

**Sundance Homeowners Association  
Spring Board Meeting  
May 17, 2017  
5:30-7:30PM @ KJ's: 4055 Dawn Ct  
MEETING NOTES**

## **Attendees**

### Board of Directors

- K.J. McCorry, President
- Kim Rider, Vice-President
- Samantha McBride, Treasurer
- David Julie, Secretary
- Lynn Beaty, Director

### Architectural Control Committee Members (attending only Sundance Walkabout)

- Kim Rider
- Scott Troetel
- Ralph Doane
- Carrie Mabie

### Sundance HOA Partners

- Nick Conley, Property Manager from Highland Realty & Management

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## Sundance Walkabout

The Sundance walkabout was conducted with the ACC on **April 13, 2017**.

### Common Area Care

- Lawn Fertilizer: The board approved that non-toxic, organic fertilizer be applied to the common area lawns by Organolawn. Nick will follow up with the 2017 schedule and send to LID Landscaping.
- Sprinkler Schedule: LID turned on the sprinkler system in April 2017
- Sprinkler Repairs: The board reviewed the assessment of the sprinkler system from LID.

Matt McMillan, Maintenance Irrigation Manager, LID, provided the HOA a review of the sprinkler system for future repairs on February 3, 2017. The following are his recommendations and these cost items were added into the operational expenses of the reserve study and future budgets:

*Over all the taps are good and the backflow preventers are in good shape and should last several more years. Moving forward I would tell you that a good investment would be to upgrade the irrigation controllers (clocks). My other recommendation would be to replace / rebuild the zones that are not watering efficiently or needing repairs frequently. As we rebuild the zones we should evaluate the manifolds and vales that run each zone. It is more cost effective to replace entire manifolds and all the valves at once when we have it excavated, rather than continuing to dig it up to do one at a time or replace the manifold and not the valves. We have upgraded the manifold that runs the area along 28<sup>th</sup> St already. If there is an issue with a valve or the manifold in the other areas we should update the entire manifold and all the valves at that time. There are three controllers (clocks) to replace and each would run from about \$700 to \$1,000 installed based on the number of zones each clock runs. Two of the clocks are smaller and one has more zones and would cost a bit more. We will evaluate the priority of the zone repairs when we start the system up again in spring 2017. The cost for a new zone would depend on the size (number of heads & length of run). Ball park would be \$800 to \$1,500 per zone re-build.*

- Tree Care: Taddiken provided a proposal to trim and remove trees in the common area. The board approved the tree proposal via email and work was performed May 15, 2017.
- Beetle Applications: In the past years, Verbenone pouches were applied to the HOA pines trees to protect them from the pine beetle. The pine beetle is now in decline in Colorado and it was recommended by LID that these pouches would not be necessary to apply any longer.
- Ash Trees- Emerald Ash Borer (EAB)

The Emerald Ash Borer pest was identified in north Boulder in 2013. It is expected this pest will affect many of the Ash trees located primarily in the Sunrise common area. The board, in keeping consistent with no toxic chemicals in our common area, will not treat the Ash trees with pesticides. When the ash tree has been identified as infected, it will be removed and disposed of per City of Boulder guidelines. David Julie, Secretary, continues to check the ash trees monthly for EAB. To date, there has been no definite evidence of Emerald Ash Borer in the Sundance community areas.

### Crystal/ Dawn Court Common Areas

- Ditch cleanup: The water ditch was cleaned up by LID landscaping of leaves and tree limb debris in early March 2017.
- Playground Area: The playground area was in good condition. No repairs or maintenance cited.

- Bridge: The bridge was re-painted in October 2016.
- Fence: There was a broken rail on the fence near the playground. It was observed someone tried to repair the fence. The HOA members will be informed to contact the HOA for future repairs to fences.

### Mailbox area

- Mailbox Maintenance: SHOA signage was found in good condition. The bulletin board was found in good condition. *Note: The SHOA is only responsible for the maintenance inside the fence of the mailbox area. Everything on the other side of the fence is the responsibility of Mr. Setlock (based on an agreement made with SHOA in 1998)*

### Sunrise Common Area

- Mulch: The HOA contracted with EarthLovers Design to re-mulch the garden area at Sunrise Court. During this work it was noted that weed cloth had been lifted during sprinkler maintenance and needs to be tacked down again by LID.
- Ash Tree Removal: Two Ash trees were identified by Taddiken to be removed. Some of the larger branches need to be pruned for safety reasons and they determined it would be more cost effective to remove the tree vs. trimming since the ash trees will eventually need to be removed.
- Fence: The common fence in Sunrise court, along the homes along Amber was repaired in November 2016. The work performed by the fence vendor was of adequate quality and one homeowner complained about the work.

### 28<sup>th</sup> Street Common Area

- Fences:
  - **Fence Along 28<sup>th</sup> Street**: This fence needs some repair work to fix posts and loose slats. A few of the fence vendors have recommended this fence needs to be completely replaced. The costs range from \$20,000-\$25,000 to replace the entire fence.
  - **Fence along homeowners on Autumn Ct/28<sup>th</sup> Common Area**: This fence was repaired in September 2016. The ACC reviewed this fence and determined full replacement is not needed at this time.
- Trees: The new trees planted by LID in the fall of 2014 and the seedling trees planted by David Julie in the Spring of 2015 all looked good and alive. There are two trees along 28<sup>th</sup> Street Common area, behind Dawn Ct, that fell during the winter that were removed by Taddiken.

