

SHOCK HILL OVERLOOK

2021 ANNUAL HOMEOWNER MEETING MINUTES

Friday, April 9th, 2021 – 1:00 PM MDT

[Remote via GoToMeeting](#)

Shock Hill Overlook Board of Directors

- Katy Wright
- Ken Lawrence
- Karen Brand

Alpine Edge Representatives

- Steven Frumess – General Manager
- Brett Gunhus – HOA Manager
- Robin Hoffmann – HOA Accountant
- Robin Dew – Administrative Accountant

AGENDA

I. Welcome

Brett asked for owners in attendance to identify themselves by their physical address and name in order to record accurate annual meeting minutes.

Quorum was established through a combination of the proxies received prior to the meeting plus the owners in attendance.

A. GoToMeeting Protocol

Brett reviewed protocol on how owners were able to participate in a variety of ways through the GoToMeeting virtual platform.

B. Introduction of Board and Management

Steven Frumess introduced himself as the General Manager of Alpine Edge. AE Currently manage much of Shock Hill including the master association and its subdivisions aside for Shock Hill Homes. These subdivisions include Cottages at Shock Hill , Shock Hill Landing, Cucumber Patch and Shock Hill Overlook.

In attendance for Alpine Edge today is Brett Gunhus as HOA manager, Robin Hoffman as HOA Administrator, and Francisco Matta & Robin Dew who handle the association financials for Alpine Edge and Shock Hill Overlook.

Their board of directors include Katie Wright, Ken Lawrence, and Karen Brand.

C. Confirm Notice of Meeting Delivery

Notice of meeting had been sent out via USPS and as well as numerous emails from the HOA@aepropertymanagement.com email. If owners currently do not receive emails from the association, please reach out to us directly so that AE can have this corrected with the most up-to-date email information. The best way to contact Alpine Edge is by emailing HOA@aepropertymanagement.com or calling direct at 970-453-2334.

In the event of an emergency, owners may contact us at 970-453-2334 ext. 5. Alpine Edge has a 24/7 on-call emergency staff always ready to handle any emergency that may arise.

D. Review and Approval of Minutes

1. March 16th, 2019 Annual Homeowner Meeting

2019's meeting minutes were provided via email yesterday evening. There was a lieu of meeting last year due to the COVID -19 Pandemic, so 2019 was the most recent annual meeting of the homeowners.

There were no requested changes or modifications, and the motion was made to approve of these minutes. The motion was approved unanimously.

II. Policy Review

A. Common Area Maintenance

1. Snow Removal

Alpine Edge currently subcontracts with Better Views Landscaping for all of the association's plow and shovel needs. The scope for plowing within the association is maintenance of West Point Lode and all 20 driveways and flagstone entry walkways.

Maintenance occurs on applicable plow days in which it has snowed at least 3'' before 12:00 pm. During days where it snows heavily in the afternoon and evening the plow contractors will be out first thing the following morning.

The association is also responsible for shoveling all flag stone walkways up to the main entry of their property. All snow should be cleared from the entry of their home to the driveways, to allow for easy accessibility to and from the association.

AE may periodically request cars to move from the driveways if they are not allowing for the plow contractor to do his job after major storms occur. Ice build-up can cause drainage issues during spring run off if AE does not maintain properly so it's important that we keep up with these efforts and move vehicles that are obstructing any areas for the plow.

Dependent on snow accumulation from year to year, AE may also require snow hauling and storage push backs which is budgeted for, but not used annually unless deemed necessary depending on the amount of snowfall of any given year.

2. Landscaping

Alpine Edge currently subcontracts with 2V's Landscaping for all landscape efforts within Shock Hill Overlook. Their team is professionally trained and understands the requirements to properly maintain the landscape at Shock Hill Overlook and they did much of the installation of Shock Hill Overlook's landscaping, so it's in the association's best interest to work with them in the event there are warranty issues.

The annual landscaping scope consists of irrigation turn on and blow outs, spring cleanups, native grassed repairs from damage plowing efforts during winter season, fertilization of all grass areas and deep route feeding of all trees and shrubs throughout the community.

Mow & trim of native grass takes place bi-monthly or as-needed dependent on rainfall and pruning of trees and shrubs occur once per season. Weed eradication to all mulched and native grass areas, twice per season or as needed and we conclude the season with a fall cleanup.

The season for landscaping generally starts last week of May or first week of June and ends in the earlier part of October.

It important to note that the intent of the Shock Hill community is to have the properties blend with its surroundings and the communities within Shock Hill should really be an extension.

