

HIDDEN VALLEY VILLAGE OWNERS ASSOCIATION
Board of Directors Meeting
MINUTES

Date of Meeting: April 24, 2014

Time: 6:00 p.m.

Location: Home of Greg Stone: 69 McNeill Ave, Encinitas, CA.

Call in Number 1-800-567-5900 (Toll Free in USA and Canada)

Call in information:

Participant Access Code: 2160039

Organizer Access Code: *6790328

1. General

- a. 6:15 PM Call to order by President, Karen Shorr
- b. Board Members Present: Karen Shorr, Tony Cole, Kim Walters, Ruth Wheeler, Greg Sacks, Greg Stone, Ken Stickles.
Management Present: Steve Black, Jessica Martinez, Matt Zubiato,
Owners and guests: Erik Penn, Jay Meuler, Boyd Sheplar
- c. Motion: Stone; Adopt Minutes for March 19, 2014 Board of Directors Meeting.
Second: Cole
Passed: 7-0

2. Committee Reports

- a. Treasurer: 2014 budget review.

Monthly Report		
<u>As of 31 March there was:</u>		
Operating Fund		\$113,891
Contingency Fund		\$33,133
Replacement Fund		\$329,567
24.7% of the year is gone & 21% of the budget is spent		
5	Owners are in arrears for a total of	\$26,362.49
18	Owners paid in advance for a total of	(\$11,439.80)

- i. Owners in arrears. Three owners are in arrears for a total debt of less than \$100
Consistent payments for the back dues of the previous owners of unit 111 are being received monthly. The back dues should be collected over the next ten months. The claim for excess funds has been submitted for the past back dues on unit 131.
- ii. Warning Notices and Fines: None
- iii. Transfer of funds from operating to replacement and contingency
Motion Wheeler: Transfer \$52,000 from the operating fund to the replacement fund and \$1877 from operating fund to the contingency fund.
Second: Stickles
Passed 7-0

- iv. Banking options for all HVV funds and Options for CD fund: Kim reported that funds in excess of \$250,000 in a single bank are not insured. Union Bank has CD program to distribute funds in excess of \$250,000 to other banks so that they are insured

Motion: Wheeler; Allow the treasurer to utilize Union Bank's programs to distribute funds to other banks so that funds are insured

Second: Stickles

Passed 7-0

- b. Upper sauna: Greg Sacks and Greg Stone:

Architectural committee members, Sacks and Stone presented the bid from Boyd Sheplar. Their recommendation was to accept the bid and allow Sheplar to begin this project as soon as possible so that the upper pool and spa will be completed earlier in the summer. They felt there would be a significant increase in cost to the project if it was not completed in conjunction with the lower spa project based on the fact that Sheplar told them that there would be no additional permitting fees for the upper spa.

Treasurer, Kim Walters presented a five year replacement fund forecast that included cost of the lower office building and driveway replacement in 2015. It showed that we do not have sufficient funds to cover both those expenses. The recommendation by the treasurer was to not increase the cost of the summer building projects by over 20% by including the upper spa upgrades. To cover these costs HOA dues will have to be increased, or a special assessment will need to be passed for the driveway, or the association will need to take out a loan to cover the driveway. Ruth Wheeler expressed concerns that 2 bids were not solicited for the project. Ken Stickles felt confident in the one bid by Sheplar in light of his consistent performance with past projects. Ruth also expressed concerns that by doing the upper spa prior to the larger lower office building/spa we do not have the option of reducing costs by not doing the upper spa is the lower project which we have already invested in runs over budget.

Motion: Greg Stone; Move ahead with upper spa as soon as possible

Second: Ken Stickles

Passed 4-3 Voting in favor: Greg Stone, Greg Sacks, Ken Stickles, Tony Cole. Voting against: Karen Shorr, Kim Walters, Ruth Wheeler

Motion: Ken Stickles; Approve the 4-18-14 bid by Boyd Sheplar in the amount of \$44,670 plus 10% contingency.

Second: Tony Cole

Passed: 4-3 Voting in favor: Greg Stone, Greg Sacks, Ken Stickles, Tony Cole. Voting against: Karen Shorr, Kim Walters, Ruth Wheeler

- c. Lower Office Spa: Greg Sacks and Greg Stone

Architectural committee presented the bid by Boyd Sheplar for the completion of the lower spa project. Sacks, and Stone recommended accepting the bid and proceeding with the project in light of the following: The association has already incurred expenses and time spent on the drawing of the plans, and permitting process. The condition of the building is not in keeping with the architecture of the complex. There are several things structurally wrong with the existing building (dilapidated pump and heater room for the spa, tilting exhaust pipe, damaged sliding windows, worn walkways and railings)

Boyd Sheplar called in and answered questions asked by the board. Concerns by the board regarding the possibilities of costs running over the bid amounts were addressed. The time frame for the projects were clarified. Added expenses of installing additional spa equipment and plumbing for the Jacuzzi were considered.

