian Sampaio
Bruce Snyder
Paul Stettler
Eric Weeks
Ron Wilkinson
Bruce's iPad (Bruce Williams
or Bruce Snyder repeat?)
Xin Yee Loo

BOD

Michael Berlin
Robert Clymer
Jeff Holland
Steve McBride
Vania Wilkinson

Homeowners

Alan Agle
Cathy Andrews
Amy Blue
Jennifer Bommer
Jim Meland
Michael Bradley
Rick iPhone (Carpinelli?)
Maryanne Clare
Hal & Connie Cook

II. Additions to Agenda

- a. Landscaping contract adjustment
- b. Roofing agenda

III. Opening Owner's Comments (15 Minutes)

These minutes paraphrase or quote homeowner statements. These statements may contain assertions that may be factually disputed.

- a. Michael Bradley
 - i. Question: What will the board do for those that have current roof problems? (owner's roof was installed ~7 years ago)
 - ii. Mr. Bradley stated his primary concern is that AshCo is not licensed, insured, and has no experience with multi-family housing; AshCo's work would revoke the existing 30-yr warranty
 - iii. Homeowner is concerned only half the community will be served if the Board moves forward with AshCo
 - iv. The HOA has earned a 6% rate because dues have been paid in a timely manner

1. Can you guarantee that dues will be paid in a timely manner?
 2. *Does the Board still plan to get a loan?*
 3. AshCo has a 2.25 BBB-Rating
- b. Tom Gourde
- i. Question: What is the status of the moratorium? Deck application was submitted 1+ year ago Answer: Update to come during meeting
- c. Dennis
- i. Expressed desire to break up costs to reduce financial impact
- d. Troy Pyles
- i. What was included in Clearcut's estimate? Answer: Will be later discussed

IV. Meeting Minutes (Feb.): Approved (Motion: Robert, all else in favor)

V. Management/Maintenance Report

- a. Laundry room improvements are complete, facility is open and operational
- b. Washers are now operational
- c. Ice dam leaks: 35C & 14 (last weekend)—Ice Doctor treated
- d.** Remodel Alteration Updates: 24C gas line is incomplete

VI. Financial Report (Jan)

- a. Revenue budget: actual: \$92,608
- b. \$8,277 variance: Primarily due to reinvestment transfer fees, violations, fines, and income
- c. \$77,357 (less than budgeted); significant variance attributed to snow removal \$6K under budget for not using extra ice melt/salt in walkways and driving areas
- d. One owner account is in collections but will be settled soon
 - i. Total Cash Balance Including Reserves—Assets: \$1.158M

VII. Governance

- a. Committee Reports:
 - i. ARC/Design
 1. Personal Deck Standard Recommendations
 - a. Decking inspection conducted last year; Add a passage to the existing standards that addresses homeowner repairs more serious than aesthetic repairs
 - i. Board will review the added passage
 2. A/C Standards – recommended changes
 - a. Standard regarding the location of condenser
 - i. Vote will be held via email
 - b. Order of operation as follows: Approval of standards, J2 will update the design, the design will be shared with homeowners, the Community may provide feedback before implementation into R&R
 - ii. Landscape

