

# LAKE VIEW PARK VILLAS HOMEOWNERS ASSOCIATION

## ANNUAL MEETING

AUGUST 6, 2019 10:00 A.M.

### EAGLE BEND YACHT HARBOR CLUBHOUSE

President Paul Lentz called the meeting to order at 10:00 a.m.

**Introductions:** All three members of the Board introduced themselves as presenters: Paul Lentz President, Brian Antweil Vice President and Ron Ransom Secretary/Treasurer. Others assisting were also introduced: Property Manager Dave Roberts and Recording Secretary Bugsy Yarbrough.

**Establishment of a Quorum:** A quorum was established with 23 property units represented either by proxy or by attendance.

**Recognition of New Owner-Members:** As a lead-in, Paul discussed the marketability of the LVPV Townhomes. He observed that units have sold quickly and shared that the HOA will continue to work to maintain the underlying value of the neighborhood. He then reported that four units sold in the last year which resulted in four the new owners. Paul then introduced: Mark and Jane Roberts; Jim and Susan Kuhlman; and Hillary and Bonnie Nickel. He also recognized Dave and Nancy Ewert were not able to attend the meeting.

**Motion to Approve 2018 Annual Meeting Minutes:** Greg Oswood made a motion to approve the minutes and it was seconded by Bob Lust. The motion passed with unanimous approval. Ron Ransom reminded the members that the Minutes are posted on the HOA website: [Lakeviewparkvillas.com](http://Lakeviewparkvillas.com).

**State Law SB300 Review:** Brian Antweil provided a discussion on SB300 a new state act that revises real property rights and protections. In short, the act limits HOA restrictions to the time of property ownership. Brian, who is an attorney, reported on this issue making several points: (1) this new law is sweeping the country in an effort by large rental companies to expand the national short-term rental market; (2) the present LVPV CC&R's are unaffected and 100% valid; (3) future CC&R amendments could be problematic in that all members would need to provide approval to assure a full and uniform adoption throughout the neighborhood. The new law states that if a member does not vote on a new amendment that member is not bound to comply to that amendment. Brian emphasized that the current HOA rental restriction of a minimum of 30 days is still valid as there was a 100% approval for the associated current amended CC&R's. Brian also answered a question in indicating that the CC&R's are bound to

the property so any new member who purchases a unit will be subject to the current terms and conditions. Ron Ransom indicated that SB300 will be posted on the HOA website as well as all minute's past and present for the the Design Review Committee and Board.

**Treasurer Report for 2018 YE:** Ron Ransom reported that the HOA's financial position was sound. He highlighted that all members were current, that operational expenses came in under budget by \$19,000 or 19% and that there would be no dues increase for the fiscal year. The underrun came from a number of sources: no legal fees, less than planned replanting of plants and shrubs, lower spending on unplanned contingency, and a delay in the embankment program. He indicated that all underrun monies were deposited in the Project Reserve.

**Highlights for 2018 Spending:** Major spending included: \$43,000 for landscaping, \$33,000 for painting, \$16,000 for completion of the upper-deck restoration program, \$8,000 for plant replacements and \$5,000 for new street lighting. Ron reported that Paul Lentz brought in the street lighting project under budget by \$3,500 and that the new lighting has received a number of positive comments.

**Reserves Accounts & Balance Sheet:** No monies were drawn from the Operational Reserves Account which finished the year with a balance of \$26,252 still above the required level of \$25,000. The Project Reserve Account at year end came in at \$326,233. To make the report a bit more current, Ron also provided a 2019 mid-year balance sheet of: \$26,256 for the operational reserve; \$357,244 for the project reserve and \$53,038 for checking for a total asset amount of \$436,537

**Financial Audit:** Mickey Ransom preformed a pro bono audit on Western Mountains Property Management and reported good internal controls with prompt collecting and depositing of members' dues. She also reported that all audited accounts were paid properly and in a timely period. Bank statements were accurate. She gave high marks for organization of the record keeping by Danae Hanson. Bank balances were also independently verified.

