

HIDDEN VALLEY VILLAGE OWNERS ASSOCIATION
Board of Directors Meeting
Minutes

Date of Meeting: Sept. 17, 2014

Time: 6:00 p.m. or immediately following the executive session meeting.

Location: Denny's, Costa Mesa. 3170 Harbor Blvd., Costa Mesa, CA 92626

1. General

- a. Call to order by Karen Shorr at: 7:51
- b. Roll call: Board Members Present: Karen Shorr, Tony Cole, Greg Sacks, Greg Stone, Ruth Wheeler, Kim Walters.
 Absent: Ken Stickle
 Management present via phone: Steve Black, Matt Zubiate, Jessica Martinez
 Guests/Homeowners present: None
- c. MOTION: Stone: Adopt Minutes for June 14, 2014 Board of Directors Meeting.
 Second: Cole
 Passed: For 5; Shorr, Sacks, Stone, Wheeler, Walters, Against 0, Abstain 1; Cole 5-0-1

2. Announcements/Orders of the day if any. Skip to Management items so that the call in portion of the meeting can be completed.

Information from 9-17-14, 5:00pm executive session meeting
 Discussed 2015 budget
 Date for Nov. board meeting and homeowners meeting corrected to Nov 15
 Election information: Completed terms are; Tony Cole, Karen Shorr, and Greg Sacks. Three positions will be open. Tony will run for a 2015-16 board position, Karen and Greg will not be running so the association is hoping to receive nominations.
 The board discussed the demand letter from attorney Ed Cross who is representing Ed Jeter

3. Treasurers Report

FINANCIAL SNAPSHOT FOR MONTH ENDED		66.6% Into Annual Budget
August 31, 2014		
Operating Fund	\$92,832	\$322,850 50.4% Operating Expense
Contingency Fund	\$35,000	\$162,575 2014 Total Operating
Replacement Fund	\$148,123	\$52,603 YTD Operating
Total Funds	\$275,955	16.3% YTD Savings/A
3 Units Past Due for HOA Dues	\$22,115	109.3% Replacement Expense
9 Units Pd in Advance for HOA Dues	(\$4,398)	\$250,900 2014 Replacement
<u>Past Due Items of Note:</u>		\$274,252 YTD Replacement
Unit 667 (111) - Ch 13 Pmts are being rec'd	\$4,326	(\$205,980) YTD Deficit due
Unit 669 (131) - Sold in Foreclosure-Jan 2014	\$17,764	267.8% YTD Repl Exp/

- a. 2014 Budget Review
- b. 2015 Budget Recommendations.
 - Steve Black will get the management contract to all board members by Sept. 30, 2014
 - Savings potential for insurance is \$5,000/year

- Snow removal and Propane were less expensive in 2014, but we will still budget the same for next year.
- Prediction is that legal fees will increase due to pending lawsuit by Ed Jeter and the expenses to complete Bylaws and CC&R updates
- Professional Reserve Study of future costs needs to be done approx. cost \$3000-\$5000. Earliest date for Study is spring of 2015.
- Lower unit plumbing will need to be replaced and it has already outlived the useful lifespan that was established in the 2006 reserve study. The plumbing retrofitting does not have to be completed using copper pipe so the estimate given in the reserve study is not accurate. The cost of replacement for plumbing will be included in the 2015 budget.
- Driveway will also be a large replacement cost item.
- Appears that the recently painted buildings are not making it to their expected lifespan and the painting budget may need to be increased.
- Kim will get 2015 budget out to board in Mid Oct. for input prior to the presentation of the budget at the Nov. homeowners meeting
- Kim will contact Butner to eliminate paper invoice backup since it is available on line.

c. Owners in arrears. No late owner assessments

- Previous owners of Unit 111 are still making payments
- Bank of America filed a claim for the excess funds garnered at the foreclosure sale of unit 131 so Hidden Valley will not be able to collect excess funds for that unit.

c. Warning Notices and Fines: None

4. Committee Reports

a. Architectural Committee

i. Lower Office Spa: Greg Sacks and Greg Stone

Shorr provided a list of all upcharges from the contractor. Many of these charges were the result of town of Mammoth requirements.

Sacks and Stone will follow up on all final cost to see if we can make changes to original bid.