AE ask that owners please go through the design review process if owners do plan to have any exterior improvements to their property. This would be under the umbrella and oversight of design review board B, in which a formal process and application submission must take place for DRB's review.

3. Window Cleans

AE will plan to include two windows cleans this year. AE will do a clean in early May and then again in the fall around the September timeframe, weather pending.

Last year one window clean was budgeted for after pollen season, but it was requested by several owners as well as their board of directors that AE increase the amount of window cleans to two times per year which is reflected on this year's 2021 operating budget.

4. Roof Inspections & Gutter Cleans

This past fall AE noticed that a few properties had some missing shingles after a major wind came through the association last summer. Following this event, AE decided to survey all 20 roofs and look for any issues to ensure that the roofs were in good working order prior to the winter season.

When AE surveyed all 20 roofs and found minor issues on many of the roofs ranging from missing shingles, broken seals around piping and flashing that required repaired.

AE will continue to do this practice every fall season as a preventive maintenance measure and assurance for not having any roof leaks come winter.

B. 2020 Capital Expenditure Improvements

1. Irrigation

In July of 2020 the board agreed to installation permanent pop-up irrigation to the community in effort to help establish so that it could properly mature. This project was approximately \$34,000 and that was paid for with Reserve funds. But the board and management felt that this installation was important to ensure proper growth and maturity of the grassed areas within the association and believe this will add to the overall aesthetic after a few seasons.

This project was handled by 2V's Landscaping, as management and the board felt it made sense to use them given that they already handle the landscaping maintenance and they have a good irrigation department that AE believe would handle the installation correctly. 2V's did a great job with the installation and there is full coverage surrounding all of the grassed areas throughout.

In summer of 2021 we expect to notice a big difference in the grass maturity throughout the community. Any dirt or patchy areas should have proper growth this Summer from this newly installed irrigation system.

2. Concrete Drainage Pans

The board also used association reserve funds to install new concrete drainage pans that run parallel to West Point Lode. The old drainage pans were beginning to crack and break in many areas due to all of the construction traffic that occurred over West Point Lode these past 5 years. This was again paid through reserve funds. Steven pointed out that the developer paid the association approximately \$80,000 in 2020, so there was an extra surplus to pay for all of these needed projects.

3. Landscape Improvements

The board also worked with 2v's landscaping on installing additional trees and shrubs through out the community. These included various Colorado spruce, multi stem aspen, choke cherries, and some flag stone paver installed by the trash enclosure. We'll plan to review these newly installed trees in 2021 with 2V's to determine if anything needs to be warrantied or replaced.

III. Financial Review

A. Review FY2019 & 2020 Financials

A few highlights to point out on the budget and 2020 Profits & Losses statement -

Trash - Trash is an expenditure that will be over budget in 2021. When AE had originally budgeted for trash, it was \$275/ month. After one year at this rate Waste Management had increased that amount to \$320/month which AE learned in late February. AE is working with Waste Management to see if anything can be done about this increase, as we feel the increase in one year is quite significant although it is reflective of the market.

\$275 was really just an introductory rate, similar to how the large cable companies handle customer accounts. They get owners at great introductory rate and then bump it up relative to the market.

Legal - The other major overage to point out would be legal – There was a budgeted amount of \$1,000 and the spend was about \$6,000. The legal activity that made up the \$6,000 are comprised of several items ranging from declarant control handover process, to reviewing construction issues caused by the developer. There were also instances of the attorney working with an engineer to review / document the construction issues that were caused by the developer.

Landscaping - Landscaping was also over budget by approximately \$4,000. This is due to landscape improvements and additional seeding efforts and deep route feeding of the vegetation to help take route and its overall maturity.

Each other line item seems to be on course with what was budgeted.

In summer of 2021 AE will look to begin our summer staining program in which there will be a rotating exterior stain schedule that consist of restraining two buildings or 4 units per season at a rate of approximately \$10,000 per structure. AE will be creating this schedule in the spring which will be based on number of variables such as the age of the property, the exposure it has to the sun, and the overall wear of stain from year to year. There will be a 5 year schedule dependent on wear of the property. In theory if we perform this on 4 units per season, AE can get on a regular unit cycle every 5 years. It's important that AE continue our growth of the association reserves to properly fund for this program, but the program should begin this year since it's been about 5 years since the first properties were constructed.

On the proposed 2021 budget, AE has provided information in the notes column so that owners could understand the logic as to how these line items are determined. AE mostly used a combination of fixed contract rates, previous years of actuals, and/or 3 year averages to make determinations on the overall operating budget.

The board also wanted to keep dues flat to really get more historicals before AE makes any greater changes to the assessment structure. This will be reviewed from year to year.

