

Cottages at Eagle Pointe Homeowners' Association
Board Meeting
November 18, 2020

ATTENDANCE

Board members in attendance: Myron Davies, Greg Goins and Bob Lund. Board member by Zoom: Berny Gaarsoe.

Others in attendance by Zoom: Rick and Rita Bennett, Bob Berrett, Stan Coleby, Cheri Darrah, Bob Eaton, Dale Ferguson, Audree Flanders and Martin Zumbunnen, Marsha Gustafson, Dale Harvey, Brad Husberg, Doyle and Linda Judd, Bob Tillack and/or Angela Verrastro, Casey Timmerman. One other person on Zoom identified only by Robert's iphone.

CALL TO ORDER

Greg Goins called the meeting to order at 7:05 p.m.

MINUTES OF PRIOR MEETING, APPROVAL OF CURRENT MEETING AGENDA

There is a quorum of Board Members. Minutes of the August 19, 2020 board meeting were formally approved and the agenda for the current board meeting was accepted.

OFFICER AND COMMITTEE REPORTS

Treasurer: Doyle Judd

Overall

Cash balance	\$25,900.00
Unbilled but accrued expenses	<u>2,000.00</u>
Unencumbered cash	\$23,900.00

Owner receivables:

Five owners are in a prepaid position. Six owners owe for November, but none of them is delinquent.

There is nothing past due in accounts payable.

Reserve fund has a balance of \$77,300.00. There are no payables due by the reserve fund.

Greg sent everyone a copy of the budget. If you look in the total column for the 2021 budget, there is a list of where we need to spend money to keep our HOA looking great and functioning as it should. Bob Lund will probably cover some of this later or we could ask him to cover it now. But there are fairly significant increases in at least two areas. One is in the snow removal from the streets. The bid per push went from about \$185.00, which it has been for the last two or three years, to \$205.00 per push for the current snow season. Their initial bid was higher than that but Bob did talk them into lowering their bid down to the \$205.00 per push. The other major increase was in the all-inclusive yard maintenance which is mowing our lawns, trimming our bushes and pulling our weeds. Again there was significant increase on a per home basis of over 10%. So those two things are the major reason that our total cost is up which makes our monthly assessment go up.

Doyle also talked about the reserve fund. The reserve fund contribution we make is dictated by the reserve study we had done by a professional engineer. Greg has sent that out to everyone for you to look at and ask any questions. Under the reserve study we presently have, we need to contribute approximately \$22,300.00 this year to keep on track. So actually the reserve fund per home per month is down \$1.00 from what it was in 2020. The reserve fund is money that is set aside and is separate from the operating fund. The budget we are discussing is for the operating fund. A portion of the monthly assessment that we collect is then transferred to the reserve fund. The reserve fund is used only to repair and replace assets in the common area like the streets. When the streets need to be sealed or need to be repaired, that money comes from the reserve fund. The funds for the work that we did a few months ago to repair spalling in the sidewalks came from the reserve fund. The only way the money in the reserve fund can be used is to repair or replace assets that are in the common

area. We cannot use that money to mow anyone's lawn or pay anyone's water bill. It can only be used for those specific purposes. If you look ahead at some time we are going to need to replace the streets and that will be a big expense. Under the law we need to accumulate enough money now so we have enough in the reserve fund to cover the expense of that event.

Greg Goins said that the independent reserve fund study done in late 2019 said roads have a typical 30 year useful life and that we have about 16 years left of that time. Morgan Paving said if we keep maintaining it the way we are right now every two or three years, we probably realistically have 10 to 12 years. Doyle added that by law we need to do a new reserve study every three years because those estimates can change over time and the cost of doing those repairs can also change. Every three years we do a new reserve study and then we adjust our contributions to the reserve fund based on the new study.

The estimated amount budgeted for reserve fund expenses for 2020 was \$18,000.00. We spend nearly that amount by the time we did the crack seal coating on the streets, the spalling on the sidewalks and replaced a couple of trees in the common area that had died.

In 2020 we had \$12,400.00 budgeted for mulch but we didn't mulch the yards, but we did spend that money in other areas of our operating budget.

Rick Bennett asked who would pay for the wall that is being discussed along Suncrest Drive. The expense to install the wall would be the developer's responsibility. Once the wall is installed, the HOA would have to maintain and repair the wall.

