

Stoney Brook Homeowners Association
Minutes of the Meeting of the Board of Directors
April 27, 2022
Stoney Brook Clubhouse and via Zoom

Amended by the Board - May 18, 2022

Directors Present: Bob Bulkley, Evelyn Burke, Debbie Wolach, Laura Goff, Craig Weber, Jack Kiner, Andy Klatskin, Hal Fireman, and Bill Letson

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

Homeowners Present: Katrina Shanks (Unit 311), David Albert (Unit 353), Jan Melson (Unit 214), Ellen Epstein (Unit 393), Bill Taylor (Unit 11), Kerry Santambrogio (Unit 8), Jerry Gordan, (Unit 323), Joseph Palaoro (Unit 118), Linda Nathan (Unit 355), Stacy Beakes (Unit 462), Vincent DiBiase (Unit 380), Peter and Lucille Zwanzig (Unit 456), Stanley Trout (Unit 474), Betty Lehman (Unit 307), Mike Meisinger and David Zupancic (Unit 326), Larry Harper (Unit 340), Linda Watson (Unit 132), Kay Ceilley (Unit 378), and Stanley and Sharon Hanson (Unit 466)

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

Homeowners Comments: Ms. Zwanzig expressed concern of dogs continuously urinating in the common area grass especially in front of units along Temple Drive (Units 455 – 457) which causes brown spots and is unsightly. Ms. Zwanzig asked if there is anything that can be done to eliminate this from happening by designating a particular spot or advise dog walkers to go in an area where the spots will not be so noticeable? Mr. Bulkley mentioned this is common area not sure if there is anything that can be done, but we will try to address it.

Approval of the Minutes: Mr. Weber mentioned a correction needs to be made to the following sentence: Mr. Trout said the Committee all agreed one of its main objectives was on to protect employment. Please remove the word *on* and replace employment with *employees*. Corrected: Mr. Trout said the Committee all agreed one of its main objectives was to protect employees. A **motion (Klatskin/Burke)** to approve the March 23, 2022, Meeting Minutes as amended passed with no opposition.

President's Message: Mr. Bulkley reported the Board has spent a lot of time since last month working on how to handle inflation, the budget, and capital reserve fund account moving forward. Mr. Fireman will go into further detail with the Treasurer's report. Mr. Bulkley wanted to let the residents know it is the responsibility of the Board to make sure we maintain our spending within the budget, even though it could be difficult. The capital reserve fund has been collecting funds for about a year. We need to keep it intact and not just spend on everything. Mr. Bulkley stated in his opinion that Court 3 is not a priority this year but could be considered to move up from its current status and evaluate on a yearly basis. Mr. Bulkley suggested the Board and the new manager coordinate on how to handle projects and contracting moving forward to include all items that will need to be budgeted and approved prior to a project beginning. Mr. Bulkley proposes separating Landscape Committee from ARC. Landscape Committee is an advisory committee to the manager for the common area. ARC advises residents of any projects within the owner's lot area.

A **motion (Weber/Fireman)** to ratify the email vote and approve the April 13, 2022, NPW contract for the liner installation of Pond 4 in the amount of \$63,252 passed with further discussion from Mr. Letson.

Mr. Letson stated he has been troubled with this particular contract, even though he will vote for it. But as a fiduciary, as we all are as directors it is my responsibility, to be sure that contracts and other significant events are fair and the best that we can get for Stony Brook and that we or management, or somebody has done significant enough due diligence and meet standards of our responsibility. Mr. Letson suggested that this incident demonstrated the need for SB to have a system or practice to assist Board members in ensuring that due diligence has been done on significant matters that come before the Board. This could be competitive bidding, expert advice or any other reliable system that would assist Board members in fulfilling their fiduciary responsibilities and would give guidance to management in how to proceed. Mr. Letson doesn't really think that was done here. Mr. Letson doesn't think we got advice from Mr. Frobels (an engineer) or went out looking for other potential contractors, especially when it is such an increase in the contract. Secondly, this situation puts light on the whole issue for pond maintenance over the next few years. We could be facing at least a half a million dollars in pond maintenance in addition to this year. Mr. Letson suggested we do a thorough study of alternatives, technology, cost, and sources of information that we could get from others and from experts. It should be done now, and not wait until the next contract comes up. Mr. Fireman stated he has read a good number of correspondence going back to the pond behind John Cowan. The original contractor that was hired to do that spray on liner went out of business. Mr. Frobels was consulted, and he advised NPW is the only company in the state of Colorado that does that epoxy base spray liner. Mr. Frobels blessed this system as being acceptable. Regarding Pond 4, we didn't know what the extent of the concrete repairs would be until the pond was cleaned out. We certainly could do more research as to what an acceptable economical alternative is with certain limitations. Mr. Fireman thinks previous boards and previous managers have done due diligence in selecting this product, and since we're stuck with only one company that does it and since we're in the middle of the project, we have to go with what we knew.

General Manager's Report: Mr. Lynch provided the following report; Ms. Miller presented it to the Board.

