**Meeting & Date:** Feb 4, 2019

 Foothills Fire and Rescue

**Board Members Present: Non Board Members Present:**

Britt Gaskell, President *Secretary has list – available upon request*

Jessie Jobe, Secretary

Dennis Whitmer, Vice President

Steve Swain, Treasurer

Shawn Meyer, Member

Donna Carr, Member

**Called to Order: 4:05 pm by Britt Gaskell**

**Introduction of Board of Directors**

The new and existing Board members introduced themselves to the membership in attendance and each other.

**Appointment of New Director**

Steve Boll resigned, and the Board appointed a new director. Al Summerford had the fourth highest number of votes. Renate has asked not to be on the Board. Britt initiated discussion of adding Al to the Board. He was unable to attend tonight’s meeting because he’s on vacation. Dennis motions to appoint Al Summerford to the Board to fill the vacant seat, Britt seconded the motion, and it passed by a show of hands. It was discussed whether or not we should we call and invite him to join the Board immediately. Communication via conference call may be challenging, but Shawn says we may need a 7th as a tie-breaker – the Board decided to wait and see if any votes are close.

**Discussion of Attorney for Board and CPA Audit**

Britt reached out to Dennis to help find attorneys for the Board. Dennis presented his preliminary research, and has one individual that is a liaison with the CO real estate section. One gentlemen only works with developers, but provided additional recommendations. Dennis also consulted websites that list complaints from homeowners on different attorneys. Most attorneys have a business model that includes taking over all actions of Board, charging a rate, and helping with enforcement. Dennis doesn’t believe that we need someone like that, based on size and makeup for residents. He will continue to research another option from Boulder, and continue to look for more recommendations and do more research. Britt asked if he can find 2 more firms, and Dennis is confident he can find more firms. A key question raised during the discussion - When we have an attorney, what is scope of representation? Dennis believes we’ll need an attorney for a specific issue, and the scope will be defined by each situation. We should ask for something in writing of their opinion for files. We will also need an engagement letter and to check for conflicts of interest (we don’t want someone who has previously represented a homeowner), and we’ll likely need the services of an attorney on a case-by-case basis. The Board ideally wants someone we can call and ask if we actually do have an issue, and advise us if we need it. Donna volunteered to help Dennis with the search. Another question - Do we need a retainer? Dennis says a retainer is only needed when they start working when we have a specific issue. Steve mentioned that this is how the Board has worked with past attorneys. Attorney should specialize in HOA law. Shawn raised the point of establishing a relationship with a group of lawyers, so we don’t need to find new ones when folks retire or change focus, so maybe firm is better, not an individual. **Britt motioned, and Shawn seconded, for Dennis and Donna to gather 4 names of attorneys, with websites and reviews, to send to Board for review.** The motion passed by a show of hands. A discussion of attorneys will be on the next Board meeting agenda.

The Board then discussed selecting a CPA and performing an audit. At the Dec 11 meeting, there is an outstanding action item tied to previous president. Britt asked if the Board agrees that an audit be recommended, and if someone can find a CPA. Dennis asked if there has been an attempt to ask homeowners if they support it. Britt mentioned there have been 6 individuals who have expressed support. Dennis says the CCOIA doesn’t apply to all of us, but it does have a section that discusses audits, and in CCOIA, two-thirds of the homeowners must ask for audit. If homeowners want an audit, then whomever we select should know the statues. Britt feels strongly that given the past Board behavior, an audit would demonstrate the current Board is proactive and kick off the year with full transparency. Dennis recommended that as we select an accountant, we should look to our new attorney (yet to be selected) for help, and ask about an audit from a legal standpoint. Shawn brought up the potential costs, and questions if the books are complicated enough to need an audit. Britt emphasized that the neighborhood wants transparency, and there is concern that someone outside of the neighborhood handles our books. Now that we have a treasurer, Steve will be point person for an audit, and would love help with the selection process. **Britt motioned that Dennis and Donna also compile a recommendation list for CPAs while they are finding possible attorneys.** The Board would hire counsel first, but seek their advice and recommendations for a CPA. Steve will check numbers, but a CPA would also check processes and procedures that may help us. Steve seconded the motion, and the motion passed by a show of hands (unanimous).