After no further questions, Doyle stated that the monthly dues for 2021 would be \$199.00 per home per month instead of the \$177.00 per month that it has been assessed for probably three years.

Greg Goins said the Cutting Edge contract for 2021 is up nearly \$10,000.00 or 21% more than 2020, which includes five additional houses. The price is for NOT bagging the cuttings. Greg and Bob Berrett have been doing some of the simple sprinkler repairs themselves to save the HOA money. Greg is going to approach Douglas at Cutting Edge to see if he will come down on his price. We also should check into locking in the bid for two years.

Doyle mentioned that it would be good to approach Douglas at Cutting Edge about a reduction in his bid, but we need to approve the budget and we know that the lawn maintenance will be no higher than the current bid. He also stated that we don't know if there will be an increase in the cost of water from Draper City. He thinks it has been two years since Draper City has increased their price of water per 1000 gallons, so there is a chance that there could be an increase in the cost of the water which is not allowed for in the budget. We also don't know if it will be a more snowy winter than usual or a cooler summer. The weather affects the budget very significantly and we have no way to know what will happen weatherwise. There is that uncertainty just by its nature that is in the budget. Therefore, again the proposal is to increase the assessment per month to \$199.00. Bob Lund made a motion to approve the 2021 budget as presented by Doyle Judd and the Board approved the budget. Homeowner fees would go up by \$22.00 per month per homeowner.

Stan Coleby asked if the proposed budget includes attorney's fees to change some of the CC&Rs. Greg Goins stated that it does not. Greg just received the estimate for attorney fees last night and he has not had a chance to talk with the board about those estimates.

Landscape – Bob Berrett. The only concern about landscaping right now is the drip system. In April when we turn on the drip system Greg and Bob Berrett have asked Eddie to come in and go through each yard and make sure that all the drips are connected properly and each have emitters. The other thing that we will replace is any drip that has sprayers. We can't afford to have those on the drip line because they are like having an open drip without an emitter. The spray type require full pressure and doesn't have emitters. There are a lot of homes that have four or five of those in their yards and they take away a lot of the pressure so other lots are not getting the water they need. Hopefully when

we get through doing all this and getting the drip working properly we will have all yards getting water on their plants. It will probably take a week or two for Eddie to get through all the yards.

Audree Flanders said that when the bushes were trimmed in her yard the pruners cut nearly every single drip line in her yard and she is concerned that the HOA is paying that expense every year when it continues to keep happening. Bob said the pruning was the last thing they did this year, but he would add it to the list of things Cutting Edge needs fix. Bob will walk through the yards with the Cutting Edge sprinkler technician and point out those repairs. Bob said that Eddie thinks when the sprinklers have been repaired the technicians are indiscriminately replacing them with a different brand sprinkler parts and emitters so they don't run as efficiently as he thinks they would if everything was the same brand.

OLD BUSINESS

Asphalt Crack Repairs

We had the asphalt crack repairs done, but they were not done correctly so Greg had them come back out and they completely redid everything. He was concerned because they were not blowing out the debris in the cracks before filling them. Morgan Paving gave us an extra year on the warranty on the crack sealing.

Sidewalk Repairs

The sidewalk repairs were done and there is a 10 year warranty for delamination and spalling on the product.

Tree Replacement

We replaced some trees this year on the berm and may have some more to replace in 2021. There are some that look like they may die in the common area but Greg and Bob Berrett will see what can be done to save them.

NEW BUSINESS

Landscape And Snow Removal Bids

Bob Lund sent out Request For Proposal to four landscape maintenance companies. Two companies sent out representatives to walk around the areas and after Bob noticed them talking among themselves and saying that our HOA has been known to use only the low bidder because we are cheap. Cutting Edge is the only company that actually responded with a bid for landscaping this year.

Greg said we have not received the written bid documentation from Cutting Edge and the insurance documentation they sent was not correct. He will work with them to get these things taken care of. He won't sign any contract until he has a valid certificate of insurance that covers the underlying limits. Bob Lund has already requested the certificate of insurance from Great Western.

Bob requested proposals from three snow removal companies and two did not respond. Great Western did have a price increase, but they are the only bidder that responded. Although they are charging \$205.00 per push now, they have been very generous about not charging us every time they push because they were in the area doing other clients further up the mountain. A question was asked in the chat box about what was driving the increase in snow removal. Bob Lund said they have not increased their price in three years. They wanted \$225.00 per push, but Bob talked them down to \$205.00 which is a 17% increase.

