

**Silver Bow Owners' Association
P.O. Box 160323
Big Sky, MT 59716
Phone (406) 995-4124**

**Quarterly Meeting – November 15, 2012 @ 12:00 p.m.
Hammond Property Management's Conference Room**

Minutes

I. Call to Order/Quorum Determination

The meeting was called to order at 12:10 p.m. by President Kirk Dige.

In attendance were the following Board members: Kirk Dige, Al Malinowski, Kelly Fried, Derek Leonard, and Tom Angstman (via conference call). A quorum was established.

II. Official Approval of 7/24/2012 Board Meeting Minutes (Previously approved via email)

Mr. Dige presented the 7/24/2012 Board meeting minutes. Mr. Fried made a motion to approve the 7/24/2012 Board meeting minutes as presented. Mr. Angstman seconded the motion. All in favor; motion passed.

III. Treasurer's Report

Mr. Malinowski presented the financials, beginning with the 9/30/2012 Year End Financials. The 9/30/2012 Year End financials are ready for the owners to review. Ms. Gregory will post them to HPM's website and send an email to the ownership notifying the financials are available to view. If any owner has any questions after reviewing the Year End financials, please feel free to contact Al Malinowski. The roof replacement project was completed by 9/30/2012. The Year End financials do not reflect the roof replacement project is 100% paid for and reflect a large accounts payable. However, please note, the roof replacement project is also being funded by the line of credit with Big Sky Western Bank and the project expenses will be 100% paid for via the line of credit and what the Association already has reserved for the project. In reality, the Association has close to \$80,000 in total reserves. The Association did accomplish not having a gain in total expenses for the year. There was no other discussion on the 9/30/2012 Year End financials.

Mr. Malinowski presented the Profit & Loss Budget vs. Actual for the period 10/1/2012-10/31/2012. There was nothing of significance to report on as there has only been one month into the new fiscal year. The Association is on track with the budget. There is no Check Register to present and/or approve.

Mr. Malinowski presented the Aging Summary. There are multiple accounts enlisted with CBO Collections. Mr. Malinowski provided a summary of those accounts and the standings with CBO Collections and the Association. There are 3 foreclosures within the accounts enlisted with CBO Collections. The Association has reserved an allowance within the budget for these foreclosures. They have not been written off and will be recognized as income if the

Association receives collected monies from CBO's involvement. The Board discussed in detail the past due accounts and the payment systems with CBO Collections.

a. Discussion of Future Reserve Accounts

A brief discussion took place among the Board about establishing future reserve accounts for various deferred maintenance projects needed at the complex; example: siding reserve for siding project. Mr. Dige asked the Board to think about what types of reserve accounts may need to be set up for future projects. The Board will provide feedback at the next Board meeting.

IV. Manager's Report (Please Refer to Exhibit A)

Mr. DiTullio presented the Manager's Report and highlighted services performed at the campus.

Mr. DiTullio commented on multiple breakers throughout the campus. He has reset multiple breakers. This is most likely due to the age of the underground wiring as well as the age of the breakers. Mr. Dige asked Mr. DiTullio to bring in an electrician to determine and/or verify the cause of the breakers constantly shutting off. Mr. DiTullio will do so and follow up with the Board.

V. Old Business

a. Hot Water Heater Piping Update

Mr. DiTullio checked all the hot water heaters throughout the complex to ensure they were piped correctly. Unit #18 was not piped correctly. Mr. DiTullio subcontracted Hussey Plumbing of Big Sky to correctly address the hot water heater in unit #18. The repair was an owner's expense. There was nothing further to report.

b. 46 North Landscape & Design Proposal

i. Clarification on Irrigation Aspects

Mr. DiTullio clarified with 46 North Landscape & Design, Inc. the irrigation aspects in the Landscape Improvement Project proposal. In the proposal, the addition of irrigation referred to means a temporary drip system will be installed to feed any new plantings. 46 North Landscape & Design recommends the Association plant native plantings/grass that will work best with the elements and current irrigation system. Initially, the temporary drip system will help to ensure the growth of the new plantings/grass.

There is a Landscape Improvement Project Committee consisting of Derek Leonard, Tom Angstman, and Lisa Prugh. They will meet with Mr. DiTullio (HPM Field Rep) and 46 North Landscape & Design, Inc. in the spring (2013) to discuss the proposal further. The Landscape Improvement Project Committee will have information and a final proposal to present to the Board by July 2013. There is nothing further to report at this time.

c. Silver Bow Entry Sign

There was nothing new to report to the Board at this time. The Sign Committee (Al Malinowski, Tom Angstman, Kelly Fried, and Alison Gregory) will meet to discuss the recent proposals provided to the Sign Committee by Vega Creations in January 2013. The Sign Committee will bring a recommendation to the rest of the Board at the February Board

meeting. The goal is to make a final decision for a new entry sign by spring 2013 and a new sign installed summer 2013.

