

Whetstone Townhouse Homeowners Association  
2019 Annual HOA Meeting Minutes from  
Thursday, September 19, 2019  
5:00 P.M. @ Peak Property Management and Sales  
318 Elk Ave, Suite 10, Crested Butte, CO. 81224

MEETING MINUTES

**Call to Order/Proof of Notice/Roll Call**

The Whetstone Homeowners Association's annual meeting was called to order at 5:07 P.M. on Thursday, September 19, 2019 at Peak Property's office. The meeting notice was emailed and mailed out on August 5, 2019, and the meeting packet was emailed out on August 30, 2019. The meeting was represented by the following owners and a quorum was established for an official meeting.

HOA Owners

Unit # A1 Caitlyn Dalsimer  
Unit # A2 Marty Graves  
Unit # A4 Scott Brawner  
Unit # B1 David Bungay  
Unit # B2 Marita Whalen  
Unit # C1 Emilie Gray  
Unit # C2 Drew Holbrook  
Unit # C3 Ben McShan (call in)  
Unit # C4 Cliff and Jen Simms proxy to Drew Holbrook  
Unit # C5/C6 Susan Mol proxy to Drew Holbrook

Peak Property Management and Sales

Thomas Hein-HOA Manager

**Confirm Owner Contact Info**

Due to Colorado privacy rules Peak Property is not allowed to share homeowners phone numbers and email addresses. If your contact information changes (mailing address, email, phone numbers) please notify Tom or Brenda at Peak Property.

**Approval of HOA Meeting Minutes from September 27, 2018.**

Scott Brawner made a motion to approve the September 27, 2018 meeting minutes. The motion was seconded by Dave Bungay, all were in favor, one was opposed, and the motion was approved by a majority.

**Manager's Report**

Tom H. welcomed everyone to Whetstone's 2019 annual HOA meeting and thanked everyone for taking time to attend. The manager's report was presented and included the following:

1. The insurance, water/sewer, and snow removal were the HOA's largest budget expenditures this year. As the buildings continues to age the HOA's expenses for maintenance, repairs, and upkeep will continue to increase.
2. During the past year all the building roofs and chimney caps were replaced, fascia wrapped in metal, entry decks and patios were stained and painted, replaced electrical breakers and panels in the C building units and well pump shed, replaced the door, relocated interior light and installed motion sensor for light in well pump shed, and installed metal shed roof over building C electrical meters on north side.
3. The overall exterior condition of the building and common grounds is in good shape and holding up well. Peak Property continues to do basic maintenance and repairs as needed. There were a couple of tenant issues.

### Old Business (Review of 2018 Agenda's 'New Business')

1. Review and discuss adopting new set of by-laws. The Association has two sets of By-laws; an original set and an updated, but not approved set.
  - a. **2018 Meeting Results:** Tom H. read through and described the proposed updates/changes with the owners. Tom H. will review, update, and will send an email describing the proposed changes to the owners for a vote via email. A side conversation was held regarding the updated Rules and Regulations and pets. The pet fee is \$40.00 per unit, owners are allowed two pets, tenants/renters are allowed one pet and units A3, A4 current pets are grandfathered until deceased. The HOA now has a specific budget line item for pet clean up from the pet fee.
2. Update on East River Sanitation District
  - a. **2018 Meeting Results:** Please vote 'Yes' on the inclusion vote in November's local and state elections to join the East River Regional Sanitation District as the current sanitation agreement ends in 2019 and the Association will need to join the ERRSD or have no sewer use availability. Owners will be levied 2.608 mills on your annual Gunnison County tax statement and the Association's Riverbend HOA dues will go down. Cliff Simms asked if Whetstone pays dues to the Riverbend HOA. Tom H. replied yes, approx. \$800.00/month. Marita Whalen mentioned that the Riverbend HOA is not planning to limit or eliminate short term rentals but reminded owners it was their responsibility to limit or not allow per their rental leases.
3. Snowplow Fall reminder; notices and email.
  - a. **2018 Meeting Results:** As we approach winter and snow season Peak Property will post notices on all the Association's doors reminding owner/tenants the plowing rules and times. Peak Property will schedule and arrange when the parking lot needs to be scraped, cleaned, and haul out of excess snow build up.
4. Roof and Fascia Replacement Update.
  - a. **2018 Meeting Results:** Building C roof and fascia need to be completed. B2 Consulting was hired to inspect the contractors roof work and found a few install issues (fascia reverse lap, chimney caps not all replaced, chimney caps need support underneath to prevent crushing from ice/snow weight, unacceptable metal tie in at chimney sides; metal not tucked behind) that were discussed with the contractor. Building C's middle section is not being replaced as it was replaced by Pinnacle (2017-18) and has a 10-year warranty. Susan Mol says it pops and creaks very loudly and is concerned about it. Cliff Simms said with the temperature changes there is a big thermal temperature change causing the roof (and substrate materials; wood on wood) to deflect making the noises. Dave Bungay will discuss this with Bart at B2 and a roof inspection will be done if