**Long Range Plan (LRP) Update:** Ron Ransom provided an update on anticipated spending from the Project Reserve Account. Ron emphasized that this spending is in accordance with the 20-year LRP which is managed and approved each year by the Design Review Committee and the Board. Ron provided two slides, one highlighting planned spending for the next five years and another for the next ten years. The five-year spending estimate came in at \$400,000 and included: \$130,000 for painting, \$120,000 for pond embankment restoration and \$100,000 for roofing five buildings. There is also a contingency of \$20,000 for unplanned expenses. The ten-year anticipated spending came in at \$870,000 with continued painting, roofing and a list of smaller programs such as chip-sealing the road. Ron also provided a graph showing the full twenty year spend to illustrate that the project reserve will be drawn down to less than \$40,000 with current estimates and assumptions by the end of the ten-year window to recover to current levels by year twenty. Current assumptions include a dues increase of \$150 per

member every four years starting in 2021 to cover inflation. The current plan also is built on a minimum level of remediation for the pond embankment program. Ron indicated that borrowing may be needed if this program significantly exceeds the budgeted amount to minimize the need for a member assessment.

**2019 Projects Update:** Ron and Paul Lentz provided an update for the following projects;

**Painting:** Ron indicated that this will be the second year for the new painting strategy where painting is done on a “as need basis” throughout the neighborhood as opposed to do painting one full building at a time. LVPV will continue to work with Hagestad Painting (rated #1 in the county). The areas that will be painted in 2019 are the south facing sides and the dormers for units 47/51 79/83 87/91. Upper deck trim will be done on all units as well as the dormer for 39/43. The strategy is to continuously paint so as to have is to have all the buildings looking top notch at all times as well as save money over the long run.

**Drainage Project on the Park Side:** Ron reported that some good work was done on the Park Side drainage system with two objectives. The first was to restore the current system function while the second was to test one new drain. Ron explained that the current system is believed to be a combination of a back-yard rock-trench and French drain system that moves water to collection pond that is part of the water feature located at the HOA entrance. Pond overflow is than directed to the road curb to reach the Lake Side pond via a culvert in front of #46. The French Drain was severely clogged. David brought in a new outfit that successfully cleaned out the pipe using a high-pressure auger. The debris was found to be a dense combination of organics and roof asphalt grit built up over the years. As a result, no back-yard flooding was observed during a very wet Spring. Even so, more work will be required to better control the level of the pond during heavy rains to keep the drain pipe free to flow. The second objective was satisfied with the installation of a new short French drain at #46 to drain some roof runoff direct to the street curb bypassing the French drain system. If successful a few more such drains could be installed to reduce the total amount of rain that flows to the back-yard drain. Ron also indicated that it is hoped that the same company who installed the new drain will also be able to do some digging to determine if the Park-Side sumps should be directly piped to the French drain and determine if clean-outs should be installed. Paul Lentz reminded owners that the HOA was responsible for the drain piping but that sump pumps below each unit are the responsibility of each owner. As such, maintenance or replacement of the pumps is not the responsibility of the HOA. He advised that each owner should periodically check to see if their sumps were in good working order.

**Embankment Restoration:** Paul Lentz provided a full review of the Lake-Side pond embankment restoration project. He indicated that this project has been in the works for several years and still in the investigation stage. The pond that is owned by Eagle

Bend Golf club but the embankment or riparian area maintenance is the responsibility of the HOA. Paul's unit (#55) and three other adjacent units have experienced actual sloughing with noticeable erosion in areas near and under patios subject to patio runoff. In addition, a few of the concrete planters were observed to have cracked in areas throughout the Lake Side. As a result, the Design Review Committee initiated this project four years ago. The Committee and the Board agreed to budget \$120,000 in the Long-Range Plan. It was recognized that this rough estimate was based on a set of minimal assumptions and was at risk for being less than sufficient. Paul then indicated that progress has been made to better define the scope of the project. As such a Geotech Engineer (Alpine Geotechnical) and a civil engineer (Larsen Engineering & Surveying) was hired. And an earthwork contractor (Randy Gembala Excavating) was also engaged to help develop a number of workable alternatives.