### Creekpath

- Trees: It was noted minor tree trimming was needed along 28<sup>th</sup> Street Creek Path.
- Fence: The fence that abuts against the East Creek Path and behind Dawn Ct homes was observed to be very wobbly and loose.

### Common Driveways and Parking Areas

- Pothole: There was a pothole identified on Dawn Court street next to the creek path. Nick reported the pothole damage to the City of Boulder.
- Parking Areas: The parking area trees were checked. There is minimal tree trimming needed that LID will take care of.

- Dawn Court Bushes: The new bushes planted in the Dawn Court parking area in 2014 were alive and showed signs of growth and bloom.

### **Dawn Court Triangle**

- Ditch- Waterway: The ditch waterway in Dawn Court Triangle was observed to be relatively clean and free of debris.
- Maintenance: It was observed that a Dawn Court homeowner has been storing gardening supplies and debris in the common area. Nick will contact the homeowners and ask them to clean up their belongings or LID will remove them.

### **Homeowner Property reviews**

The board and ACC reviewed each home for the following issues:

- Trashcans in front of property
- "Stuff" between homes
- Lawn/garden care
- Fire Hydrants- exposed
- Painting and maintenance of home
- Fences between property owners

## SHOA Board Business

The Sundance Board of Directors meeting was called to order by President, K.J. McCorry at 5:30pm on **May 17, 2017**.

### Financial Statement Review

The board reviewed current revenue and expense financial reports for the HOA. All expenses for 2017 have been within the 2017 budget. It was agreed to change the name on "Compass Savings Account" to "Compass Savings/Reserve Account"

The board reviewed the balance sheet. Current cash assets are approximately \$89,000. Current liabilities due to pre-payment of HOA dues are approximately \$22,000.

It was noted that the Sundance Homeowners Association was in good financial health.

### Reserve Study

The HOA developed the first reserve study in 2016 per the Colorado State governance requirements. A reserve study projects future repairs an HOA will have and provides estimated accounting of future reserve assets. It is considered best practice for an HOA to have at least one year's worth of operational expenses in the reserve plus anticipated repairs for that fiscal year.

On March 25, 2017, HOA President, K.J. McCorry with ACC member, Scott Troetel revised the reserve study. (Scott Troetel is an HOA member and in the accounting field) The following changes were made:

- Adjusted inflation rate to 3% instead of 2%
- Changed several operating expenses to be flat increase instead of inflation increase. (e.g. sprinkler repairs and transfer to reserves)
- Moved estimated sprinkler repairs from reserve expenses to operating since repairs will be made over a period of 5 years.
- Recalculated reserve ending amount to include net profit from the prior year
- Starting 2020 dues only increase 5% every 2 years
- Removed line items for HOA Reserve Dues since that is not anticipated in the future
- Added column for notes/ assumptions.
- Added in Reserve Goal "to have enough to pay for reserve expenses + 1 year of operating expenses"

The board reviewed this revised reserve study and approved the changes noted above. It was suggested in Fall 2017 to review the costs identified for fence repairs/replacement.

### HOA Insurance

#### Background

There are two HOA insurance policies with State Farm. The SHOA has been with State Farm since 1987.

1. Condominium and Homeowners D&O Liability Insurance, annual premium \$873/year. Expiration: June 1, 2017
2. Residential Community Association Policy, annual premium \$1055, Expiration: September 23, 2017

At the September 19, 2016 HOA board meeting, the board unanimously voted for the following:

1. D&O Liability Insurance Policy: That we increase our coverage from \$1 million to \$2 million. An increase of \$437/year.
2. Community Liability Insurance: We remove the D&O liability coverage from this policy. A savings of \$275/year

In October 2016, HOA President, K.J. McCorry engaged with State Farm to make the changes. During this exchange our insurance agent never returned any calls and K.J. was only able to talk directly to the administrative staff. The answers that were received had to be clarified multiple times. When the changes were made, they came back incorrect twice. Because of this lack of customer service and attention to detail, K.J. did not change the insurance policies.

In February 2017, KJ reached out to several new insurance agents to get additional quotes. In working to procure quotes from other insurance agents, the following items were noted on our current policies from other insurance agents.