necessary. Scott Brawner (unit A4) mentioned his unit had some drywall damage from water leaking in when the roof was being replaced. Previously, Ben McShan discussed the water damage with Jim Thomas Roofing and they said they would repair it. Dave Bungay will follow up with Jim Thomas Roofing about the repairs to the drywall/paint in his unit-A4. The shed and pump house are to be re-roofed too. The total cost of the roofing project will be more than budgeted due to (mostly) the “plywood unknown” and will approximately cost \$95K.

5. Building C electric panel switch out.

a. Timing.

b. Who responsible for cost: HOA or unit owner?

i. **2018 Meeting Results:** Building C was built with Federal Pacific electric panels/breakers that lost its UAL listing because the breakers sometimes will get hot, overload, won't trip and can catch on fire. Based on the current info on hand at that time the BOD's approved paying for new panels and switching them out in building C. After further investigation and discussion, some of the BOD members felt the decision should be revisited and discussed further at the annual HOA meeting and should be decided by the owners, as it will cost just over the \$10,000.00 limit the proposed By-laws allow the Board to spend without an owner vote/approval. Cliff Simms mentioned that in the beginning the originally electric panel discussions involved/were around the central utility system on the exterior of the building and that all the units would need a new electrical meter, meter shut off, all the meters be clustered together and a new service line to building C, in addition to replacing each unit's electric panel. This was some of the reasoning behind the discussion the electrical panels are a common element. Luckily, the electrical inspector is allowing a more economical repair with just switching out the individual unit's electrical panels. Cliff Simms said this is a great alternative solution by the electrical inspector and the HOA should not delay and miss this opportunity. The alternative repair is saving the HOA 4x in cost than the original (central utility system on the exterior of the building and that all the units would need a new electrical meter, meter shut off, all the meters be clustered together and a new service line to building C, in addition to replacing each unit's electric panel) proposed solution which would have been a common element and HOA responsibility. Dave Bungay said the Board voted to pay for the panels and he sticks with that decision, but additional info after further investigation into the HOA documents put the electrical panels in a 'gray area' of HOA responsibility that should be cleared up in the future when updating the Association's doc's; 1. common elements and 2. better clarity what the HOA is responsible for and what owners are responsible for.