The approximate time frame for the project is: Upper Pool building; 7 weeks, Lower Office and Spa; 2 and one half months.

Motion: Greg Sacks; Approve the 4-18-14 bid by Boyd Sheplar in the amount of \$220,920 plus 10% contingency. For the purpose of Office and lower spa remodel

Second Tony Cole

Passed: 5-1-1; Voting in Favor: Greg Sacks, Greg Stone, Tony Cole, Ken Stickles, Ruth Wheeler; Voting Against: Karen Shorr, Abstaining: Kim Walters

Action Items:

Karen Shorr will sign and return bids to Boyd Sheplar.

Tony will draft a letter notifying owners that the Pool and spa will be unavailable during construction. He will incorporate this information in the newsletter

Steve Black will take care of getting the letter mailed to owners.

Eric Penn will post the letter to the website. Jessica will update email addresses of owners.

- d. Newsletter: Ruth Wheeler does not have time to write the newsletter. Tony Cole will compose the next newsletter. It will be sent to Butner HOA services by May 12 to be mailed along with the June billing.
- e. Web Master: Ken Stickles; Erik Penn, contacted Ken and volunteered to create a new website for the association. The result is terrific. It is up and running at <http://hvvcondos.com/> Erik's out of pocket expenses were \$40. He would like to have his name and business advertised on the website. Erik has built a great easy to navigate website for the complex. Tony Cole proposed that in addition to reimbursement for out of pocket expenses the HOA further compensate him for the time that he dedicated to the website project. Erik will submit an accounting of hours donated for this project. The board will consider Tony's suggestion at the June meeting.
Motion: Ken Stickles; Reimburse Erik for out of out of pocket expenses incurred in setting up the website
Second: Tony Cole
Passed: 7-0
- f. Update documents CC&Rs and Bylaws: Ruth Wheeler, Ken Stickles, and Tony Cole have completed their review of the Bylaws and are in the process of reviewing the cc&r's. The goal for completing the project is: The committee will meet in Late May to go over Articles of incorporation, Bylaws, and cc&r's to prepare for the face to face meeting with attorney Tim Sandford in June. The committee will present the documents to the board and membership at the June homeowners meeting.
The language in the cc&r boilerplate document that the committee is reviewing contains language about tiered dues in the assessments section. This is because most condo complexes in Mammoth use this type of dues structure. Ruth shared concerns that this issue will be highly controversial. She volunteered to share all of her research with regard to tiered dues vs flat fee dues well in advance of the committee presentation to the board at the June 14, 2014 board meeting. She requested that all board members refrain from jumping to conclusions regarding assessment methods until they have reviewed the facts. Karen Shorr requested hard

- facts and statistics regarding the number of complexes who asses homeowners with tiered dues vs. flat fee dues. Ruth will attempt to get these facts without incurring cost to the association. Ruth will email her research to all board members. She requested that any conversations about tiered dues among the board members be sent to all 7 board members.
- g. Lighting/Signage: Ruth Wheeler reconfirmed that she will purchase one building letter and bring it up to the June meeting for board inspection. She will also bring some free, samples of unit number signs so that the board can see if they are adequate as far as visibility and clarity of direction. Greg Stone voiced concern about the quality of the signage. He suggested that we increase the cost and purchase signs from Mammoth Signs so that they will really make a statement.
 - h. Driveway: No new information

3. Unfinished Business from March Board Meeting

- a. Computer purchase for manager's office: Kim has researched computer needs for the office and found a computer with software that is adequate at Costco. She has volunteered to take care of purchase and delivery of the computer.
Motion: Kim Walters approve \$1,260 for the purchase of a computer and software for the office.
Second: Ruth Wheeler
Passed: 7-0
Motion: To guarantee immediate reimbursement to Kim if she needs to make the purchase with her credit card as opposed to an invoice and billing to Butner HOA
Second: Greg Stone
Passed: 7-0

4. New business

- a. Cash rebate incentives from the town of Mammoth for replacing wood burning stoves, inserts, and fireplaces. This information is on the new website under the "clean air project" at the bottom of the homepage.
- b. Owner Request's with bids for window replacement costs: Owner of unit 126 submitted bids to replace windows in accordance with the associations operating rule. Management inspected windows and confirmed that the windows to be replaced are damaged.
Motion: Tony Cole; approve \$1640 of the window replacement budget to reimburse the owner of unit 126.
Second: Ken Stuckles
Passed: 7-0
Karen Shore informed the owner that bills and proof of payment in full must be submitted when the installation is complete before reimbursement by the association.

Property Management reports. Review of attached Property Management Reports for months ending March, 2014.

The blower in the upper spa failed and needs to be replaced.