1. Proposal: 3-year contract renewal with Altitude
 - a. Motion: Steve; second: Robert, all in favor
- iii. Finance--none
- iv. Re-write--none
- v. Roofing--will discuss later
- b. Dog Enforcement/Violation Proposal (Michael Berlin):
 - i. Points for discussion:
 1. **Proposal to prohibit dogs for nightly rentals and short-term renters**
 - a. More details to come
 2. Only Hidden Creek Homeowners and tenants staying longer than 3 months will be allowed to have dogs. Short-term/nightly renters will no longer be allowed to bring their dogs. Violators will be fined by the HOA.
 3. All dogs living at Hidden Creek will be required to have a DNA test from an approved HOA company and at owner's expense. Approximately \$100 or less per dog.
 4. Any dog waste found on the HC premises will be sent out for DNA testing by a HOA approved company and paid for by the HOA.
 5. Dog owners whose dog DNA matches waste found and tested will be fined and required to reimburse HOA for cost of waste test.
 6. Fines will increase with each violation
- c. Roof Project
 - i. Where are we and how did we get here? (10-15 min)
 1. Recap of January 20th board resolution which passed:
 - a. "Authorize the board to assess the community up to \$5,000,000 to complete the signed AIA roofing project. The project is contingent on the contractor being able schedule the work and us securing funding."
 2. Some Feb 15th Town Hall Highlights:
 - a. Why Address Roof Systems for All Buildings?
 - b. History (Mid 2020 through Jan 5, 2022)
 - c. Roof Survey—how many problems, where they are, what nature of problems, etc.
 - d. Contractor Bid Comparison
 2. Clearcut provided upper/Lower bound bids
 3. AshCo provided a fixed bid to an extent
 4. BOD, J2, CMC, and Miller Harrison Roof Project Planning Activities in 2022
 - ii. Roof Project Vender Selection
 1. Proposal through Email (Closed to the HOA)

- a. Holland: "I propose a motion to proceed with the signed Hidden Creek/Clearcut AIA contract executed on date 12/17/2021 (please see attached). We have attempted to bid out this work for a lower price than Clearcut bid, but have not succeeded. Waiting further for other bids puts our community further at risk by further delaying this project. Clearcut has indicated that they are willing and able to abide by the signed contract and would begin on or around May 15th."
 - b. Clymer: "I object to voting on this proposal at this time. I think based on information learned today from J2, MH, and CMC, its underlying assumptions are out of date (please see my earlier email). Also, I think we can vote in an open meeting on Thursday."
2. Open Meeting Proposal Votes
- a. Proposal A – Same as email above (Holland): "I propose a motion to proceed with the signed Hidden Creek/Clearcut AIA contract executed on date 12/17/2021 (please see attached). We have attempted to bid out this work for a lower price than Clearcut bid, but have not succeeded. Waiting further for other bids puts our community further at risk by further delaying this project. Clearcut has indicated that they are willing and able to abide by the signed contract and would begin on or around May 15th
 - i. Clearcut has provided the only firm bid, thus far
 - ii. The project cost will increase as project is delayed
 - b. **Proposal B (Clymer):** The HOA will proceed with engaging Clearcut immediately under the signed AIA contract while foregoing the allowance for Georgetown units (other than #17 which will be prioritized). Additionally, the BOD will provide Ashco Co. a "Letter of Intent" asking them to perform the roof system work for the remaining Georgetown units and the clubhouse. The "Letter of Intent" will include necessary due diligence steps to be supervised by our expert consultants to qualify and contract with Ashco.
 - i. It is a "coin flip" if AshCo will work out or not
 - ii. Many parties will be present to ensure quality results, such as building inspectors, construction consultants, engaged board, engaged committee

- iii. There is inherent risk of assigning Ashco to Building 17, due to its extensive maintenance requirements (they are potentially not qualified to perform such work)
- iv. Two contractors working in parallel would increase project completion time (2 companies, one in each part of community)
- c. Proposal C (McBride):
 - i. Preference is "Proposal D". Proposal is a second preference if the BOD can not agree on "D".
 - ii. The HOA will proceed with engaging Clearcut immediately under the signed AIA contract while foregoing the allowance for all Georgetown units. Additionally, the BOD will provide Ashco Co. a "Letter of Intent" asking them to perform the roof system work for all Georgetown units and the clubhouse. The "Letter of Intent" will include necessary due diligence steps to be supervised by our expert consultants to qualify and contract with Ashco.
- d. Proposal D (Wilkinson & McBride):
 - i. AshCo has two licenses R101 & S280, have been in business for 20+ years, do 300+ roofs in UT per year
 - ii. J2 requires them to obtain a third license, B100
 - iii. AshCo is willing to obtain the third license and meet our insurance coverage requirements
 - iv. Clearcut does not include attic insulation, heat tape or gutter covers in their bid; AshCo does
 - v. AshCo uses Malarkey Shingle which have a 30-yr manufacturer warranty
 - vi. AshCo can potentially start by April 15, one month earlier than CC, and they anticipate completion within the year (2022) barring weather delays
 - vii. AshCo has multi-family housing experience. 98% of projects they do are owner occupied.
 - viii. Vania & Steve's concerns with Clearcut
 - 1. They planned to complete three roofs during 2021, but they only completed one
 - 2. Clearcut had a change order totaling \$49K
 - ix. Vania requested a list of other J2-certified companies - none provided to date

