

Special Meeting Minutes
Pine Cone Acres Homeowners Association, Inc.
February 16, 2015
Fire Station One
11445 Teachout Road Black Forest, CO 80908
(Teachout at Burgess, just east of Black Forest Road)

THIS BOARD MEETING WAS RECORDED FOR ACCURACY IN REPORTING MINUTES

Call to Order (5:34): President Sharp called the meeting to order at 6:35 p.m.

Members of the Board Present:

Maggie Mae Sharp – *President*
Dennis Johnson – *Vice President*
Monika Eckmann – *Secretary*
Ray Sherrier – *Treasurer*
Linda Sweeney – *Board Member*
Bill Tyndall – *Board Member*

Homeowners present: Jeff Sweeney, Kathy Fagerholm, Rob Smither, Eric Clements, Roger Stone, Glenda Sena, John & Janet Lohmeyer, Shawn & Heather Stanley and Melanie Kolodziejczyk

President’s Opening Remarks (6:44): Tonight we will be sharing with you what we have been doing as a Board for the benefit of Pine Cone Acres for the past couple of years and we are going to briefly discuss the need to raise the Annual Dues. We are not going to entertain any other topics.

Approval of the February 16, 2015 Agenda (7:55): Mr. Johnson moved to approve the February 16, 2015 Agenda as written, seconded by Mrs. Sweeney; unanimously passed.

NEW BUSINESS

Introduction to Board Accomplishments (Mr. Johnson) (8:22): We moved to Black Forest and to Pine Cone Acres specifically because of the HOA, Covenant protected property and the quality of the neighborhood and the enduring value of our major investment. We have been blessed with a property investment that needs to be protected - our home. For us, now, we are here because of the quality of life and neighbors, investment protection and a peaceful environment.

I have recently rejoined the HOA board and have been intensely impressed with the hundreds of voluntary hours and dollars that they have put into preserving this quality of life for us as home owners. It’s hard for me to get into Policies and Procedures, but I’m impressed with the Policies we’ve had to do because of the regulations that will be explained. I am so grateful for the benefits I enjoy because of the work they have done. Thank you fellow board members for your diligent and selfless effort that allow us to have great neighborhood benefits with such minimal fees. Everything from architectural control to fire mitigation and land preservation, legal protection and even arbitration when necessary when there is a disagreement of property borders. The board has identified some of these benefits and they are going to give a short narrative

on them. Please listen and appreciate why we live where we live and the reason for the increase in HOA fees to cover the cost of these benefits.

Board Presentations

- *Ms. Sharp (14:20)* : Obtained Deep Water Rights in 2007

The project to acquire the deep water rights to the Denver, Arapahoe and Laramie-Fox Hills aquifers of the Denver Basin below Pine Cone Acres began in 2005 and was finalized in 2007. Pine Cone Acres acquired these rights and then those Homeowners who wished to participate in the program were deeded back rights to the deep water rights beneath their properties via quit claim deed. The quit claim deeds finalizing this process are filed with El Paso County and the State of Colorado.

At that time, several Homeowners chose not to participate, for various reasons, perhaps planning to sell their home soon, etc. I very recently discovered that these deep water rights will remain in the name of (belong to) the original Homeowners until such time as some sort of formal transfer is made (quit claim). After speaking with Julia Murphy, Hydrogeologist this morning, who assisted PCAHA in the process of filing with the State, she indicated that any Homeowners who may wish to also file for those deep water rights can contact her through me for assistance. Mr. Murphy indicated that the process in 2015 would cost approximately \$1,200 per property, rather than to use an attorney to the tune of approximately \$7,000+. Please contact me if anyone would like further information about the deep water rights for their property.

BUYERS:

Those who have recently purchased a home in Pine Cone Acres should research public records for El Paso County to see if those deep water rights are still on file under the name of the previous owner. It should be noted that not all Homeowners wish to sell those rights along with their home, so this is a good question to have an answer to.

- *Mrs. Eckmann (18:08)*: 80 Acres – fought against paving our roads:

In 2006, Developer Grant Langdon, Reunion Homes tried to develop Pine Cone Ridge (also known as 80 acres) and pave our roads. Due to PCAHA and PCRHA's fight to not pave our roads and the economy, developing Pine Cone Ridge came to a halt. Now that the economy is doing better, development has continued and Mr. Langdon has said that the roads will not be paved. There will be fifteen homes, approximately five acres each.

- *Ms. Sharp (20:27)*: Well Permits: discovered and informed Members about registration problems with State

The PCAHA Board discovered an administration problem with the State. What that means is the well permits that came with our properties are basic house wells which will go with your property when you sell it. Not all well permits were properly filed by the builders. For instance, we found our well permit isn't filed at all. The purpose of this presentation is to inform the Homeowners that their well permit might also not be properly filed and they should look into it. Contact me if you have any questions. I can send you the form (there is no cost) to complete and file with the State.