In our HOA Board Meeting in August, Tina Osborne said she would go to each house to see if they wanted to bag the grass instead of mulching the grass. But after the meeting she said with the Covid-19 pandemic it might be best to send out an email to see what the homeowners want. Cutting Edge did come back with a bid of \$8564.00 for bagging the grass clippings. The charge per homeowner per month would be an additional \$12.00 per month increase in addition to the \$22.00 increase that is in the budget. Bob will send out the email to see what the consensus is between bagging and mulching the grass. Bob Berrett also stated that our cutting day will be on Thursdays in 2021.

Engineering Study on Water Pressure

We only have culinary water here in Suncrest so the demand affects the water pressure. Bob Berrett said Draper City said we only have one line coming into our subdivision. We would have more pressure if we had more lines. They would recommend an additional two lines which would cost an additional \$10,000.00 per line. Greg is just guessing that is only to bring the water to the community and would not include the infrastructure into the whole community. We have 10 more homes to be built and Greg assumes that it will drop the pressure even more. Greg thinks we should have a study done to verify the information on our water pressure while there are homes to be completed so we could approach the developer about the issue.

There have also been people who have drainage issues and with the additional homes being built it could get worse. We need to make sure that the developer is correcting the issues on the new homes. Rick Bennett said the new home being built next to him has two French drains in the back yard.

Bob Lund said we needed to investigate the cost to have the engineering study on water pressure done before we commit to going ahead. We are also talking about modifying the CC&R's which is also another expense and we only have so much money in the budget. Myron Davies asked if the study about the water pressure is something that would be covered by the reserve fund.

Reiterate CC&R's

Greg said the cameras in his yard show dogs and cats in his yard and it seems to be the same homeowners that are allowing their animals on other people's property. There are also dogs that like to bark when their owners are not home. They have a doggy door that allows the dog out, but no fence to keep it in their own yard. Others homeowners can't go into their own back yard without neighbors dogs barking at them. Some of the issue is with new homeowners and they are not fully aware of the CC&R's relating to this problem.

There are still people parking in the streets overnight. This will be a big issue when the snow plows come.

There are still some issues with architect review committee (ARC). Some things are being done that the Board was not aware of and have not approved. Marsha Gustafson and neighbors want to put up a 6-foot iron rod fence along their back yard that matches the other 4-foot and 5-foot fences in the community. There is nothing in the CC&R's that specify the height, only the type of fence.

Review Proposal from Miller/Harrison

There was substantial discussion about the eventual need to modify the CC&R's for such things as allowing for email notices and changes which will be necessary after the development is built out. This matter will be looked into further during 2021. Miller/Harrison has made a proposal to do the modification for \$4500.00. A motion was presented and seconded to change the CC&R's. The motion passed. Doyle asked if the budget needs to be changed to include the \$4500.00. Greg said if he and Bob Berrett could do more of the simple sprinkler repairs we could save some money. The Board decided to keep the budget as it is and we will see how it goes. We might have a less severe winter or a cool summer. Greg will see if he can get the landscaping bid a little lower. Stan Coleby said this is a one-time expense so it won't be in the budget next year so hopefully we have some cushion. Doyle said that we will leave the budget as is and the assessment at \$199.00 and see if we can find some ways to save the budgeted money to pay for the Miller/Harrison proposal to redo the CC&R's.

Greg brought up another issue which was the corporate status had lapsed, but has since been corrected.

ADJOURNMENT

The motion to adjourn passed and the meeting concluded at 8:07 p.m.

OWNERS FORUM

Dale Ferguson asked if the board knows when the city was going to finish the lights at the entrances. Greg said that according to Bob Berrett they don't have the lights to install yet. They took down the old and put up the new when they didn't have the lights themselves. Dale Harvey said he doesn't think it is the city. He thinks it is the TRSSD Service District. Bob Lund said he would see if he could find something out about the lights. Dale Harvey said the last thing he heard from listening to the TRSSD board meeting is that they were waiting for the person that designs and builds those lights to make them.

Bob Lund thanked all those that joined by Zoom for their input and attendance.

Owners Forum adjourned at 8:10.