- There was no need to have employment protection since there are no employees of the HOA (nor will there be in the foreseeable future)
- Probably don't need two policies and both policies do not need to have D&O coverage, possibly more coverage than needed
- There was no crime and fidelity coverage which is now mandated by Colorado law. There law in Colorado requires management companies carry a crime policy. The coverage limit must not be less in the aggregate than two months of current assessments plus reserves OR a higher amount if required by an Association's bylaws. The property management company needs to be named as an additional insured.
- The current liability policy did not name the property management company as an additional insured on the general liability (nor crime coverage)

#### HOA Insurance Bids

The following were the other insurance agencies that were contacted for a quote:

1. American Family, Gina Rowsam: Gina has worked with HOA's before and was able to provide quotes that are lower than the current State Farm policy. (see attached)  
  
\$1725/year for General Liability, Crime, D&O, Property  
\$1405/year for General Liability, Crime, D&O and only fence/playground property
2. Boulder Insurance, CNA, Brent Friesth: Boulder Insurance specializes in HOA insurance. They had a specific quote sheet for HOA insurance and seem very savvy with dealing with HOA's. They were very responsive and knowledgeable. They included a comparison to State Farm and insurance highlights (see attached)  
  
\$2315/year for General Liability, Crime, D&O, Property
3. Taggart Insurance, Andrew Shampton: They did not provide a quote as they could not produce a cheaper alternate.
4. Farmers Insurance, Gary Dyer: They did not provide a quote as they could not produce a cheaper alternate.

Decision: The board motioned, second and approved to contract with a new HOA insurance provider, American Family insurance with policy effective, June 1, 2017.

### **Declaration of Covenant Review**

It was proposed to the board to consider revising the HOA Articles of Incorporation along with the Declaration of Covenants for 2017. In the past, it was difficult to change these documents requiring a high percentage of HOA member approval and mortgage holders. With the changes in the Colorado law, Articles of Incorporation and Declarations can be changed with reduced HOA member approval. These documents for the HOA are the original documents created in 1985 and are outdated based on city and state regulations as well as incongruent with the new HOA bylaws.

Two bids were received in 2016 to revise Declaration of Covenant's and Articles of Incorporation:

- Current HOA attorney, Jerry Orten, for both Declaration and Article revisions: \$5595
- Hindman-Sanchez, a Boulder HOA attorney, Declaration \$5500 and Article \$595

It was agreed that, HOA President, K.J. McCorry will review both documents completely to identify suggested changes and propose changes to the board at the August 2016 board meeting.

### **4072 Crystal Court request for contract change**

The contract for 4072 Crystal Court was amended to provide a partial release of Sections 6 and 7, so that if the tree in the front yard is removed, the homeowner does not have to replace the driveway to concrete. All other conditions of the contract remain active. This contract was signed by the HOA President, K.J. McCorry on December 2, 2016. All legal fees were reimbursed by the owner of 4072 Crystal Court, per the agreement to amend the contract.

### **Fence Maintenance and Responsibility**

Currently the HOA is responsible for the maintenance of fences that abut against the HOA common area or property owned by Sundance HOA. A board member expressed concern with future costs of replacement of all fences that abut common areas, in particular those fences next to homeowner properties. A concern was also addressed if fences were on HOA property or homeowner property. The board determined it would be beneficial to get a surveyor to review all fences that abut against common area to determine property lines. Nick will request bids from surveyors and the board will determine feasibility of this service.

It was agreed to wait on current fence repairs until the issue of ownership of fences was resolved.

### **Homeowner Considerations**

The following are requests and considerations from homeowners:

9/9/2016: Email Inquiry from Lindsey Sharp, 4138 Amber St., Boulder, CO 80304

Q: In reviewing the budget there are some large expenses in there, there always are. My question is has anyone ever explored the option of selling the park area to the City?

A: The parcel of land due south of the Crystal Court playground area, is the property of Elks Lodge. The Elks Park property, due South of Dawn Court common area originally belonged to the Elks Lodge but was

sold to the City of Boulder in the mid-1990's. The HOA board is not willing to sell any HOA common area to the City at this time.

3/2/2017: Email inquiry from Ralph Doane, 4134 Autumn Court, Boulder, CO 80304

Q: Would the HOA consider applying for the City of Boulder Neighborhood Grant?

<https://bouldercolorado.gov/neighborhood-services/neighborhood-grants>

Grant awards span from \$1000-\$20,000. Second proposal due date is September 4, 2017.

*The Neighborhood Partnership Grant program is an inclusive community program where groups of residents can apply to receive funding for projects that will address specific area needs and create more sustainable neighborhoods (enhance quality of life, increase engagement of neighbors, promote community). Projects can range from public art to neighborhood gatherings to community planning.*

Ideas:

- Game Court (e.g. volleyball)
- Public Art in common areas (sculpture)
- Solar lights near walkways
- Chess or Game tables

A: The board became aware of this city grant in 2016. The board discussed this opportunity and was open to the possibility. It was agreed to reach out to Ralph to see if he would be willing to take the lead on this grant project. If so, then a separate meeting would be held with the board and ACC to determine type of project for the grant.

## HOA Communications

The Spring newsletter was distributed to homeowners on May 22, 2017.

## Next board meeting

The board will meet again in late August 2017.

Meeting adjourned at 7:30pm.

*Meeting notes written by HOA President, K.J. McCorry 5/18/2017*

*Meeting notes approved by Board of Directors 5/19/2017*

*Meeting notes signed by Secretary 5/19/2017*

SUNDANCE HOMEOWNERS ASSOCIATION, INC.  
a Colorado nonprofit corporation

By: David Julie  
Secretary