- *Ms. Sharp (21:40)*: Obtained Liability Insurance for sign to protect the Membership (a State requirement)

We acquired insurance for the sign last year. There was a new State Law requirement in 2012 to have insurance on anything that could be a liability, such as a sign. It was a necessity to insure it for liability so the Board took steps to follow the State Law requirement.

- *Mr. Stone (22:50)*: Obtained D&O Insurance (recommended by HOA attorney)

While I was on the Board, about two years ago after visiting the attorney, we were asked why we didn't have insurance. Almost every other Board carries insurance. Insurance is for what you do and you don't do. We got insurance which covers the Directors and Officers as Board Members, the Architectural Control Committee and it also covers Pine Cone Acres as an entity because PCAHA is an entity in its self. So it covers any lawsuit that might be levied against Pine Cone Acres. If we didn't have insurance and someone sued Pine Cone Acres for \$1M, that would be \$22,000 per Homeowner. So, we thought insurance may be the cheaper way to go.

- *Mrs. Eckmann (24:35)*: In contact with El Paso County to *resurface* our roads with Class 6 Mixture (NOT PAVING):

I sent an email in 2012 to Robert Williams (ex-Urban Grader Foreman – El Paso County DOT) to complain that our roads have been a wash-boarded, slippery-when-wet mess since the mid to late 1990's. I requested that road base be re-applied in our development just as was done on Kirk Road – a very good Class 6 mixture we saw here years ago. I received a reply that our roads were on the list for 2014 re-surfacing, but due to the fire and massive flash flooding, our roads were taken off the list.

I recently asked Lynn Williams, Urban Grader Foreman, when we will be back on the list and when we can expect improvements on our roads? Ms. Williams said, our roads are not on the gravel list for 2015 nor has she seen it on any future lists for re-surfacing. The gravel re-surfacing budget has been significantly curtailed and many roads like ours that may have been on a list at one time - no longer make the cut. Re-surfacing is reserved for roads in the very worst condition and unfortunately there are far more roads in need than resources allow for. She will forward my concern and request, though at this point, she would not be too optimistic for changes.

- *Mrs. Eckmann (26:40)*: Spent over a year writing our Policies (required by State Law):

As a result of two Senate Bills and three House Bills (Senate Bill 05-100, Senate Bill 06-89, House Bill 1359, House Bill 11-1124 & House Bill 08-1135), Colorado homeowner associations are required by law to have nine written responsible governance policies and procedures on the following topics (which have dates):

1. **Collections** (1-1-06) Roger Stone - policy renamed
Assessment Collection Policy
2. **Conflict of Interest** (1-1-06) Ray Sherrier – policy renamed
Conflicts of Interest Policy
3. **Conduct of Meetings** (1-1-06) Janet Lohmeyer/Kristie Hawkins – policy renamed
Meetings Policy

4. **Enforcement of Covenants and Rules** (1-1-06) Monika Eckmann - policy renamed
Covenant Enforcement Policy
5. **Records, Inspections and Copying** (1-1-06) Tina Routhier – policy renamed
Requesting Association Records Policy
6. **Investment of Reserves** (1-1-06) Kristie Hawkins – policy renamed
Investing Association Reserves Policy
7. **Adoptions of Policies** (1-1-06) Monika Eckmann – policy renamed
An Introduction to Policies
8. **Disputes between the Association and Owners** (1-1-07) Bill Tyndall – policy renamed
Procedure for Addressing Disputes Policy
9. **Rule Making Procedure** Janet Lohmeyer – policy renamed
Policymaking Procedure Policy
10. **Election Procedures** Janet Lohmeyer – policy renamed
Election Procedures Policy
11. **Reserve Studies and Reserve Funding** (8-5-09/7-1-10)
There are no Reserve Studies and/or Reserve Funding available for PCAHA.

ALL Board Members contributed to writing our Policies. It took a lot of hard work and many hours of teamwork to arrive where we are today of the writing of our Policies for the Membership.

- *Mrs. Eckmann (30:00)*: Implemented new PCAHA website (www.pineconeacres.wordpress.com):

www.pineconeacres.wordpress.com has been accessible for a year. By now, everyone should have had the chance to see how valuable the website can be. The Governing Documents, Board Meeting Minutes, Board Member Information, Policies and more can be seen on our website. There is also a Members Only site which is still “under construction”. I will send an email with the password to all Members.

- *Mr. Sherrier (31:50)*: Providing requested mediation between Homeowners on disputes, as necessary

We do have a Policy in place, which was approved by the Board. The Policy encourages resolving a dispute with a neighbor. If unable to resolve the dispute between the two parties, provide the Board with a written request to help resolve the dispute. It can be handled in private and has been successful in the past. Using mediation can be useful and can save homeowners a trip to court.

- *Mrs. Eckmann (33:20)*: Speakers have been brought in to keep Homeowners informed on fire prevention, mitigation and land management:

Lt. Scott MacDonald gave a presentation on Basic FireWise and FireWise Community at our Annual Meeting in August. Well-presented and very informative; we as a community should get involved. Lt. MacDonald gave me information for distribution to homeowners if they are interested. The program provides two signs to post at each end of our subdivision when the program is completed and a FireWise Committee must be ongoing to receive grants. PCAHA is looking to form a FireWise Committee so we can get started in becoming a FireWise Community. Mr. Sherrier informed the Board Members and Members present that Lt. MacDonald is no longer with the Black Forest Fire Department and is currently working with FireWise communities. Lt. MacDonald can be reached through Black Forest Together.