The board was also successful in receiving approximately \$80,000 in funds from the Developer for back dues owed which really offset any requirements for an increase in assessments.

The association reserve study calls for having a total of \$204,000 in the bank account by the end of 2021. AE started the year with \$177,000 in the reserve account with budgeted \$46,000 in income over the course of this year. With a budgeted spend of \$25k that will consist of staining 4 exterior structures and seal coating West Point Lode and the adjacent driveways. With the income less expenses it should bring the reserve account to \$198,000 which will be behind the schedule of the reserve study by about \$6,000. That can be made up by savings on the operation budget or a slight increase in future assessments.

Alpine Edge had worked with the board to determine what future association dues need to be to adequately fund future operating and reserve expenditures. AE used the recently completed reserve study to figure out what long term funding will be needed to support the association responsibilities for repair and replacement of all "common elements" in Shock Hill Overlook.

The common elements that need to be funded for long term replacements purposes can be found within the association's CCR's, or Declarations governing document. These common elements consist of landscaping and irrigation, asphalt roadway and driveways, silem stone walkways and stairs, concrete patios and drainage pans, site lighting, siding, roofs, gutters, heat tape and anything that is part of the exterior structures within the association.

All of these common elements are the responsibility of the association to maintain, repair and or replace.

Steven explained that the purpose of having a reserve study is to give those overseeing the maintenance of the property a better idea of what major expenses to expect and an educated estimate of when these expenses will occur for all of the common elements that he shared.

With this knowledge, the homeowners' association board and management can create a budget so that membership can make its needed share of reserve contributions to offset the slow but steady ongoing deterioration of the association common area assets and avoid being surprised by paying for components that are in need of repair and replacement when those needs arise.

While AE determined Overlook's 2021 budget / dues amount, there were two components that needed to be factored: 1.) the operating budget and 2.) their reserve funding budget.

An operating budget shows the associations projected revenue and associated expenses for the upcoming year for all of the day to day and month to month expenses. Examples would be snow plowing, shoveling, landscaping, window cleaning, gutter cleans, HOA management fees, and repair & maintenance items. These is essentially the same items discussed in the Profits & Losses statement that AE reviewed prior to this section.

The reserve budget is a fund for the association's major repair and replacement projects such as replacement of the roof, resurfacing overlay of roadway and driveways, replacement of exterior siding, landscape or concrete patios and walkway repairs.

IV. Other Business

A. Sales Update

Shock Hill Single Family Homes Sales since January 1, 2020

Address	Sales Price	Price Per SF
33 Iron Mask Rd	\$4,600,000	\$581.84
55 Brooks Snider	\$4,999,000	\$954.19
88 Brooks Snider Road	\$5,050,000	\$961.72
532 Peerless Drive	\$7,000,000	\$914.32

Shock Hill Overlook Sales since 1/1/2020

Address	Sold Price	Price Per SF
18 West Point Lode	\$3,120,00	\$1,139.10
60 West Point Lode	\$3,125,000	\$1,145.53
90 West Point Lode	\$3,200,000	\$1,159.00

Shock Hill Overlook Sales since January 1, 2017

<u>Address</u>	<u>Sold Price</u>	<u>Price Per SF</u>
18 West Point Lode	\$2,187,500	\$875.35
32 West Point Lode	\$2,750,000	\$1,100.44
44 West Point Lode	\$2,400,000	\$960.38
60 West Point Lode	\$2,500,000	\$1,022.08
64 West Point Lode	\$2,600,000	\$1,018.41
68 West Point Lode	\$2,500,000	\$998.00
72 West Point Lode	\$2,450,000	\$982.75
76 West Point Lode	\$2,400,000	\$952.38

B. Insurance

The board is currently looking into adding an insurance policy for the property. This would ensure the physical structures to the event there is damage to them. Currently the association only has general liability and directors & officers policies, whereas the homeowners personal H06 policies cover the structure. This would put more of the onus on to the association rather than the owners, if Shock Hill Overlook were to retrieve a policy that covers physical structures.

C. Updates to Governing Documents

1. Rules and Regulations
2. Responsible Governance Policies Document

The board & legal counsel had drafted & announced the 2 governing documents above. The Responsible Governance Policies Document can be summarized as a document which sets regulations in place for the board & aspects of routine governance.

The Rules & Regulations are a relatively simple document for all owners regarding day-to-day rules for them & their guests to abide by. Some rules such as parking & lighting were clarified but owners seemed to have a good grasp on expectations. The rules will start being enforced the following week.

V. Adjournment

The meeting was adjourned at 1:45 PM MST.