6. Five (5 year) Year Plan/Reserve Study Review by Owners.

a. Committee, Next Project, Funding?

i. **2018 Meeting Results:** Tom H. created a reserve study spread sheet for the Association. The owners discussed items that were large capital improvements/upgrades and items that were maintenance items. The owners discussed improvements and repairs that were added to the reserve study spreadsheet. The exterior siding is the next identified large capital improvement project by the owners. Three owners (Cliff Simms, Susan Mol, Dave Bungay) volunteered to work on/as design committee to create a siding replacement

scope of work, help select materials, colors, and layout/design. Cliff Simms asked what Peak Property's role would be in the construction/remodel process. Tom H. said Peak Property's contract has a supervision fee for helping to manage the HOA/contractor before and during the remodel process. Ben McShan via proxy said the HOA should save for two years and build up the reserves. Then use the reserves to get a loan and assess the owners for the cost difference to replace the siding. Tom H. recommended that the HOA discuss all assessment options with its legal counsel regarding the HOA obtaining a loan, assessing owners and the risk/liability to the HOA. Staining the entry decks/patio's and stairs was identified as the most important maintenance repair needed next year. Tom H. will start to get bids from contractors.

## 7. General Maintenance

- a. **2018 Meeting Results:** The following items below were completed # a, #b, #d, items discussed to be completed #c, #f, or items discussed and added to the reserve study list #e.
- a. Well/pump house water filters were changed in July, new drywall hung in well house.
- b. Chimney cleans moved to Springtime; next cleaning late April/early May 2019.
- c. Windows/doors replacement timeline. The owners agreed, Cliff Simms motioned, Scott Brawner seconded the motion, all were favor, no one opposed, that all units' windows must be replaced at the same time/ in conjunction with or before the siding/trim replacement project is done in approx. 2021. Drew Holbrook asked how the HOA will determine if a unit's door/windows needs to be replaced or not. Easy answer is if it's the original door /window it will need to be replaced. If the seals don't work that is another good reason to replace them.
- d. Replace well pump door with Fiberglass door and building C entry doors.
- e. Parking lot grading and redefining the parking lot area/boarders.
- f. Deck and stairs staining. Has been handled as a HOA expense in the past even though per the Association doc's they are a limited common element.
- g. Open Forum/Comments
  - a. **2018 Meeting Results:** Susan Mols asked about the grass condition, watering the grass and resolving the gopher issue. The HOA only has inside use water rights and does not have water rights for irrigation which makes keeping the grass green difficult. Peak Property has a few non-poisons pet friendly solutions they will deploy in the spring 2019 to eradicate the gophers.
  - b. **2018 Meeting Results:** Susan Mols asked if natural gas could be run to the buildings. Buildings A and B already have natural gas, but not all units are using it. If the owners at building C wanted to get together and pay for it, they could have a gas line ran to their building. Each unit would get its own gas meter.

## New Business

1. Window replacement Reminder: All units with original windows must replace their windows before or during the building's siding replacement.
  - a. **2019 Meeting Results:** Tom H. reminded the owners that in 2018 the owners made a motion and approved requiring all units/owners to replace their windows before or during the exterior siding project. The siding project is scheduled for 2021.
2. Snowplow Fall reminder; notices and email.
  - a. **2019 Meeting Results:** Winter parking and snow plow notices will be posted before the plowing begins. Pinnacle Construction is scheduled to plow again this winter.

