

2023 ANNUAL MEETING MINUTES

Summer Glen HOA

September 19, 2023, 3:00pm – 640 Belford Ave, Grand Junction CO 81501 (Bray Education Center)
The meeting was called to order by Mark Shoberg from HOA Services Inc at 3:00pm.

In Attendance	Proxies	Management
In Person: Marie Stobbe Jessica Granzella Connie Hernandez Jennifer Caudillo	*Initially, 5 proxies were received. One was later disqualified/removed because the signer attended the meeting. 1 additional proxy was retrieved from Bray and Co immediately following the meeting (stamped received on 9/15).	Mark Shoberg HOA Manager Annie Shoberg HOA Manager Cayce Haren Assistant Manager
On Zoom: Roxanne Sarmento Mckayla Manchester Baylee Pentico Josie Holguin Christopher Brown Valerie Petterson R. Scott Larsen Phyllis Galvan		

With 5 proxies received, 4 owners in person, and 8 represented online, quorum was achieved. (17 total)
*Tally was amended. See above for details.

Introductions

Mark Shoberg introduced himself as the HOA Manager.
Annie Shoberg introduced herself as a HOA Manager.
Cayce Haren introduced herself as an Assistant HOA Manager.

The Board introduced themselves:
Marie Stobbe, HOA President
(Baylee Pentico arrived online shortly after introductions)

Approval of 2022 Minutes

There was a motion to approve 2022 minutes as written.
First motion: Baylee Pentico
Second motion: Marie Stobbe
None opposed.
2022 minutes were approved and signed by Marie Stobbe.

Old or New Business

- Declaration Amendment
 - Request to terminate irrigation
 - Proxies left open for 11 months
 - 8 yes votes, 7 no votes (15/62 owners responded)
 - Note: Immediately following the meeting, two additional proxies were retrieved (stamped received by Bray and Company on 9/15); the votes were yes, which would bring the total to ten yes votes from 17/62 owners.
 - Needed 67% and/or 42 owners to approve
 - Motion failed/did not pass
 - Irrigation will continue
- Board
 - Marie Stobbe
 - Why were members turned down for an ACCO request to build extra living quarters?
 - Mark responded:
 - Mother-in-law units are not allowed by the city or HOA covenants
 - Outbuildings/outsheds were requested with plumbing and electricity.
 - Can owners build vertically?
 - Mark responded:
 - Depends on CC&Rs whether or not 2 story buildings are allowed
 - Submit an ACCO request
 - Once submitted, Marie Stobbe would abstain from a vote on her property
 - Is poultry allowed?
 - Baylee responded:
 - fowl is not allowed.
 - Mark responded:
 - Any changes to the CC&Rs would require 67% approval from owners.
- Members
 - Will irrigation be replaced?
 - Mark
 - Better irrigation systems have a turbine that provides power. The HOA currently has a 5 horsepower pump. A bigger turbine would blow out the lines in the ground (under driveways, roadways, and lawns, which would cost millions of dollars).
 - HOA Services responds to irrigation concerns in Summer Glen more than any other of its associations
 - The HOA is currently rotating between 2 pumps. When one goes down, the other is used. There is no easy irrigation solution.
 - Can members vote again to amend the declarations and not provide irrigation?
 - Mark
 - The process costs between \$500-1,000 to print, mail, and collect proxies. At the last meeting, owners expressed support to get rid of irrigation, but actual responses were too low to be useful in amending the declarations.
 - Member
 - Can we restate the vote? (ie: with no response, it goes away)

- Mark
 - Legally, the HOA is obligated to provide irrigation.
 - The HOA would need 67% approval to revise what is currently on the CC&Rs. The HOA would need to have a response, otherwise status quo continues.
 - Owners on domestic water are unhappy because they're paying in dues and receiving special assessments. All dues must be uniform, according to the CC&Rs, so legally, the HOA can not provide a two-tiered system.
 - The only way around the irrigation issue is to approve an amendment to the declarations.
 - Article IV.C. states that when dues are budgeted to increase more than 10%, 67% of owners present at the meeting need to approve the budget in person or by proxy.
 - Budget approval requirements are different than amendment changes. For amendment changes, 67% of all owners in the HOA are needed to approve the amendment. (see CC&Rs)
- Could board members go door to door to educate members about the issue?
 - Mark:
 - The board could appoint a committee of volunteers to collect votes. Door to door may not be effective because there are a lot of renters with no legal authority to vote on this issue. Owners may not take action in non-owner occupied units.
 - If there's a motion to do a second attempt, HOA Services would be supportive.
 - Is this in the budget? No.
 - Legal would need to review the documents. There's an expense associated with legal review.
 - Baylee: Can we vote on this again next year? This would allow voices to be heard without the additional expense of mailing.
 - Mark: unlikely to get the returned proxies within the given time frame of 3-4 weeks prior to the meeting.
 - Can include self-addressed envelope, but it adds expense.
 - Member online: Had never heard of irrigation issues until the previous management company to Bray and Company. If irrigation goes away, will covenants be enforced?
 - Mark
 - Mark has managed for the past 4.5 years (via Bray and now HOA Services)
 - Summer Glen board hired management because of the irrigation issues.
 - July and August- the system breaks down every 2-3 days. Has helped to do even/odd watering days. Has still created major breaks (floods, driveways, 6' down).
 - The system will never operate at 100%. We're stuck working with (2) 5HP pumps.