Motion: Tony Cole; replace the blower for the upper spa not to exceed \$1,500

Second: Greg Stone

Passed: 7-0

Management expressed concern that an owner who uses a rental agency has publicized a unit as being dog friendly. As a result of this there have been several infractions of the cc&r's. Management will proceed with the formal warning system and the owners will be fined if the problem persists.

5. Property Management project/item updates & related property matters (if not already addressed in written report from MRB)
 - a. Slippery walkway to H and I building: Management found rubber mats that they feel will solve the problem of the slippery walkway to H and I buildings. Total Cost is \$440. Greg Sacks expressed that the mats might create a tripping problem. He feels a better option is to replace the trek wood on the walkway with a different type of material. He will talk to Boyd Sheplar to see if this can be incorporated into the Office/spa remodel.
 - b. Phone in meeting use and set up for board meetings: management suggested that the HOA use the system that we used for this meeting. The cost is \$.05/minute for each line that calls in. The advantage is that all call ins are toll free for individuals and it is easy to set up.
 - c. Letter from Debi Bell and Vicki Johnson: Management addressed this issue as noted in item 4 of the management report.
 - d. Letter from Dona Kimbal: Karen Shorr and Greg Stone communicated with Dona Kimbal.
9. Announcement of next Board meeting: June 14, 2014 in Mammoth
10. Adjournment 10:45

MAMMOTH RESERVATION BUREAU

Property Management Division

PO Box 1608, Mammoth Lakes, CA 93546 (800) 462-5571 www.mammothvacations.com

HIDDEN VALLEY VILLAGE

Property Management Report

As of April 21, 2014

1. This winter Mammoth and Hidden Valley have not seen the volume of visitors that we normally see. There was some snowfall in the beginning of March and then again at the end of the month. Spring break from schools brought us some visitors, but there were no significant occurrences to report.
2. The blower for the upper spa failed and could not be repaired for a reasonable price. Scott from Mountain View Spas advised that the blower was not commercial grade and thus had no warranty. A commercial grade blower costs \$959 from True Value in Bishop, plus an additional \$240 for installation. Matt will construct a stand that will hold the weight of this significantly heavier machine. There is also limited pressure in the lower spa jets, but moisture issues would develop were a blower installed before the remodel of the lower spa area. Please consider that it is not normal for a spa to require an external blower to drive the

- jets. Our spas are old and probably contain some underlying problems that are difficult to diagnose and would be extremely expensive to correct. They have been replumbed time and again over the years by different vendors. Please note that the former blower broke down on April 2 and management was planning to present the matter at the originally scheduled Board meeting on April 10. That meeting was postponed to the 17th, then the 24th; thus the delay in addressing this replacement.
3. Matt and Ryan filled several potholes in the parking lot with cold patch.
 4. Onsite and offsite HVV management met for a discussion regarding productivity, follow through, snow removal priorities, improving efficiency of procedures, notifications for service interruptions of pool and spas, communications and public relations.
 5. Management has found drainage type mats that can be used along the sloped portion of the walkway leading to H and I buildings. They are about \$110 for a 3' by 5' mat, plus shipping. We think that 4 mats will cover the sloped, slippery section of the walkway. Our only hesitation is that we're buying from a catalog, from a photograph, without the benefit of personally seeing and handling the product. The written description does make it appear that the mats will serve our purpose during winter months. They can easily be lifted up for snow removal and cleaning and moved to storage at the appropriate time. Shall we proceed with purchasing the mats?
 6. A discussion is needed regarding procedures by onsite staff pertaining to transient renters having dogs in HVV units. After a report by an HVV owner to the resident manager about a dog barking in an adjacent unit, Jessica spoke with the unit owners and rental agent and advised them that renters are not permitted to bring dogs onto the Complex. She also asked the agent to discontinue promoting the unit as "pet friendly". Subsequently, in the same unit, another party brought 2 dogs with them. This was reported to Management on a Friday evening. Staff contacted the homeowners on Saturday and asked them to notify their rental agent that no dogs will be permitted in their unit. The owner promised that there would be no further incidents. Presently there is no additional action that can be taken by onsite staff. The Mammoth Lakes Police Department will not respond to a complaint about a dog barking in a unit unless damage or injury is involved. Too, other than MRB who has someone on call 24/7, rental agencies are unresponsive to our requests for assistance after normal business hours. Remedies employed by other HOA's generally include a fine policy whereby, after one warning, a written letter of intent to fine is issued by Management for the violation along with a request to appear before the Board in Executive Session and address the matter, as mandated by California condominium law.
 7. State of the Complex:
 - a. Truck mileage: 75,426.
 - b. # of rental units: 30
 - c. Rental occupancy %, March '14: 29.0%
 - d. Units for sale: none.
 - e. Units sold: none.

Respectfully submitted,

Steve Black
President, MRB

Jessica Martinez
HVV Resident Manager