**Private Road Update**

Donna provided an update on the private road. Shawn asked for more details on the history and the request to vacate that road. The Board decided to find out about the process and what the current situation is, because many residents not aware of the request. The road vacate was requested by the developer, Bill Taylor. In his request, he proposed to name the community Paradiso Estates as part of the vacate issue. The requested was made in May 2017, and included a gate on the road. The community asked why the Board has not informed them. The County only communicates with Deb Carney and Sandy Harnagel. Steve said that if Sandy had received that information, she would have forwarded it to President. The Board uses her address instead of an officer because it’s stable and doesn’t change with Board. Sandy stated she doesn’t remember receiving it. T.J. and Bill both had that information, but neither brought to the Board’s attention. The request covers lots 95-92, but not lots 90, 91. There is no private road access except via easements, but everyone has the right to use it currently while the County is still reviewing the application. Donna also mentioned that Coors does not support the private road, as they border the road, and have requested information from the applicant, and that there are serious concerns regarding the vacate issue in the community. Britt emphasized that the previous board was not aware of the vacate issue, and reminded everyone that this is an update for the Board, and that two Board members (Steve and Donna) met with the county to get more information last week. The County was very helpful, and will keep us informed. A sign will be placed in the neighborhood to alert the community. During the discussion, questions arose regarding the road standards and gate. The County will not service the road, because it doesn’t meet County standards (not plowing), so how will the HOA handle that? If the applicant is asking for a gate, does that give the impression that it’s not part of our neighborhood? The HOA will not be able to take care of the maintenance for plowing or the gate. If the road is private, does it have to meet County standards? Steve says that the County said that the road couldn’t be made to their standards. The County did take ownership of our roads. So the road is a County right of way, but was built to private standards. Donna mentioned that the fire department requires the road to be maintained, there are easements that are only accessible off that road, including utilities, water, and the bridle trail. Dennis brought up two issues (1) Informing the homeowners, and does the Board have or need to have a position? (2) Assessing the County’s concerns with the road regarding fire, plowing, and if it’s the County’s job to take care of that, or the HOA, and if it’s ours, is there a liability for the HOA? We don’t want an assumption of liability. Donna says that it’s important to make the community aware because it is the comment period with the county. Planning and Zoning will make a recommendation to their Board. Shawn says the application has to be approved by the County at some point. Dennis mentioned that the County informs the HOA Board so they can disseminate the information to the community, but it is not our job to approve or disapprove. The County should apply the area developmental plan to their decision. Britt then asked for feedback on communication to community, private road, and road name change. Dennis suggested we get a copy of the original notice and provide the notice to the community? Britt mentioned that she also wants the community to be aware that the Board didn’t know about this issue before. Donna says there is another related issue: a petition for a name change for this road. It was submitted on Dec. 7, 2018 to the County. Although the applicant was a Board member at the time, the community and Board members were not informed. There is a limited time for comments from the public, with a deadline of Feb 25th. Shawn asked if the County requires HOA comments, and Britt responded no, but it’s our responsibility. Britt moved for a point of information from Bill Taylor.

Bill stated that the property has been gated for at least 10 years, and there were 3 gates, but now there are only 2. Mt. Evans Vista road was gated. Britt says it wasn’t a private gate, but from the fire department and caretakers. Bill asked for the gate to be taken down and moved. The County has approved moving the gate to create a better turnaround. It is a private road and County right of way, which was approved by the County last year. The request to vacate was almost 2 years ago. Bill says it was public information and was not kept from community. These lots go back to 1963, when they were platted, and it was designated on the plat of the HOA that they were part of Unit 3. Bill was repeatedly interrupted. Britt then called a point of order, asked Bill to provide info, and Shawn says it would be good to have more information for the community and for Board to be informed. Steve asked if the County expected a response and would like our position on both items. Dennis clarifies that the County wants the Board’s opinion. The Board decided that the community needs to know, and we are under a timeline for the Feb 25 deadline, so we need to send out information on these issues almost immediately, but other information can wait. Dennis would prefer that the Board sits out, but we can’t because the County wants a Board response. Steve mentioned that a waterline has been put under that road, so the HOA will need an easement to maintain the water lines. Britt asked that Donna and Shawn create a notice. Lou Shriner asked what the Board is going to ask homeowners to do, and Britt specified that this notice would be for information only, and tell homeowners they can comment if they wish. The County will decide on the road name, and the Cabrini street name will not change. Steve asked the applicant to clarify about whether or not an association or organization will need to be created to maintain the road, water, etc. Britt called for a point of information from Bill. Bill responded that the road maintenance and utility easement are required. Bill also stated that he thinks the road names are too similar (Mt. Evans Vista and Monte Vista), that’s why he requested changing it. Britt decided it is the Board’s job right now to inform community on both issues (name change and road vacate), but the vacate issue has more time because there’s not a deadline. **Britt asked Shawn and Donna to have a draft of notice to the community ready for the Board by Feb 6. Jessie will then distribute to the community via email.** Dennis motioned and Britt seconded to approve and distribute information to community, and the motion passed by show of hands.