ONGOING PROJECTS:

- Pine needles clean up
- Mowing & Edging/String Trim
- Sprinklers – backflows installed ready for testing
- Pool – beginning April 25, prepping pool to open Memorial Day weekend
- Arbor Garden: Tree Removal & Pruning in April/May

NEW PROJECTS:

- Pond 4 –NPW to install liner first week of May, weather permitting
- Paint Units – carpentry work will begin April 25th, weather permitting

COMPLETED PROJECTS:

- Temple/Union terrace planters – plants have been installed

- Sprinklers turned on – 3x/week

Xcel Energy has started a project replacing electrical lines for the 7 transformers at the 4605 entrance.

Perfect Patch has finished with the crack sealing of the community roads.

Ms. Miller complimented our crew for their awesome job cleaning, concreting and prepping Pond 4.

Ms. Miller introduced Saul Dominguez as our Maintenance Supervisor; this is a well-deserved promotion.

Treasurer's Report: Mr. Fireman provided the March 2022 financial reports. Mr. Fireman reported \$120K operations cash flow for the first quarter. Mr. Fireman stated we are heading to the busy season so expenses will see a higher change. The Maintenance staff salaries are higher due to advancing of raises earlier than planned to recognize our employees for their longevity and expertise. The contribution of \$25K for the Capital Reserve account is on target. The Pond 4 and sign installations are the only projects that will be withdrawn from the Capital Reserve account this year. Mr. Fireman has concerns about cost of the insurance renewal, he anticipates an increase due to the recent fires. We budgeted for a 16-17% increase. Mr. Fireman is worried about the impact of inflation on the natural gas prices, especially when the pool opens, he suggests we should consider adjusting the temperature a degree or two; we will need to be more conscious of our electrical/gas usage especially during the peak hours (3pm-7pm) beginning April 1, 2022, for residential accounts, fortunately commercial accounts are still billed at a flat rate. The balance sheet as of the end of February reflects consolidated reserve balances of \$621,798 of which \$530,123 is in bank checking or investments accounts, and another \$115,358 is in prepaid insurance, which will result in increased cash flow over the next 5 months as a result of being a non-cash item in the Profit and Loss Statement.

Finance Committee: Mr. Fireman mentioned that for any future contracts we have committees and a general manager do the research for pricing of projects. Mr. Fireman stated the understanding of the prices we get up front are estimates, unless we are ready to execute at the time, that number is going to fluctuate, especially when planning two or three years out. As we get closer doing a project, we need to revisit the actual proposals and get a firm contract. There have been instances where we anticipate a cost, but it is not the final number to complete a job therefore we will have to do our due diligence to avoid any concerns.

Chateau's Property Management has completed their reconciliation, we should be receiving their payment any day. Mr. Weber suggested the Capital Reserve Funding Fee on the financial statement should state the monthly expectation amounts received in the budget column.

Long-Range Planning Committee: Mr. Weber reported the LRP and Finance Committees held a joint meeting on April 21, 2022. The draft minutes will be posted on the website. The meeting's major discussion was on Court 3 with no decision reached but will need to communicate more with the community in the direction we are heading, comparing the previous proposals to the current proposals. The plan is to meet again in either May or June. Mr. Weber commented that when the Court 3 committee was established 4 years ago there were two tennis courts and with Court 3 needing attention. One of the driving concerns was the popularity of pickleball, where Mr. Cowan phased in two pickleball courts on Court 1 and then last year installing permanent pickleball nets – therefore progress has been made on this end of the courts.

The budget will determine when and how to move forward with Court 3, with the agreement to protect our reserves. Mr. Trout and Ms. Goff will be working on the communication piece for Court 3.

Architectural Review Committee: Ms. Wolach reported three ARC requests and approvals in April – Units 102 and 451 deck replacements; Unit 393 replace garage door and outside carriage lamp. The paint committee have agreed to tweak the current paint selection to avoid fading and golden tones. The Benjamin Moore paint rep is working with the committee to make sure the colors were the right selection. In regard to the white units, especially the cedar it has been noticed from the multiple applications spots and streaks are visible (paint crew will address this issue). The paint contractor suspects that from the road project last year some of the asphalt/dirt residue could be on the units. The contractor will do a “hotsy” pressure wash test procedure in an area of one of the units to see if this will remove any residue and improve the look of these units.

Landscape Committee: Ms. Wolach thanked Ms. Bradbury for her many years of volunteering on the committee. Ms. Johnson will be joining the committee in Ms. Bradbury’s position. Ms. Wolach reported the planters along Temple/Union have the plants and water system installed. Ms. Wolach revealed the community was fortunate to receive from another property a supply of Karl Foerster grasses which were planted along the Yosemite fence, the committee is very thankful for this donation.

Social Committee: Ms. Burke reported for Ms. Bunker, the committee is considering having a Food Truck event with activities on July 21st and is seeking permission. The committee chose Steuben’s Food Truck, their contract states a \$200 fee to confirm date; plus \$750 in residents’ sales is required to avoid any additional pay out from the Social budgeted funds. The Board has no objections. The committee is considering having another live music event in September, since last year’s event was well received.