- x. Pro: AshCo's contract assumes all the risk vs. Clearcut contract that places the risk on the HOA
- xi. Pro: AshCo contract and Price \$ includes the clubhouse, heat tape and gutter screens
- xii. Ashco provides a 20-year contractor labor warranty, Clearcut provides 6 years.
- xiii. Steve's preference (Proposal D)
- xiv. Steve's thoughts
 - 1. Pricing and time to complete the project for "Proposal D" is best for HOA:
 - a. Proposal A: ~\$5.8 Million
 - b. Proposal B: ~\$4.3 Million
 - c. Proposal C: ~\$4.2 Million
 - d. Proposal D: ~\$3.6 Million
 - 2. The \$700K from Jan 21 assessment is not included in cost estimates. Will be used to pay J2 and CMC and for contingency
 - 3. HOA attorney signed-off on fiduciary duty
 - 4. J2 and CMC will oversee and manage contractors to meet our needs
 - 5. Clearcut only expects to complete the townhomes in 2022; Georgetown will be left until 2023 which would prolong project
- xv. Jeff Holland's thoughts
 - 1. Referring to Clearcut's bid, the shared \$5.8M figure is not correct
 - a. Best case: \$4.4M-\$4.5M
 - b. Worst case: \$5.1M-\$5.2M
 - 2. The AshCo's proposed timeline is a risk, we should avoid speculation
 - 3. J2 says this is not a 1-year project
 - 4. Believe some of the aforementioned facts are incorrect
- xvi. Robert's thoughts
 - 1. If Option B is chosen: Clearcut would follow the predetermined townhome schedule, Clearcut would also do building 17, therefore no time is lost regarding Clearcut's progress
 - 2. Over next few months, J2 will/will not qualify AshCo

- a. There is no reason AshCo should not be utilized upon qualification
 - 3. No matter what, the entire year would be left to assess the HOA's needs (based on findings)
 - 4. Pro: This choice allows CMC & J2 to share the workload
- xvii. Steve's thoughts
 - 1. Both companies (CMC & J2) were asked to vet AshCo
 - a. CMC: Performed their due diligence interviewing Owner, manufacturer reps and multiple references
 - b. J2: did not speak w/AshCo owner, subcontractors, or manufacturer reps. Nor full references.
 - c. 98% of AshCo's work is on owner-occupied residences (AshCo's work)
 - 2. The HOA is still awaiting J2's final drawings for townhomes based on Building #27 CO
 - 3. As noted in CMC's evaluation: When contracting Clearcut 100% of the risk, per the AIA contract, is on the HOA; AshCo is willing to take on 100% of the risk
 - 4. CMC would be in charge of construction and Project management
 - 5. J2 would continue to be the engineer and architect of record.
 - 6. both consultants will oversee and inspect based as needed as they direct
- xviii. Vania's thoughts
 - 1. AshCo provides warranties
 - 2. Clearcut privily returned to address heat loss issues with their 1 installed roof—This gives reason to doubt their future quality
- xix. Michael Berlin's thoughts
 - 1. If AshCo is qualified by J2 & CMC, their quality is equal or better than Clearcut; there is little risk to using AshCo over Clearcut