Paul indicated that the Committee and Contractor Team has been driven by a set of project principles that includes the objectives to provide a practical and cost-effective solution that would last and minimize the financial impact thereby avoiding an assessment if possible. Also, multiple options would be explored and all regulatory requirements if any would be addressed.

As of now, three embankment problem areas have been identified. One area (as mentioned above at and adjacent to #55) has been judged to be critical as continual sloughing has been observed and the one patio substrate fully eroded. Then there are two more areas that have been judged as in need of potential work. One option has been identified for the critical area that would be based on installing 150 feet of metal sheet piling, 210 cubic feet of rock back-fill with 35 cubic yards of graded top soil. The work would be done with best common practices already active in the valley. A barge would be used to deliver and install the materials and to avoid home and landscaping concerns. The preliminary cost came in at \$213,000 for the critical area. Several members asked how fast the two potential areas were deteriorating. Paul replied that no actual data was available and that a surveyor will be retained to place pins for continual monitoring. Paul finished by emphasizing that the project is still in the preliminary scoping phase and other options still need to be identified. He indicated that the Committee and Board will provide constant updates.

**Roof Replacement:** As there were a number of new members, Paul provided a bit of background. He indicated that the HOA roofs were deteriorating faster than the warrantied life of 30 years by the CertainTeed Corporation. As such the Board was successful in obtaining a warranty payment of \$88,000 to help cover an expected amount of \$340,000 to reroof every building as planned. Paul indicated that the Design Review Committee explored a number of different shingles and determined that GAF Timberline to be the best with a warranty of 50 years. Ron Ransom provided an updated estimated roofing schedule and outlined how unit priorities were developed.

Roofing is estimated to begin in 2022 and estimated to run for five years with one exception. Due to an easily observed coating defect, #385/#395 will be done in the Fall if a contractor can be identified and hired. If not, it will be done as soon as possible. Ron noted that the schedule was posted last year and will be included again when the annual meeting slides are posted.

Jim Kuhlman said there is moss on his roof and Ron said this would be addressed.

**Safety:** Paul brought to the homeowner's attention the normal life span of a smoke detector is 10 years and reminded everyone that it is the homeowner who is responsible to keep them up to code and get them replaced if necessary. It is believed that current code also includes the need for carbon monoxide detection. Paul indicated that the Board has decided to have their detectors replaced using the contractor that provided the new street lights and would be happy to provide any information that would be helpful.

**Insurance:** Dave sent out a letter last year asking homeowners to provide proof of home insurance and only 20% provided this information. Both Paul and Ron reminded everyone that this is a CC&R annual requirement with implications of potential liability of HOA is negligent in collecting this information. As a result, the Board asked Dave to send out a new letter requesting proof be provided for 2019 as soon as possible. For following years, the Board has decided to make this a CC&R Compliance Action subject to the new non-compliance terms approved by amendment last year. Slides of the potential penalties were provided. So, Dave will send out a letter each December 1<sup>st</sup> requesting proof allowing 30 days to comply. If no proof is provided, additional letters and penalties will be sent and levied per the CC&R terms.

**Acknowledgements:** Paul thanked the Design Review Committee for all their work on the balconies and the patios. He recognized Mickey Ransom's audit work which was done pro bono. The accomplishments of Dave Roberts and his team of Danae, and Kathy were appreciated. And Black Magic landscaping was once again praised for their outstanding work and results. A number of members offered applause and asked the Board to make sure that bonus money again be provided for this year. Paul, Brian and Ron all agreed. Paul asked for volunteers to serve on the for the Design Review Committee. Greg Oswood and Mark Roberts volunteered to help. Paul also reminded the members that all three (3) Board member will now begin their 2<sup>nd</sup> year of their last of 3-year term and that new Board members will be needed. In fact one new member would be appreciated now. No volunteers or nominations were provided or proposed.

Adjournment: 11:50 a.m.

Bugsy Yarbrough Recording Secretary