

2016 CCW Annual Meeting

Electric Station

Tuesday, October 18, 2016

Members Present: 30 of 50 individual members; 17 of 27 households

Board President Duane Iverson calls meeting to order at 6:00pm

Sheri Hammerstad acknowledged the passing of former CCW member Ann Pyle. She also wanted members to know that Rosemary Duffy's husband has died.

Scott Wentworth announced that he and long time partner Gay Parsons (now Gay Wentworth) have been married.

Duane introduced current Board members - Duane Iverson, Frank Blain, Dee Carlson, Paul Plath, Jack Clark and Dave Burtner.

Duane announced that 2016 marks the end of Paul Plath's term with the Board. He commended Paul's significant contributions to the HOA over the years.

Duane also recognized Judy Blain for her excellent job as Treasurer

2016 Budget and Expense Review (all members received a copy prior to the meeting and a copy is attached as part of these minutes)

Duane reviewed the new format, introduced at the last Annual Meeting, where the budget is divided between Recurring Expenses (funded by quarterly dues) and Contingency Projects Expenses (funded by special assessments).

The **2016 Recurring Expenses** are projected to total about \$48,000. As of the end of September, \$32,500 had been spent. With an annual dues total of \$52,000, the estimated year-end balance is around \$4000 (\$52,000 minus \$48,000). This amount, or an amount close to it, will be carried forward in the Recurring Expenses column on the 2017 budget.

The **2016 Contingency Projects Expenses** are projected to total about \$12,800. This total includes all costs associated with maple and pear tree removal / replanting and sidewalk uplift repair. The starting 2016 balance for the Contingency Projects was \$23,500. This amount included a balance forward from 2015 and a \$500 assessment per property in January of 2016. The estimated 2016 year-end balance for Contingency Projects is \$9,000 (\$23,500 minus \$12,800 and an estimated additional \$1700 for unanticipated expenses associated with tree removal / replanting).

2017 Budget (all members received a copy prior to the meeting and a copy is attached as part of these minutes)

Duane explained the line items on both the Recurring Expenses and the Contingency Projects side of the budget.

The **2017 Recurring Expense** budget is about \$48,000. A balance forward from 2016 plus annual dues, gives a starting balance of over \$56,000. If the budget projections hold, we will have a year-end balance of around \$8000.

The **2017 Contingency Projects** budget is about \$7600. With a balance forward of \$9000, we expect to have a year-end balance of about \$1400.

Duane noted that the 2017 Budget does not include any increase in dues (currently at \$450 / quarter), nor does it include a special assessment. All anticipated expenses can be met with a year-end surplus on both sides of the budget.

Budget Discussion

Frank Elsner noted that in the past, any year-end balance from the Recurring Expense side of the budget has been used to fund Contingency Projects.

Mike Layne followed up on Frank's comment and said that because we are using zero based budgeting, paid for with our dues, for Recurring Expenses, it makes sense to move any surplus at the end of the year to the Contingency Projects balance forward for the next year.

Duane agreed that year-end surpluses for Recurring Expenses could either be moved to the Contingency Expense side of the financials which might delay special assessments in the future, or, another option would be to lower the dues. Efforts have been made, with some success in 2016, to better manage EWEB water use and our EWEB bill has been reduced.

Dave noted that while the 2017 budget shows an increasing year-end balance for Recurring Expenses compared to 2016, it could change in 2018 because we will be negotiating a new landscape contract for 2018, after receiving bids from several contractors.

Common Area Irrigation

Duane indicated that there is some flexibility in the 2017 budget because lawn aeration and over-seeding could be delayed.

Cordy said we should not put off the lawn aeration for another year.

Frank Blain said the last aeration was two years ago.

Duane noted that aeration could help mitigate some of the soggy or dry sections of the common area lawns, but we should remember that the irrigation system is aging and even with a new controller, there will still be irrigation system issues we'll continue to battle.

Sheri asked if we had addressed the issue of the landscape crew mowing through swampy sections of lawn leaving large ruts in the grass. She said she'd rather have knee high grass than deep tracks gouged into the lawn.

Peggy seconded Sheri saying she has had conversations with the crew to try to get them not to take their heavy mowing equipment across obviously soggy areas of lawn. She said some of the ruts were so deep and muddy she doubted they would heal over the winter. The crews should be able to see the impact of their equipment on soggy lawn.

Duane indicated that the Board wants to address this and other landscape issues in a meeting with Alan by the end of the year. Duane asked the members to email any Board member regarding landscape related problems they think should be addressed in this meeting. The goal of the meeting is to communicate very specific expectations to Alan ahead of 2017.

Jack said that we are spending time trying to manage A&K, when in fact they should be doing a better job of managing themselves. We need to first identify our true concerns and then clearly communicate that these are issues the HOA should not have to manage. While we already have a 2017 contract (the last contract with A&K was for 2016 and 2017), we can attempt to reset the expectations so we have a better experience next year.

Fred noted that the problems we have are aggravated by the fact they don't have a field supervisor.