Landscaping costs and requirements are unknown

ii. Buildings C, F, J should be budgeted and scheduled to paint in 2015 rather than 2018. The paint for those buildings are 2-3 years under the life expectancy for the painting. Recommendation is to look into using a higher grade paint for the scheduled painting.

iii. Flooring for new office, bathrooms and hall. There are many upcharges to the lower spa project due to town requirements. Flooring costs for the hall were not in the original plan. Upgrades for this flooring is contingent how much money is left in the project budget. The office and the manager's stairway needs replacing. Management found a cost effective carpet for replacement.

iv. Manager's unit stairway and office.

Motion: Sacks to approve the purchase and installation of carpeting not to exceed \$1500.

Second: Cole

Passed: 6-0

Management will repaint the office.

b. Newsletter: Tony will send out a newsletter for the Nov. billings

c. Web Master: Kim will work with Butner to organize payment system for website costs and follow up on the payment that was allocated to Erik Penn for his services in setting up the website.

d. Update documents CC&Rs and Bylaws: Ruth Wheeler

i. Bylaws and CC&R's have been completed and distributed to all board members. Board has directed Ruth Wheeler to follow up with Cindy Butner and Tim Sandford to get the documents ready for membership vote. The target date for presentation to homeowners is the November Homeowners meeting.

e. Lighting/Signage: Ruth Wheeler will get three bids for the building numbers and present them via email prior to the next board meeting.

f. Driveway: Ruth Wheeler. Tabled due to lack of funds

5. Unfinished Business
 - a. Driveway funding. Along with the 2015 budget preparation, Kim will present a rough cost analysis to calculate the approximate cost per unit of the driveway project so that the association can be aware of the financial burden of this costly project.
6. New business
 - a. Owner Request's with bids for window replacement costs
 Unit 25 requesting total bid \$2950 Sliders and Kitchen window and fixed window
 Motion: Wheeler approve the payment of half the cost of the bid for \$2950 (\$1475)
 Second: Sacks
 Passed: 6-0
 - b. Communications/Actions from Attorney Ed. Cross representing Ed Jeter, owner of unit 102: The board has received a demand letter from attorney Ed Cross, representing Ed Jeter, owner of unit 102. Board President Karen Shorr will draft a letter of response and will consult with an attorney.
 - c. Board Elections. Call for nominations has been sent out. Election will be on Nov. 15, 2014 along with the annual homeowners meeting. Board members whose terms are up are: Tony Cole, Karen Shorr, and Greg Sacks. Tony will run for another term of service. Karen and Greg will be retiring from the board.
 - d. Review of recent capital improvement (roofs, stairs, walkways) condition of paint at all stairs and future maintenance: Management is doing some painting and repairs. Future maintenance is included in the budget.
 - e. Appropriate communication by owners with onsite property management team: Homeowners are requested to communicate with the managers during regular office hours.
 - f. Unit 115 dog issue: The HV Dog policy has been posted.
 - g. Tree trimming and removal: Matt is doing some of the trimming to save some money.
 Motion: Cole approve bid from GF Firewood of \$1850 for tree trimming.
 Second: Walters
 Passed 6-0
7. Property Management reports. Review of attached Property Management Reports for months ending June, July & August 2014.
8. Property Management project/item updates & related property matters
 Issues with complaints about dogs near buildings H and I have diminished.
 Painting: Matt is working on touch up painting of buildings B, J, F, G
 Snow Removal: Jessica will check on the hourly rate for snow removal
 Motion: Wheeler, Accept the snow removal contract for 2015
 Second: Karen
 Passed 6-0
 Karen requested that management double check the schedule of painting and stairway building.
 Steve Black: Asked if he still needs to check with Karen prior to releasing draws for the building projects.
 Karen needs to check with the percent of completion of the project prior to Steve releasing funds.
 Management Costs for next year: Steve will get the management contract to all board members by Sept 30.
 The Refrigerator in the assistant managers unit needs to be replaced
 Motion: Stone, Purchase a new refrigerator from Sears for the assistant managers unit.
 Second: Sacks
 Passed: 6-0
 Design problem with limited space for the washers and dryers in the lower building.
 Greg Sacks will contact Chris Walker to solve the problem
9. Announcement of next Board meeting:
 DATE: Wednesday, November 15, 2014; 9:00AM Executive Session. 10:00PM Board Meeting. Yearly Homeowners Meeting 3:00 at Shiloh Inn in the town of Mammoth Lakes.
 LOCATION for Board meeting: Hidden Valley Village Condominiums. 153 Lake Mary Rd., Mammoth Lakes, CA
 LOCATION for Yearly Homeowners Meeting: Shiloh Inn
10. Adjournment 10:25PM

