

**SUNRISE MOUNTAIN VIEW ESTATES HOA
BOARD OF DIRECTOR'S MEETING
NORTH POOL CLUBHOUSE AT 5550 N PASEO OTOÑO
OCTOBER 15, 2018 AT 3:30 PM**

BOARD PRESENT: Kathy Mitton, Bill Coan, Phil Mowbray, & Larry Spencer. Steve Struck and Tom Kelley attended via speakerphone. Chris Bruyn with AME Management was also present.

HOMEOWNERS PRESENT: Several homeowners were in attendance, including Joe & Ursula Cybulsky, Ksenia Lutz, Pam Negri, Ray & Judy Fisher, Jeff Vrabel & Susan Peterson.

CALL TO ORDER / VERIFICATION OF QUORUM: President Mitton called the meeting to order at approximately 3:30 PM and verified a quorum w/ 6 Directors was present as noted above.

APPROVAL OF SEPT. '18 BOARD MEETING MINUTES: Ms. Mitton motioned and Mr. Mowbray seconded to approve the minutes as submitted. The motion passed unanimously.

RESIDENT CONCERNS: Ms. Mitton noted a concern from an owner (Jane Spaulding) requesting "book boxes" be placed in the Community to create a "free library" for the residents. Mr. Struck & Mr. Coan noted a similar program in place in an adjacent Community and suggested one could be placed at each pool complex. The Board endorses the concept but it would be volunteer initiated and managed and the interested residents in this program will need to provide a more detailed presentation including materials and desired locations before a decision will be rendered.

She also noted another request from Ms. Spaulding suggesting benches be placed in landscaped Common Areas with possible donations from homeowners. Mr. Mowbray noted past concerns regarding security of the benches and Ms. Mitton noted costs of benches from a few hundred dollars up to \$1500. Again, the Board endorses the concept but it would be volunteer initiated and managed and the interested residents in this program will need to provide a more detailed presentation including costs, security and desired locations before a decision will be rendered.

Lastly, Ms. Mitton referenced a letter from Jerry & Jan Foval voicing concerns on the expense approved at the previous Board Meeting to provide additional security at the South Pool and have requested a reversal or suspension of this expense. Discussion ensued on start-up costs (\$9000 which includes getting internet infrastructure in place and camera acquisition in first 2 years) and the ongoing annual expense of approximately \$3000 which includes phone service at the South Pool. We are currently paying \$700 annually for a phone which rarely works and this expense would be dropped. Previously we were paying approximately \$10,000 annually through 2017 for Central Alarm Security which was deemed ineffective. Additional discussion ensued on heightening the existing fence w/ a steel mesh to prevent climbing, and this had been previously considered but deemed cost prohibitive. The history of security breaches and concerns was reviewed as well as placement of cameras; there was one concern on privacy being compromised but it was noted the cameras would be directed at the fence and pool, not the shower. Mr. Struck, who'd previously voted against this project, noted he's now in favor and the Board agreed to not reverse nor suspend their original decision. Brief discussion ensued on lap swimming and options to clearly delineate lanes to swim in including ropes w/ buoys attached to the pool walls: Mr. Spencer will investigate this as well as having colored tiles placed along the bottom of the pool for lap swimmers. The Board took note of the need to provide non-lap-swimmers with an opportunity to comment on any change in policy with regard to lap swimming, since ropes with buoys attached might have an impact on non-lap-swimmers.

REPORTS:

- 1) *President Report:* Ms. Mitton noted there are 3 homes currently in escrow and 12 closed sales YTD through October 13, 2018. She also noted plans for the Fall Newsletter to be distributed in late November and requested the Board submit any articles of interest by the end of the 1st week in November. She also noted the 1st half billings for 2019 would be mailed by December 1, 2018 and that any planned increase in assessment by the Board in 2020 would need to be noted w/ this billing to inform the Membership in a timely manner.
- 2) *Financial Report:* Mr. Kelley referenced the preliminary Operating Budget for 2019 and reviewed total projected expenses for 2018 vs. budget, noting an approximate savings of \$45,000. He also projected the 2018 savings in the Capital Budget to be approximately \$56,000, largely due to some deferred projects (approximately ½ of the \$56,000). It was noted the South Pool security project could be expensed in the 2018 Capital Expense Budget. Mr. Kelley and the Board reviewed numerous line item expenses including gas, water cost, trash, repair & maintenance at both pools, security at South Pool, telephone, and landscape expense. Ms. Mitton noted the packrat line item expense would be removed from the operating budget and **any homeowners interested in packrat eradication would need to initiate on their own.** The removal of the Kool-Deck in the North Pool shower area was discussed as well as the hospitality committee budgeted dollars. The 2019 Capital Budget was reviewed as well and it was noted there was still street work/repairs to be conducted in both 2019 and 2020. This budget needs to be approved no later than mid-December. Mr. Spencer noted the previously approved pump replacement cost at both pools should be expensed in 2018 as the permitting fee had been removed, a lower cost had been received on the pumps, and a \$1200 TEP rebate had been approved if the project was completed before November 15, 2018. It was noted Mr. Spencer had spent extra time and effort to save the Community thousands of dollars, both upfront and in future electrical bill savings. Mr. Coan motioned and Mr. Struck seconded to approve this expenditure in the 2018 Capital Budget and remove from 2019. The motion passed unanimously and Mr. Kelley will make the recommended revisions and distribute to the Board electronically for review and approval. Mr. Struck reviewed factors in soliciting street repair proposals and discussion ensued on the work accomplished and what remains to be done. Ms. Mitton noted the approximate cost of \$1900 to update our Reserve Study in 2019 to assist with future financial planning. Mr. Spencer motioned and Mr. Coan seconded to approve this expense in 2019 and the motion passed unanimously. Ms. Mitton also noted strong consideration being given to offload some of the projects and required work including the pools, clubhouse and billing to a management company due to a lack of homeowner volunteers and a suggestion was made to form an ad-hoc Committee to assist w/ a scope of work to present to possible management companies. Ms. Mitton suggested targeting 2020 for a full transition when a thorough scope of work and vendor analysis can be completed but indicated we should consider transitioning some smaller items in the interim if feasible. Ms. Mitton will follow-up with Mr. Kelley and provide a \$ figure to include in the 2019 Operating Budget for some smaller tasks that could be transitioned in 2019 while the fuller scoped investigation proceeds.
- 3) *Architecture:* Mr. Coan noted the previous issue with the height of a lamp post had been resolved and a flag display violation was briefly noted. An article on flag rules was published on the HOA website by Mr. Coan and will also be included in an upcoming Newsletter. Lastly, a request to install steps and a railing alongside a driveway up to the level of the garage has been submitted and is currently under review by the ARC.
- 4) *Communication:* Ms. Cheney was unavailable.
- 5) *Landscape:* Ms. Mitton noted nothing at this time.
- 6) *Recreation:* Mr. Spencer, as acting Chair, noted the noisy blower had been replaced, and that both pools were scheduled for draining in late November/early December for previously approved repairs and cleaning, including repairs to the Kool-Decking. The North Pool will be closed the last week of November (after Thanksgiving) and the South Pool will be closed for the season on or about December

1ST; the gas to the water heater for the bathrooms will also be shut off to discourage unauthorized use. Volunteers are needed at the North Pool to assist with moving the pool furniture off the Kool-Deck and again to monitor the refilling process. He briefly noted the previously discussed (last Board Meeting) chemical monitoring system but after further research on his part, Mr. Spencer now feels this equipment may be troublesome and inefficient. He noted the current pool service contract and noted solicitation of other pool service companies but our current provider is far less expensive and a change is not recommended at this time. The chimney stack replacement previously approved was determined to be under warranty and he noted the planned installation of a timer at the North Pool spa which will shut off the heat/gas when the complex is closed, saving the HOA the cost of heating overnight.

- 7) *Maintenance*: Mr. Struck noted several existing issues including a vent fan at the South Pool storage room, a malfunctioning outlet at the North Pool, and the painting of the ramada at the South Pool as current concerns and that he'll evaluate in person upon his return later this year.
- 8) *Roads*: Mr. Struck noted the Roads Committee will also be meeting upon his return to SMVE.
- 9) *Security*: Mr. Mowbray noted the recent theft of a ceramic planter from an owner's property on Via Frassino. He also reported the bathroom floors had recently been stripped of the old sealant and thoroughly cleaned.

UNFINISHED BUSINESS: Previously discussed under "*Financial Report*":

NEW BUSINESS:

- 1) *Projector for HOA Clubhouse*: Discussion ensued on the cost of renting a projector each year as well as the condition of the current sound system. Mr. Spencer suggested purchasing the projector before the Annual Meeting to avoid the rental cost and Mr. Struck estimated a cost of between \$500 to \$800 for a good projector. He motioned to purchase a projector as long as the expense did not exceed \$900. Mr. Spencer seconded the motion and it passed unanimously. Mr. Struck will still research and price a new sound system to present to the Board at a future Board Meeting.
- 2) *Update Reserve Study*: Previously discussed under "*Financial Report*":
- 3) *Snap Use of Clubhouse*: Ms. Mitton noted that SNAP would be utilizing the North Pool Clubhouse on both March 24, 2019 and again on April 5, 2020, with set-up for their events beginning the day before each event.
- 4) *Transitioning More Tasks to a Management Company*: Ms. Mitton reiterated the lack of volunteers from the Membership and again suggested the creation of an ad-hoc Committee to develop a list of work to offload to a management company and create a scope of work to solicit proposals. She volunteered to chair this Committee and both Mr. Spencer and Mr. Struck volunteered their services. Ms. Mitton will continue to solicit volunteers from the Membership and the additional expense of a management company might require an increase in 2020 to offset costs. Brief discussion ensued on the Reserve Fund and various percentages of "a fully funded Reserve Fund" from 60% to 75%.

CONFIRM NEXT MEETING: The next meeting is scheduled for Monday, November 20, 2018 at the North Pool Clubhouse at 3:30 PM.

ADJOURNMENT: Being no further business, the Board meeting was adjourned at approximately 5:15 PM.

Respectfully Submitted,

Chris Bruyn

Chris Bruyn / Administrative Manager for Sunrise Mountain View Estates HOA / Approved on November 19, 2018.