- Summer Glen hasn't had the funds for the white picket fence around the pump house or for an HOA sign at the entrance. The money always goes to the irrigation system. Cheap metal signs are \$1,500 plus a few hundred to install. Unsure when the HOA will have those funds.
 - There are a ton of violations in the HOA at any given time. Due to a new bill, fines are delayed for 60 days. Legally, management can send another notice at 30 days, and fine at 60 days, then add fines every month after that. If the owner mows, the process starts over again. The violations are more difficult to cure now. If sending violations outside of these rules, a lawsuit could cost the association \$25K.
 - Would need 42 owners to respond to change the irrigation.
 - Owners can opt in to paperless communications by emailing contact@hoaservicesco.com
- Follow up from Cayce (after a review of the CC&Rs)
 - Nothing in covenants that prohibits vertical building.
 - Fully-functional, additional homes (containing electricity and plumbing) won't be allowed by the city
 - 42 units are owner-occupied. 20 are non-owner occupied.
- Member
 - Can we move forward again with the amendment change?
 - Mark
 - Yes, the HOA would need a simple majority to approve a motion to vote to remove irrigation by amending the declarations
 - Expect \$2-3K for legal to review
 - Once removed, the HOA could remove the landscape/maintenance contract (except weed abatement which is required by the city)
 - The HOA could then sell 6 shares of irrigation for approx. \$1k/share.
 - The HOA would need to xeriscape the common areas which would create a long-term savings. The first two years would be about the same expense. Then the HOA's expenses could decrease \$8-9K/year which would be a savings of about \$149/year/owner.
 - At that time, the association could self-manage.
 - Would still have an HOA for the shared common areas.
 - Could sell the northeast and northwest common areas and pump house area as long as 67% of owners approve the amendment change. The areas could sell for \$100 each. The chances of passing this are very low. The board would need to create a committee.
 - Currently, there's a legal obligation to provide irrigation within the HOA. It's not legal to reallocate those funds.
- There was a motion to repeat the amendment to get remove irrigation
 - Motion: Mckayla Manchester
 - Second: Jennifer Caudillo

- Opposed: 1 in person, 3 online
- The motion passes.
 - The HOA will proceed with a committee. Volunteers should email contact@hoaservicesco.com. HOA Services will provide access to contact info. The longest we can keep this open is 11 months. Can mail 3 times.
 - This is contingent on approving the budget.
 - When voting, consider:
 - Can you self-water for \$145/year?
 - Would it be worth it to go without the headache of irrigation?
 - Cayce noted: The current proxies will be discarded. 42 new proxies will need to be collected. This is a fully new vote.

Discussion: 2023 Budget Review

- In order to pass the draft 2024 budget, would need 67% of owners in the meeting to approve
- The proposed budget is \$285/year. Current dues are \$215. The board will approve an increase to \$236.50 (unless 67% of owners reject it). Would then have special assessments to cover the shortfall (\$50/owner).
- These are some of the lowest dues in the valley.
- The \$8K irrigation budget is projected to get through next year without a special assessment, however, if there's a catastrophic event (street repair, \$25K), then a special assessment would need to be created. In the HOA's favor, there's one new pump, and the other was rebuilt two years ago.
- Member: Can we make the risk clear in the next amendment?
- Management: Silt is like sand-paper wearing pipes down till they're razor thin and break. When they prime the pump and turn the corner, it can only take so much water before it breaks.
- If irrigation goes away, dues could be decreased slightly, but not fully until legal fees are paid. Would need to fill in the two vaults. Then xeriscaping and weed abatement in common areas.
- Member: There's interest in beautification projects after irrigation goes away.
- Management: There could be money for a sign at that point.
- Motion to vote on the budget.
 - Motion: Baylee Pentico
 - Second: Mckayla Manchester
 - Vote to approve the budget as drafted for 2024.
 - Yes: 5 online, 5 proxies, 2 in person (total of 12)
 - 2024 budget is approved as drafted.
- The budget is impacted by those who pay/don't pay. There should be more money in the operating, if others have paid since issuing the draft budget, however, the special assessment of \$6,200 will not carry through January because it goes towards current bills.
- The board can choose to shut down the irrigation system early. Normal is around October 23rd. The board could choose to shut it down sooner because temps are cooler. This could potentially save the association money because there will not be repairs needed in that time-frame.

Elections

Marie Stobbe was willing to serve again for a 1 year term.

Self-nomination: Marie Stobbe

Second: Cecilia Hernandez

None opposed.

Baylee Pentico was willing to serve again for a 1 year term.

Self-nomination: Baylee Pentico

Second: Connie Hernandez

None opposed.

Mckayla Manchester was willing to serve a 1 year term.

Self-nomination: Mckayla Manchester

Second: Roxanne Sarmento

None opposed.

The board will determine the 3 positions and notify HOA Services of the positions.

Discussion on Community Priorities

- No further business to discuss

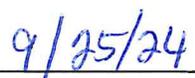
Adjournment

With no further business to discuss, Mark Shoberg asked for a motion to adjourn the meeting at 4:32pm.

None opposed.

The meeting adjourned at 4:32pm.


Signature


Date