Respectfully submitted,
Ruth E. Wheeler
HVV Secretary

Management Reports for July and August attached below:

MAMMOTH RESERVATION BUREAU
Property Management Division
PO Box 1608, Mammoth Lakes, CA 93546 (760) 934-1603 www.mammothvacations.com

HIDDEN VALLEY VILLAGE
Property Management Report
As of July 31, 2014

1. All 3 onsite staff members participated in scraping, sanding and painting entry stairway stringers and balusters for Buildings A & E.
2. Matt and Ryan prepped and patched 4 large holes in the driveway using asphalt cold patch. They trimmed dead limbs and branches from trees throughout the Complex and continued to rake up pine needles and debris.
3. Dog difficulties persisted for a period of time this month. Both onsite and offsite staff did the best we could to address the matter with our affected homeowners. We're not sure if there is a permanent resolution at this time but things have settled down for the present.
4. Backflow preventers have been inspected for the pool and both spas and operating permits have been received from the County Health Department.
5. Demolition of the lower spa enclosure and portions of the building interior have begun this month. Management has notified reservation companies that the building and lower spa will be closed through October and that notification of reopening will be sent out when appropriate. Matt assisted the laundry equipment vendor with removing his machines.
6. A proposal was solicited and received from J. T. Hatter Electric for rewiring and bringing to code the upper spa light and pool light (\$1117 plus permit fee). A proposal was solicited and received from Angelo's Chimney Service for sweeping half of the chimneys in the Complex (\$1400). A proposal was solicited and received from G.C. Firewood for removing some dead trees and trimming overhanging limbs back from certain chimneys (\$1850).
7. Management worked with our propane provider to correct the erroneous high rate that Hidden Valley was billed for the month of June. We were successful in getting the billing rate corrected to \$2.49 per gallon, down from \$3.91.
8. State of the Complex:

- a. Truck mileage: 76,386.
- b. # of Rental Units: 30
- c. Rental occupancy %, July '14: 29.4%.
- d. Units for sale/ sold: none.

Respectfully submitted,

Jessica Martinez
Steve Black
HVV Property Management

MAMMOTH RESERVATION BUREAU

Property Management Division

PO Box 1608, Mammoth Lakes, CA 93546 (760) 934-1603 www.mammothvacations.com

HIDDEN VALLEY VILLAGE

Property Management Report

As of September 12, 2014

1. Staff continues to trim tree limbs and branches around the Complex grounds as well as keep up with falling pine needles and cones. Branches and limbs are being stacked on the tennis court. When we are finished the Mammoth Lakes Fire Department will bring their limb shredder to the Complex and provide us with wood chips that we can use for mulch (no charge).
2. Sanding, scraping and painting of C Building wooden stairway components have been performed. There are minor variations in the paint color between the fresh and old paint. B Building stairways are next on the painting agenda.
3. Construction on the lower spa building continues at a consistent pace. Electrical work is under way; concrete piers have been poured; posts and laminated beams are installed along with roof trusses; exterior ramps, walkways and hand rails are being built. Matt has been following up behind the workers by sweeping up nails and small debris from surroundings around the construction zone. Shepler's staff does reorganize and pick up the work area at the end of each day.
4. Chimneys in the lower half of the Complex were swept by Angelo's Chimney Service towards the end of August.
5. Pursuant to direction from the Board, staff drafted a Pet Policy letter pertaining to dogs. After receiving approval, the letter was distributed to all units in H and I Buildings. They have been keeping the grounds around those buildings clean from dog droppings.
6. Management received the renewal contract for snow removal from Sierra Loader Service. Their rate remains at \$149 per hour, the same as last year.
7. On September 2, Steve released to Boyd Shepler, the second draw of funds in the amount of \$39765.60. Shepler submitted Unconditional Waiver and Release forms from Hatter Electric, High Country Lumber and Shepler Construction. The next draw will be held until authorization for release is obtained from the Board.

8. The carpets in the office and stairway to the manager's unit are filthy. They have been cleaned many times over the last several years and probably should be replaced. Management has solicited a proposal from Mountain Carpet for replacing the existing carpet and will forward it to the Board upon receipt. Perhaps this can occur in early November after construction has been completed.

9. State of the Complex:
 - a. Truck mileage: 76,773.
 - b. # of Rental units: 30
 - c. Rental occupancy %, August '14: 41.0%.
 - d. Units for sale/ sold: none.

Respectfully submitted,

Jessica Martinez
Steve Black
HVV Property Management