Britt moved to move ARC to later to Agenda to prioritize interviewing the water engineers.

**Interview of Engineers**

The Board interviewed water engineering firms to assist with maintenance on our water lines. The water engineers will present first, and are allotted 15 minutes each. Steve gave each company a short summary of what the community is looking for – that we have 2 major issues: Sunrise water breaks and a broader issue of how to get water to everyone’s house. After each company provided us a summary and examples of their work, the Board questioned each company regarding their past experience with HOA water projects, how they communicate and work with their clients, warranties on their work, what their timeline was, what software they use, and if they have worked with LMWD before. The Board interviewed EV Studio, JVA Consulting Engineering, and Element Engineering.

**EV Studio**

Brian Welch, the civil engineering department supervisor, presented. EV Studios is a full service firm and is multi-disciplinary. It is a large firm, but the civil engineering department is a small department and they don’t comment do large infrastructure projects. Instead, they often work for private developers and municipalities, focusing on laterals and water lines that are private and state funded. They describe themselves as very flexible, and work for folks that present different problems. As a firm, they try to focus on our request, and are as hands-on or hands-off as needed. They don’t charge an hourly rate and check in all the time and they don’t like to send a bill once a month. Often, projects can be mix of construction and administration, but sometimes work with developers who want them on site every day. Have experience to do what we are looking for. Brian also described a project they completed for Brook Forest in 2018, that they use WaterCad and MEP services (actual pumping systems) software, and that they have experience working with LMWD.

**JVA Consulting Engineering**

Josh McGibbon, who is the VP in Boulder office, presented. They are a 115 person firm, with a waste water group of 30 people. They have experience working in our area, and are currently working with Hidden Valley, a new district that is connecting with Evergreen. The firm has also handed 8.5 miles of line for the Redhill Forest HOA, near Fairplay, which was a complicated involving digging into rock. They also completed two projects for HOAs in Estes Park that needed new 8” water lines to connect to City. They have also been talking to other HOAs on Lookout Mountain, and are looking into whether they can bundle together to cut costs for all HOAs up here. They emphasized that they deliver projects through good project management with a single point of contact. They also help manage the process of bidding with contractors, and make recommendations and work with the contractor. Josh said that the firm uses the Pipelines, WaterCAD, EPAnet, and Infowater software packages, and that Infowater is integrated with ESRI/GIS, but AutoCAD/WaterCAD provides a nice map for communities. Josh also mentioned that the firm is available to start right away, they have experience with gaining funding and working with small communities, and they haven’t had a claim on their liability insurance since he’s been there. They try to build long-term relationships and they will help maintain lines that they’ve designed. In addition, they have experience working with LMWD and Evergreen during their Hidden Valley project, as they needed to coordinate with both water districts to decide which one was most appropriate. They also mentioned that they could perform leak detection, surge analysis, and evaluate conditions of the system. If LMWD decides that our HOA needs bigger pipes, they can decide where we need to dig up pipes and replace.

**Element Engineering**

Nick Marcott and Mike Hager presented. Element Engineering has 10 people in their company, and they focus on working with small communities, such as municipal water, wastewater, and utility projects. Most of their projects are in Colorado. Both Nick and Mike have 10+ years of experience, and have worked together for 8 years. Element has been in business for 2 years, and has a solid client base. They will come to board meetings, and our project will not be handed to junior-level engineer. They work with Riva Chase (Forest Hills) and have modeled their system, helped with on call contractors, such as for the topographical survey, and charge subs straight through with no markup. In addition, they have chatted with Will Ratz (LMWD district manager) about our HOA and issues we are facing. Their clients are generally rural, usually requiring projects that involve thousands of feet of water main in the plains or mountains. They mentioned they will conduct a cost analysis for us to evaluate the pros and cons of working with other HOAs on the project and mentioned that they don’t think there are any risks. They also said they spend ~20-30% of their time on grant writing but don’t charge for it, and for 90% of projects, they are able to get grant money to help cover costs. They use WaterCAD and EPAnet software, and will usually do several rounds of modeling during the design and grant writing process. Moreover, they have experience with HOA that have pressure problems, such as their recent Lake Forest Project. They also have the bandwidth to get started on the project right away.