Duane concurred and said we could request A&K designate a lead person in the crew so we can at least communicate to someone who is on the street each week.

Cordy said that a few years ago the Country Club upgraded their irrigation system with individually controlled sprinkler heads. This allowed them to address very specific issues that before could not be addressed. Cordy would like to see us include new sprinkler system costs in our Contingency budget, whether this year or in the future, so we can upgrade a close to 30-year old system.

Cordy added that we couldn't blame everything on the landscapers. He felt they have done the best job since he has lived on Sand Ave.

Paul recalled a few years ago there was an effort to look closely at individual common lawns. The result was that some lawns had a reasonably good base, others were burdened with clay and other had spring water contributing to soggy conditions. The point being, we have varying lawn and soil conditions that make one solution not feasible. The Board needs to prioritize and address each individual common area with appropriate solutions.

Cordy said even though the common area lawn behind his house looked better this year than in past years, he said there are still issues. We have nice homes; we'd like to have a nice backyard. He knows that he and his neighbors that share the common lawn would be will to pay

for whatever needs to be done to improve it, but he doesn't feel like they should have to do that because it is common area and we are already paying for a landscaper to maintain it.

Duane reinforced the point that members should email the Board about any issues they want discussed at the year-end meeting with Alan. He also noted we intend to solicit bids from other landscapers, as well as A&K, for 2018. Part of that process is to provide the bidders with more detail than we have in the past about our expectations.

Jack picked up on Cordy's comment about budgeting for a new irrigation system. Jack said this is a deferred maintenance issue that's costing us money and causing the concerns about lawn conditions we are hearing. We need to give our landscapers up-to-date tools they can use to properly address our diverse lawn / soil conditions.

Mike Layne said the process might look like this: identify the key issues for each common area lawn (which may include amending the soils or putting in French drains) and then install a proper irrigation system. This is big project and not something we want to do in one year, but perhaps we should build a budget for this work and look at a five to seven year plan.

Duane asked if there was a time when the HOA considered putting in new lawns?

Frank said in the past the Board considered letting neighbors that share a common lawn pay for a new lawn. Frank recalled that some people thought the HOA should not encourage individual owners to take it upon themselves to re-do common area lawn.

Mary Marquess said all the neighbors that about their common area refurbished the lawn (scalp-aerate-reseed) at their expense a number of years ago.

**Motion (made by Jack): The Board will research all the alternative approaches to the common area lawn issue.*

- No Further Discussion

- Vote: Motion approved by voice vote.

Cordy asked, what is the procedure for getting trees removed from common areas if the tree is contributing to problems with the lawn?

Duane said send an email to the Board and it will be considered.

Scott Wentworth noted that he paid to have a tree taken down as alternative to using HOA money.

Duane said we have at least two sweet gums in common areas on the west side of Sand Ave that probably need to be removed. One lost limbs during a recent storm and is also probably sucking up water that causes dry lawn issues in the common area, and, the other is causing root migration problems into a property on the neighboring HOA. Duane said is getting quotes for removing these two trees.

Seasonal Flowers

Dee reported that previously we budgeted \$1300 for A&K to plant seasonal flowers at the entrance to the HOA. A committee of Connie, Marilyn, Marlene and Dee took over the seasonal flower planting this year. Johnson Brothers came out to advise. They suggested more perennials that are easier to handle plants, more tolerant of weather and water and less expensive annually. Seasonal annual color plants may also be added next year. So far Dee reported the HOA has saved \$400 this year compared to last, next year projected savings is \$700 and after that the annual expense should be closer to \$200.

Pond Area Maintenance

Frank asked if A&K intends to do anything with pond maintenance this year? They did an initial clean up last year and we talked to them about incorporating into their annual maintenance. Much has grown back to obscure the pond, but it appears nothing has been done to clean it up.

Duane said he is unsure if this is because of miscommunication, but Frank is right nothing has been done and the \$1000 in the 2016 budget for pond maintenance has not been billed to date by A&K. This is an issue that should be added to the year-end meeting with Alan. Whatever the reason, it points again to a need to be very specific about expectations.

Frank Blain (regarding getting bids for new landscape contract) said that prior to going out to bid next year for 2018, we need to make sure we learn as much as possible from A&K about the work they do, so we are not left in the dark like we were when changed from Meadow to A&K a few years ago.

Pond Area Trespassing

Rod mentioned he has had a couple of heated run-ins with trespassers in the pond area. He noted we have a “private property, no trespassing” sign in the lawn near the small bridge at the entrance to the HOA, but he suggested we install more signs and include stronger wording.

Duane noted that if we have registered our “No Trespassing” sign with the city, they are supposed to respond to reported violations.

New Board Member Election

Duane said the Board has only 5 members (up to 9 OK) when Paul leaves at the end of 2016.

**Motion (made by Paul): Nominates Mike Layne and Connie Redhead for the Board
- Vote: Motion approved by voice vote.*

Meeting Adjourned: 7:05pm