Signage: Ms. Wolach thanked Ms. Stonbraker for her continuous work on the community signage. Ms. Wolach reported the City of Denver permit fee could range from \$400-\$800 with a four-month lead time. This is a two-phase project (2022 & 2023). Ms. Wolach stated it is important to review the provided estimates and hopefully sign them because with any further delays the cost is expected to increase. Mr. Weber stated the contracts will need to be reviewed and distributed to the remaining members of the Board.

Clubhouse Committee: Ms. Burke mentioned the committee is in discussion regarding these major points:

1. REQUESTS FOR CLUBHOUSE USE FROM A NON-STONEY BROOK INDIVIDUAL OR GROUP.

The committee felt strongly that no outside group or individual should be granted use of the clubhouse.

2. REQUESTS FOR GATHERINGS COMPRISED OF STONEY BROOK/CHATEAU RESIDENTS

This would include, but not be limited to, activities such as Maj Jong, Bridge, Book clubs, poker games, sports viewing, Ladies Night Out, lectures, etc. For strictly Stoney Brook events, NO FEE to be charged. A deposit of \$300 for cleaning/damage is to be on file in the office until the

event concludes or the group disbands. If a Stoney Brook, Chateau resident or Social Committee were to sponsor an education/informational/recreational speaker or instructor requiring a nominal fee to be paid by Stoney Brook or the individual(s) organizing the event, permission must be obtained from the office. Allowing a small fee to be assessed requires minor change to Rule 6.6 which states “no fee shall be collected by anyone who participated in this function...”

3. REQUESTS FOR GATHERINGS BY A STONEY BROOK OR CHATEAU RESIDENT HOSTING A GATHERING FOR NON-STONEY BROOK/CHATEAU RESIDENTS.

The Stoney Brook or Chateau “renting member” will be required to pay a non-refundable \$100 use fee. The renting member will also be required to pay a \$300 cleaning/damage fee that is refundable if the clubhouse is clean and undamaged. The committee also recommends that group size be limited to 55 persons. This limitation was determined by the indoor seating capacity and the limited parking.

For categories 2 and 3 above, we suggest including “Clubhouse may not be used for sales promotion, conducting business sales or meetings, political fundraising or political functions, religious meetings, or functions.

If accepted, this working can be incorporated into our current “Clubhouse Rules.” For the most part, we have not included in this information, rules that have been left unchanged. For ex. The pool is not part of any clubhouse rental.

It is also a recommendation of this committee that the Clubhouse Rules and “Renting Member Agreement” be reviewed for minor modifications.

The Committee suggests the Clubhouse hours should coincide with pool hours closing at 10pm instead of 11pm.

Mr. Klatskin pointed out that prior to adoption of any Rule change, we will need to give residents 10 days advance notice and an opportunity to comment.

Communications Committee: Any articles for the May/June newsletter should be submitted by April 29, 2022. Mr. Trout stated the Committee is not satisfied with our website and researching other options. The Committee is exploring the possibility of a FAQ section on the website with Ms. Schaecher’s assistance. Mr. Trout mentioned if anyone is interested in writing something for the newsletter it is welcomed.

Insurance Committee: Mr. Beakes confirmed Makey Towne our insurance broker and a personal line insurance representative are available to do a community meeting on May 4th 6:30pm at the clubhouse or via zoom for an open question and answer forum on our insurance and loss assessment coverages. The Committee has been trying to get this set up for a year now, even though its short notice. The meeting will be recorded and available on the website. Mr. Klatskin stated in previous meetings it has been mentioned the idea of trying to restructure our payment date for our annual premium, currently the renewal is in August, and it seemed like it would be better for the HOA if we could restructure that date. Mr. Beakes reported it is feasible but there are pros and cons. Mr. Beakes advises speaking to Mr. Towne of payment date options. Mr. Weber mentioned having the renewal date in August allows the committee to factor it into next year’s budget.

Old Business: Pool Furniture: Ms. Goff reported the Committee is considering Telescope Casual which provides a power coated aluminum and commercial grade type furniture with a five-year warranty. Ms. Goff anticipates receiving fabric samples soon and if approved to move forward, we will order in November of this year. Ms. Goff mentioned the possibility of donating our old furniture once the new furniture arrives.

New Business: Fidelity Resolution: A motion (Fireman/Klatskin) to appoint Mr. Lynch to be signatory on the Fidelity policy of which he is the only beneficiary passed unanimously. The resolution will allow Mr. Lynch to deal directly with Fidelity of this deferred compensation account. Mr. Klatskin reported having a discussion with Mr. Lynch that once *Mr. Lynch* can confirm that he won't have an adverse tax consequence, that he takes sole responsibility for these funds, and encourage Fidelity to relieve the HOA of any fiduciary liabilities.

Safety Advisory Committee: Mr. Kiner reported that he was notified about a resident walking with their dog almost being hit today by another resident speeding. Mr. Kiner reminded residents to be observant of the speed limits and stop at stop signs within the community.

Adjournment: At 8:28 p.m., there being no further business, a **motion (Kiner/Goff)** to adjourn until Wednesday, May 18, 2022, passed unanimously.

Respectfully submitted,
Angela Miller, Recording Secretary