**Britt called for a 10 min break @ 6:15p**

**Britt motioned for an executive session @ 6:25p**

**Britt called the regular meeting to order and ended the executive session @6:34p**

Steve motioned, and Britt seconded, for Element Engineering to be our firm. The motion passed by a show of hands. The Board has selected Element Engineering to assist in water line maintenance and repair issues.

*[Note: Via email later in the week, it was decided that Steve would be the HOA point of contact with Element Engineering.]*

**Water Line Extension**

The water line has been constructed on Mr. Bill Taylor’s lots, but the HOA has not yet adopted them. Shawn asked for Bill to present the information regarding the water lines. Bill says he believes there is a misunderstanding about the water lines. The documents he is asking the HOA Board to sign is not about approving the construction of the water lines, it’s about accepting them and maintaining them as part of he HOA water system. Bill mentioned that Steve attended the pre-construction meeting, and an LMWD engineer inspected the water lines frequently. The LMWD Board of Directors has accepted and approved of the project and water lines as described in the documentation provided by Bill, and the water district has already established conformance. The LMWD meeting minutes from 2016 say that the lines benefit 50 homeowners by creating a loop, which has now already been constructed. Before, the lateral lines were dead ends and there were stagnation problems with a lot of sediment and build-up, and the addition of the loop has better flow. The construction of the water line included additional high standard and quality pipes, and Bill has photos of installations if we wish to verify. Bill also says that the HOA has already collected funds for these taps in 2016. In the HOA records, there is already an agreement made between Bill Taylor and the HOA for the pre-paid connection fees of one-tap. In 2016, he declined to pay for all of them at a discounted rate, and prepaid one at the old rate.

Steve mentioned that the HOA has not yet accepted any of the lines. Bill said that the lines were accepted by the Board last year and signed by the former president. Bill presented the contract, sample test, and as built plans, and the Board has a copy of the plans. David Ramstetter, his contractor, won’t get paid until the lines accepted. If we want more dues, we need to accept the line. Renate then stated that she’s not clear if this issue is referring to one tap or multiple taps? Dennis mentioned that if the HOA takes responsibility for the water lines, it’s our job to make sure that the design is sound. Bill states that our HOA is about development in the community, but people do not like it. Shawn mentioned that the other properties will still need to pay tap fees, and Bill agreed that yes, he still needs to pay tap fees for the other lots. Jessie mentioned that the meeting minutes from last year reflect that Bill has presented at meetings, and that only president needed to sign off on documents. Britt called LMWD this week and talked to Christine Shea regarding liability and who handles the warranty. The Board would like time to check on the information provided and make an informed decision. The Board is not saying no, but instead is asking for time to review the documents before the HOA accepts responsibility for the lines. There is no deadline from LMWD, and the request only needs to be approved before groundbreaking on the lots.

Shawn said that the Board should create a plan of action, because it’s not fair to Bill and also not fair to the contractor waiting on payment, and Dennis agreed that the Board needs to make an effort to sign it, but that is it not our issue to pay Bill’s contractor. Steve clarified that there are no changes to construction. Bill requested a special meeting to discuss this issue? Britt mentioned that the Board still needs to set future meeting dates and then set the special meeting date, so maybe in March? Steve mentioned that the Board needs someone with a legal background to look at it, and wondered if the lines need to be deeded to the HOA? Britt decided that Shawn and Donna will work together to research the issue, and reiterated her commitment to address the issue at a meeting in early March. Bill says he is available to help with anything the Board needs. Steve said the Board should have been more involved from the beginning, and Donna asked for warranties. **Britt formed a new committee of Shawn, Donna, and Dennis, to work with Bill to look at this issue.** Dennis motioned to ratify the committee, Steve seconded the motion, and the motion passed by a show of hands.

