

**Highlands Board of Directors Annual Meeting
February 25th, 2021 at 6:30 PM
(Zoom Conference)
Minutes**

1. Call to order - Wayne called meeting to order at 6:30p

a. Board Members Present (Quorum):

Wayne Vincent
Sue Swensen
Eleanor Andrejko
Kate Stucke
Claudia Vincent

Units present: 109, 208, 424, 212, 155, 421, 133, 134, 117, 403, 426, 127, 153.

b. Proof of Notice of Meeting or Waiver of Notice

2. Approval of Board Meeting Minutes from January 13th, 2021

Ellie motioned to approve

Sue: Second

Approve: Sue, Claudia, Ellie, Kate

3. Community Open Forum for Items on the Agenda

N/A

4. Annual Address – Board

Wayne thanked everyone on the board for their hard work and residents for volunteering their time. A lot was accomplished in the last year and last months. Ellie commended the beautification team for their work on the landscaping. Ellie and her team did a great job on maintaining our insurance coverage. Mark and the maintenance crew are doing an excellent job at maintaining our grounds.

5. Annual Board Member Election

Mark reported that 64 envelopes were returned. One person did not sign the owner card and one did not return the ballot but signed the card. Therefore, we have 62 completed votes, which is insufficient for a quorum. This meeting will not be adjourned and be continued next month, when we hope to have sufficient ballots returned.

Kate will look into online email validation that could take the place of the owner signature card.

6. Officer/Committee/Property Manager Reports

a. Finance/Treasurer Report - Ellie Andrejko

In January 2021 we had a total revenue of 46,635. The insurance charge will increase slightly in March (see below). Legal fees (\$3070) were high due to lots of consultation. There were no big increase in TV and cable. Total operating expenses were \$35,132. Our net income was \$8677.

Insurance Update

Leah asked 13 different companies for a bid. All declined due to our loss history or age of our buildings. This is our 2nd year in the risk pool. We hope to get out of the risk pool in 2-3 years. Our current Nationwide coverage rate was increased by 4%. Because there was an increase to employee dishonesty coverage, and because we added workman's comp to the Nationwide coverage, the total increase was 9%, for a new annual cost of \$88,000. Our renewal date is 3/15. The financial committee will review the new details and make recommendation by the next meeting on March 10. We do not have an alternative to Nationwide. The fireplace inspection mandate was walked back; not all units needs to be inspected, only those the HOA considers functional.

b. Manager's Report - Mark Campbell

We hired a worker (Andrew) to help Greg 3 days a week with the clean-up project. We are staging the wood debris along the road until it will be transferred to a dumpster in the next week or two.

Evergreen roofing will be here on Mon or Tues to do Treehill 125-132, then Stonewood 409-416 and 417-424.

c. Safety Committee – Wayne & Mark

Fireplace Inspection update: Nationwide will only require annual inspections of fireplaces approved for use by the HOA. To date, 111 units had an inspection or provided pictures of modifications; 6 fireplaces failed inspection. Seventeen units have not responded. The board will develop a fireplace policy based on insurance requirements.

Security Cameras Update

The test of the Nightowl camera was not completed because of privacy concerns. A test would require us to sign into the company's server. Local storage devices can be stolen. Given that we simply want to test the technology and the camera's reach, Mark will buy a camera system and test it by March 10.

d. Rules & Regulations (Claudia & Kate)

The committee reviewed the CC&Rs, Bylaws and House Rules and developed draft documents. Concerns about our ability to enforce the rules exist. A more nuanced fine structure might be necessary to match fines with the impact rule violations have on our community. The committee will clean up the drafts of the rules and fines and the documents pertaining to commercial activity. The next set of draft will be sent to owners and reviewed by the board during executive session after obtaining a legal opinion.

e. Beautification & Grounds Committee (Claudia)

The clean-up project to reduce our fuel load is progressing. Charcoaled pieces of wood apparently thrown off rear decks are a concern.

7. Unfinished Business:

Laundry Rooms (Ellie)

We might consider raising the cost of a washer and dryer load by \$.25. This would increase our laundry revenue by about \$4000/year and offset costs for the Merry Maids service (about \$300/month). Mark will inquire how much it would cost to reprogram the machines to accept \$1.25.

Noise Issues (Wayne)

We obtained a legal opinion on noise abatement. The attorney determined that the common space between units is the HOA's responsibility. MarkE has requested that we hire a professional inspector to test for structural issues. Because there are issues with multiple flats, inspecting one building might not be reasonable. A structural review was done 10 years ago and foundations were fixed. Re-inspection occurred 5 years ago; however we have no records on file.

We do not have current or previous knowledge of structural issues that the HOA needs to address. The only way to identify issues is by inspection. Our limited capital budget is allocated to (1) safety, (2) maintenance, and (3) improvements. We don't have any knowledge of structural safety issue and therefore we don't have a basis for inspection.

Most noise issue seems to be a behavioral problem. Behavioral problems needs to be worked out with neighbors, then owners, then the Board (keep a log), then via police report, and then civil litigation.

MarkE will explore options for an inspection with MarkC.

Fireplace Chimney Repair (Wayne)

One owner requested the HOA to fix the chimney which was deemed unsafe during the last inspection. Our attorney stated that replacement and repair of chimneys and fireplaces are the owners' responsibility.

8. New Business

Invitation of non-owners to meetings

We obtained a legal opinion that states that only owners can attend board meetings. Owners cannot invite guests or proxies. All attendees at regular board meetings need to be approved by the board. We need to develop policy regarding meeting attendance of non-owner residents, significant others of owners, and roommates of owners. Guest presenters can be invited.

Trees in front of 425-432:

One owner expressed concerns about two trees. Trees were not identified as hazardous during last routine inspection. Re-inspection was done. No motion was made.

Communications (Claudia)

It might be beneficial to develop a process for how issues and concerns can be communicated to the board. Communication will be taken up by the newly seated board.

Fire/evacuation plans (Ellie):

We need people to be prepared to exit at short notice during fire season and to do so safely. We will put together a committee of owners and renters to develop a plan/procedures.

9. Community Open Forum for Items Not on the Agenda

Glenn would like to serve on the evacuation committee to develop a plan specific to the Highlands.

10. Next Board Meeting: March 10th, 2021.

11. Adjournment—The annual meeting was not adjourned and will continue on March 10th.