- xx. Jeff Holland's thoughts
 - 1. J2 wants to oversee the execution of their designs because it's their risk
- e. Clarification: Plan's B & C involve Clearcut performing all of the townhome work
- f. **Vote on Proposals:**
 - i. Motion A: No second, motion fails
 - ii. Motion D: Vania, seconded by Steve, motion fails
 - iii. Motion C: Steve, Vania seconded, motion fails
 - iv. Motion B: Robert, Steve seconded, Vania, Michael, Jeff NO, **motion approved**
- iii. Roof Project Special Assessment - Levy
 - 1. Proposal (Holland):
 - a. Levy the \$5M Assessment as follows until the HOA can secure a loan and provide additional options to the ownership. We will use our \$700,000 earmarked money for the first payments to our contractor. Assessments collected but not spent will be held in reserve for the roofing project.
 - i. If excess money is collected, it will be used to pay the loan
 - ii. The HOA must ensure it can pre-pay the loan
 - b. 2022: \$2.5M Special Assessed starting May 1 through October 1 for 6 payments while HOA works to obtain the approval for an HOA loan on a best-efforts basis.
 - i. E.g., A 1% owner would pay \$25K in 6 payments broken into ~\$4K/payment
 - ii. The board must further discuss language details
 - iii. The board Must decide how much to assess the HOA and when**
 - c. 2023: remaining \$2.5M will be assessed starting Jan 1, with 8 payments.
 - i. (Pending language) Depending on scheduling, the HOA may require accelerated payments
 - 1. Homeowners will be notified by June 16
 - ii. Clearcut has no deposit; they are paid based off of % completed
 - iii. Steve notes: AshCo charges 3 units at a time
 - iv. Some or all of these payments may be brought into 2022 if the project schedule can be**

accelerated. The board plans to report on acceleration before or during the June Board Meeting

1. Robert seconded, Vania, Michael, Steve

- d. Payment options for owners may be subject to change if/when the HOA receives a loan. Owners are strongly encouraged to independently explore their own financing and second mortgage options and to seek advice from their tax advisor.

VIII. Closing Owners Comments

These minutes paraphrase or quote homeowner statements. These statements may contain assertions that may be factually disputed.

- a. Alon:
 - i. Question: How do we know we need to assess \$5M? Answer--Robert: The HOA needs financial "headroom/variability." Extra money goes to paying down loan; other options will be further discussed regarding excess funds
- b. David Knecht:
 - i. Question: How big of a dog problem is there? Who is complaining, how many complaints, how often, can they be identified based on the side of the community? Answer—Michael: There have been complaints over the past couple years. Short-term renters bring in dogs and abuse that right by allowing their dogs to freely defecate without owners cleaning up after them
 - ii. Michael cont.: DNA Swab = \$44 paid by dog owner; dog owner fee funds waste testing = \$23 to send sample; \$66 to test (it is undetermined if this is paid via the HOA or money raised by dog owners)
- c. iPhone (2)—Mark Slagle 26 & 27A
 - i. Comment: ADA's input on residents/short-term guests bringing dogs—therapy and service dogs must be viewed as a wheelchair; cannot be prohibited without risking litigation. Michael: The board must speak with Red Pine as to how they go about prohibiting dogs on property
- d. Brooke Bradley
 - i. Suggestion for the dog waste issue: Require a cash deposit and threaten fines upon violation
 - ii. Question: Why is the board making the \$5M decision w/o a vote?
 - iii. Comment: The delay was caused by the incoming board
 - iv. Robert Clymer: There is/was a Capital vs. Maintenance project discrepancy; it is difficult to determine the needs of each building until direct assessment is performed

- v. Question: Why are townhomes prioritized over Georgetown when Georgetown is in dire need? Answer—Robert: Georgetown homes are an allowance; the townhomes are actually part of the contract; the townhomes are better understood at this time (bldg. 27 already complete)
- vi. Jeff Holland: J2 will be “driving the bus for this process.”

IX. Hidden Creek Meetings

- a. Regular Meeting Schedule: April 21st, 2022 @ 3:30 PM MDT

X. Adjourn 6:17pm

****To submit a maintenance task, please follow this link:****

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

Select “Create Request”

*****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

Miscellaneous emails from ASHM

donotreply@managebuilding.com