**ARC Report**

Karen and Paul presented a short report on recent ARC activities. Britt said that the overall goal is transparency, and she wanted an idea of what issues the Board might be involved in? Britt asked for a monthly report. Karen said that no monthly reports have ever been given, but during past 6 years, Paul and Karen have been going to Board meetings. Their role as been very informal, and they talk about issues and projects they are approving. They are also tasked with covenant enforcement, and that is usually what has presented at Board Meetings. The ARC has repeatedly asked the Board for a schedule of fines. Neighbors have reported most of the covenant violations in our community. The ARC then initiates the process by talking with violator, then sending a letter, and then another talk before bringing it to the Board’s attention. They mentioned that we need information on whether or not we are required to adopt new rules to meet Colorado statutes, and that we need a process on fines and to be fair and transparent. The membership was not very supportive of the collection policy at the annual meeting. Britt and Shawn asked the ARC to clarify their methods of notification, and Karen replied that typically, a member of the ARC contacts the resident and meets with them personally, and they talk to try to resolve the issue. Failing that, the ARC then sends a letter, then a registered letter. Enforcement of covenant violations is the Board’s responsibility. Dennis mentioned that enforcement is the Board’s responsibility, but the ARC has taken on that responsibility in the past. Karen mentioned in Article 13 of the by-laws, the ARC is responsible for approval or disapproval of property improvement plans (architectural plans and site changes). In the event that a member has made changes, the ARC has the opportunity to determine if the improvements comply with the covenants. This does mean that if you don’t submit your project, it is not in compliance with covenants. The ARC shall submit a record of compliance or non-compliance to the resident. Dennis asked that if people are not complaining, how does the ARC know about covenant violations? Shawn suggested that we need a broader discussion at one of the next meetings and the Board should receive reports to better understand what the issues are. Karen agreed to report to the Board of Directors, and Britt said she thinks that monthly reports, for transparency, would be good. Steve mentioned that we need an Enforcement or Collection policy, but not the same as before. Karen emphasized that the goal is to make the ARC approachable, and make residents want to submit their plans and engage with the community. She mentioned that we currently have pretty flexible guidelines that can be interpreted in different ways, so in the last few years, only 3 or 4 residents have really caused problems. Britt then asked about the size of the ARC, and that the Board of Directors can determine the size. Jessie asked if ARC members need to be architects, and Karen responded that architectural approval is only required for plans in the Ridges, and the ARC already has 2. Most issues that the ARC deals with are not architectural (weeds, play house, RVs, etc). The ARC wants to deal with additions, improvements, etc, but they have been charged with these non-architectural issues by prior boards. The ARC is asking that the Board to address these issues. Donna suggested that we need a new application for the ARC, and Karen agreed, saying that a number of items on the current application are not covenant violations, and people are submitting improvement plans. Shawn proposed that we discuss the issue at the next meeting and form a new committee to deal with covenant violations. Other members of the Board agreed, and Karen said the ARC would appreciate that. Karen said that the ARC writes the weed letter, and that they have strong opinions on the weed letter – and that the County is very clear that residents and the HOA need to take care of weeds. Dennis asked who handles weed on outlots. Ned takes care of some of the outlots, and Karen said that they have sprayed for weeds on the outlots, but bagless mowing is not allowed. Karen said the ARC believes in an approach of educate and communicate first, because it usually leads to higher compliance. Britt said that she would like to set up a covenant compliance committee, because there are currently 2 residents interested in serving on it. The Board should take the time to define what the committee will do, make recommendations on how to approach the problems, and be proactive. **Donna and Michele will work together to make a recommendation of what the covenant compliance committee would look like, and present their idea to the Board with a plan, a clear understanding of the interpretation of the by-laws, and propose a new application at the next meeting. Karen will assist in editing the application**. Britt also suggested Donna and Michele reach out to Renate to see how she wants to be involved. Dennis suggested that the committee makes recommendations to the Board, and the Board will decide on the action. Karen will provide the committee with a history of covenant violations. Finally, Britt asked Karen and Paul to decide who take the role of President and Secretary of the ARC, and to submit the list of ARC members (is Bruce Murdock still on the ARC?) and officers to the Board via email. Britt said that the Board would approve the ARC with a quorum via email. Britt also asked to be informed of ARC meetings, and Karen said that they don’t have regularly scheduled meetings, but that when they do have a meeting, she will let the Board know and provide meeting minutes.

**Approval of Board Meeting Minutes**

Britt mentioned that the Board should approve minutes from December and January Regular and Special Board Meetings. The minutes from the Annual Meeting in January will be approved at the next regular Board Meeting.

Dennis motions to approve minutes with changes mentioned via email and distributed at the meeting. Britt seconded the motion, and the motion passed by a show of hands. The meeting minutes from Dec 11, Jan 17, and Jan 24 Board meetings, and the Jan 8 Study Session minutes are approved.

**Meeting Adjourned: 7:52 pm, motioned by Britt, seconded by Steve, approved by a show of hands.**

**Acronyms**

ARC Architectural Review Committee

CARE Canyon Area Residents for the Environment

County Jefferson County

LMWD Lookout Mountain Water District

PHHOA or HOA Paradise Hills Homeowners Association

Respectfully submitted,

Jessie Jobe