3. HOA Recommendation: units with wood stove pipes 6” or less to drywall should install a piece of metal flashing between the stove pipe and drywall.
  - a. **2019 Meeting Results:** Homeowners with wood stoves that have stove pipes within 6” of the wall should install some type of protection from the heat between the wall and stove pipe. Flat sheet metal, tile, stone, change out stove pipe to double wall are few options.
4. Declaration’s and By-law’s updated.
  - a. By-Law updates-multiple updates.
  - b. Declarations-better clarity regarding maintenance responsibilities between HOA and owners/units, revise insurance requirements: ‘all in’ and yearly insurance appraisal.
  - c. **2019 Meeting Results:** Ben McShan converted the By-law’s pdf to a ‘word’ version and Tom will work on updates/changes. The owners agreed the Declaration’s ‘maintenance responsibilities” should be at least mentioned yearly as a reminder. The HOA’s By-laws require the HOA’s insurance to insure 100% of the building (including the interior finishes of each unit, appliances, mechanical equipment, etc.) and owners are paying extra for individual homeowners’ insurance. The owners agreed the Declaration’s will need to be updated in the future.
5. Review Reserve Study.
  - a. **2019 Meeting Results:** The owners reviewed the HOA’s reserve study. The exterior siding was discussed in detail. See notes below in General Maintenance #b.
6. General Maintenance
  - a. Chimney Springtime Level 1 cleaning and inspections; next cleaning late April/early May 2020.
  - b. Exterior siding and trim: 1 building every 2 years or all at the same time. Estimated start date? Architectural committee meetings.
  - c. **2019 Meeting Results:** After a lengthy discussion about bank loans/assessment, how to pay for the project, next steps, timelines, material selections, architect, etc.) the owners agreed to the following timeline for the project:
    - i. Spring 2020 Architectural Committee (Dave Bungay, Susan Mol, Cliff Simms, Drew Holbrook) to meet and select materials, colors, and hire an architect to draw up plans/scope of work to send out to contractors to bid.
    - ii. Summer 2020 Architectural Committee work with architect.
    - iii. 2020 Annual HOA meeting plans available for owners to review and discuss.
    - iv. Fall 2020 thru Spring 2021-Tenatively put project out to bid and complete summer 2021.
7. Open Forum/Comments
  - a. Chandler Lot.
  - b. **2019 Meeting Results:** The owners agreed the idea of purchasing it would be nice or possibly long term leasing it, but not action was taken.
  - c. **2019 Meeting Results:** Marita Whalen presented her window replaced and garden modification application to the owners, Ben McShan made a motion to approve her projects, Dave Bungay seconded the motion, all were in favor, no one opposed, and they were approved.
  - d. **2019 Meeting Results:** Tom H. will get bids to replace the roof on the filter pump shed and Peak will clean up around the pump shed and dispose of all the old osb and wood.
  - e. **2019 Meeting Results:** Drew Holbrook mentioned one of window’s glass broke and sash would not open during the winter and believed it was caused by roof snow load (build up). The owners agreed the HOA would reimburse Drew for the broken window glass. Peak will

watch the roof section on building C over Drew's unit and will have the ice and snow cleared as needed.

### **Financial Report**

Tom H. reported as of August 28, 2019, the association had \$6,900.22 in the checking account, \$12,055.84 in the Restricted Reserve account and \$300.00 in accounts receivables for a total asset amount of \$19,256.06.

The Association budget finished the 2018/19 fiscal year with a negative net income. The HOA had higher insurance, accounting, and maintenance cost that contributed to the negative budget for the year.

Tom H. reported there are no owner delinquencies.

Some budget line item costs have risen and is reflected in the proposed 2019-20 budget. The 2019-20 proposed budget had a few different options that included no dues increase, \$50.00 dues increase for positive budget and/or to increase the restrict reserve allocation per month/year to build up funds quicker.

Ben Mcshan made a motion to approve the proposed 2019-20 budget with a \$50 dues increase, no one seconded the motion, the motion was not approved. Emilie Gray made a motion to approve the proposed 2019-20 proposed budget with the \$35.00 dues option increase effective September 1, 2019, Dave Bungay seconded the motion, all were in favor, no one against, and the motion was approved. Ben Mcshan asked Peak to make sure the restricted reserve funds were in an interest-bearing account like a money market account.

### **Election of Board of Directors (Three-year terms)**

-President: Scott Brawner 2018-2021

-Vice President: David Bungay 2017-2020

-Treasurer/Secretary: Marita Whalen 2018-2021

-Open Board Member: Marty Graves 2017-2020

Tom H. thanked the Board of Directors for all their time and work on the roofing project.

**Establish Date for next meeting-September 24, 2020.**

### **Adjournment**

Scott Brawner made a motion to adjourn the meeting, Emilie Gray seconded the motion, all were in favor, and the motion was approved. The meeting was adjourned at 7:15 P.M. on September 19, 2019.