- *Ms. Sharp (35:30)*: Alerted Members to the new required *Septic Transfer of Title Inspections* now in effect, a potentially large expense for some who plan to sell an older home

There is a new regulation regarding Septic System Inspections when selling a home in El Paso County. The arrangements for the inspection plus the related costs are the responsibility of the Seller, and are regulated by the El Paso County Health Department. This new regulation took effect January 1, 2015. Information can be found at the El Paso County Health Department or call them for the names of other licensed professionals, or contact your realtor.

Any homes sold within El Paso County (i.e. Pine Cone Acres) after January 1, 2015 must have their septic system opened and inspected by a licensed inspector prior to the home closing and pay to receive a certification of the inspection. Lenders will be requiring written certification to be included as a part of the loan documents as of January 1, 2015. As an example, the cost for the inspection at Arrowhead Septic was quoted as approximately \$250-\$450; if you elect to have your septic pumped at the same time as the inspection, that fee could drop somewhat and the total cost is the reduced fee plus the cost to pump your septic tank, which will vary according to the number of gallons.

The important thing to remember is that a septic cannot be properly inspected if it has been pumped prior or too close to the inspection; so, if you were to have it pumped just prior to closing and then found out that you must also have it inspected – the cost will rise significantly because they must pump it full of water in order to perform the inspection properly.

Eric Clements recommended homeowners call 811 to have all utilities marked for free before doing any digging on their property.

Annual Assessment Increase Discussion and Vote (39:37):

(40:00) *Janet Lohmeyer*: Is there a way to check our septic's to make sure they are up to code? Ms. Sharp suggested calling any septic company and ask what they charge for an inspection. Janet Lohmeyer also asked when are the Annual Dues due? Ms. Sharp replied August 1, 2015.

(46:00) *Melanie Kolodziejczyk*: The dues we paid in August, were they for 2014 or 2015? Mr. Sherrier verified, dues paid in August 2014 were for August 2014 – August 2015. If the Dues Increase vote passes, it will take effect August 2015.

(47:50) *Heather Stanley*: If after raising the dues and not everyone paid, would we still be covered for the year? Ms. Sharp said, that is our hope.

(48:30) *Shawn Stanley*: I read in the minutes about the overcharge to the attorney and reimbursement. Ms. Sharp reassured him a refund had already been received.

(49:40) *Janet Lohmeyer*: Because we didn't have insurance before put us in a high risk category. Now our premiums are lower since being established.

(52:00) *Glenda Sena*: Other HOAs pay hundreds of dollars a year. Our dues are ridiculously low.

Next Board Meeting:

Monday, March 16, 2015

Monday, April 20, 2015

All meetings are held at Black Forest Fire Station One, 11445 Teachout Road, and begin promptly at 6:30 p.m. All Homeowners are welcome and encouraged to attend.

Meeting adjourned at 7:26 p.m.

Minutes Submitted by,

Monika Eckmann
PCAHA Board Secretary

Maggie Mae Sharp
PCAHA Board President

Board Accomplishments

- Obtained Deep Water Rights
- 80 Acres – fought against paving our roads (2006)
- Well Permits: discovered and informed Members about registration problems with State
- Obtained Liability Insurance for sign to protect the Membership (a State requirement)
- Obtained D&O (Directors and Officers) Insurance (recommended by HOA attorney)
- In contact with El Paso County to *resurface* our roads with Class 6 Mixture (NOT PAVING)
- Spent over a year writing our Policies (required by State Law)
- Implemented new PCAHA website (www.pineconeacres.wordpress.com)
- Providing requested mediation between Homeowners on disputes as necessary
- Speakers have been brought in to keep Homeowners informed on fire prevention, mitigation and land management
- Alerted Members to the new required *Septic Transfer of Title Inspections* now in effect, a potentially large expense for some who plan to sell an older home

Financial Needs

- Liability Insurance (D&O) \$779
 - Liability Insurance (sign - required: CCIOA 38-33.3-313) \$314 (\$281.00 was donated for 2013/2014)
 - Legal Fees for advice (as necessary) \$300-\$500
 - Annual State Registration Fee for Non-Profit/Corporation \$10
- PLUS: Various Board Members have previously donated costs below amounting to approximately \$1,700 over 3 years and will now become an ongoing financial need:
- Annual Election Costs (paper, ink, envelopes, printing and postage)
 - Costs of distribution of HOA notices to Members without email (paper, ink, envelopes, postage and fuel)
 - Miscellaneous HOA business (paper, ink, envelopes, printing, postage and fuel)
 - Office materials necessary for permanent storage of HOA Records

"A financially viable association able to perform its duties will lead to a better community and, as a result, protection of property values"
Association Times Staff Writer