VI. New Business

a. Lighting Estimate for Laundry Room

Mr. DiTullio presented an estimate from Ryan Lacey with Lone Peak Electric, LLC to install a lighting fixture for the laundry room. The Board reviewed and discussed the estimate. The Board made a decision to move forward with hiring Lone Peak Electric, LLC to install a Williams Lighting AB2 (8 foot fixture) in the laundry room. The cost is roughly \$600. This expense will fall under the line item pool maintenance and is within the budget. Therefore, no motion is needed to approve the installation. Mr. DiTullio will move forward with subcontracting Lone Peak Electric, LLC to install the light fixture.

b. Pool Clubhouse Access Codes/Security Software System

Ms. Gregory briefly explained the recent frustrations with the software system at the clubhouse as well as the slow response time from the security company with regard to changing codes when requested. There are concerns regarding unauthorized traffic into the clubhouse. There have been reports and complaints of multiple users who are not authorized to use the clubhouse are accessing the clubhouse. Ms. Gregory began communication with Security Solutions, Inc. to determine a solution for monitoring the traffic into the clubhouse as well as have the capability to change codes more frequently. The Board discussed at length these concerns and provided possible options. The Board requested HPM communicate with Security Solutions, Inc. on the options discussed. HPM will work with Security Solutions, Inc. and provide options and estimates to the Board at the February board meeting in an effort to bring a solution to the Board for the unauthorized traffic to the clubhouse.

c. Discussion/Approval of Pool Clubhouse Rules Sign

The Board reviewed the proposed sign for the Pool Clubhouse. After much discussion, a few changes were made to the sign. The sign was approved by the Board with the changes discussed. The sign will be ordered and installed at the Pool Clubhouse.

d. Estimates for Annual Chimney Inspection and Cleaning

Ms. Gregory presented two estimates from two different contractors for chimney inspections and cleaning. Currently, the Association works with Canyon Chimney Sweeps, Inc. to annually inspect and clean chimneys. To be competitive and ensure the Association is receiving the appropriate cost to perform this service, the Board requested HPM obtain a couple of estimates to compare to. After review of the estimates received, the Board agreed to continue subcontracting the chimney inspections and cleans to Canyon Chimney Sweeps, Inc.

e. Review of Hammond Property Management's Inc. Management Contract

i. Enforcement Duties of HPM

Discussion took place regarding HPM's duties for enforcement at the campus. HPM field representative, Mr. DiTullio, is at the campus daily but is not there all hours of the day and is not expected to be. When Mr. DiTullio is at the campus daily he is checking for trespassers into the clubhouse as well as other rule violations. However, if something happens after HPM hours and/or on the weekends when a HPM field representative is not present, the Board encouraged the ownership to call the Police if there is an emergency and/or a disruption of some sort.

Mr. Dige requested HPM to be more aggressive with the Rules & Regulations and send them out to each owner and property management company that long term rents their unit EACH season (summer and winter). By making the Rules & Regulations known to the owners and property management companies, some of the concerns may be resolved. HPM will do as requested and continue to monitor the campus as the management contract states.

f. Discussion of Signs near Wetland Areas

At the Annual Meeting in August, Betty Steffens (owner of #18) requested the Board/Association install signs by the wetlands behind Silver Bow to deter people from disturbing the animals and wetland foliage. Ms. Steffens also asked the Board to request from the BSOA that the wetland area be designated as a protected area.

The Board thanked Ms. Steffens for her request. After discussion of this request, the Board decided not to install any signs and is not taking any action with regard to making the area a protected area. There was no other discussion regarding this request.

VII. Correspondence

a. Unit #8

i. Spot's Spicket/Shut Off Valve

The owner of unit #8 requested reimbursement for part of his water and sewer bill for the quarter 4/1/2012-6/30/2012. During this time, the owner claims the roof contractor replacing the roof used his spicket for water causing his bill to be higher than normal. He would like reimbursed for the water the roof contractor used. The Board requested HPM obtain a bill from the unit owner of #8 to show the expense. Mr. DiTullio will contact the owner and obtain a copy of the bill. The bill will be submitted to the Association's accountant for reimbursement.

b. Unit #24

i. Exterior Fireplace Damage

Ms. Gregory received an inspection report for unit #24. The inspection report stated there was rock cladding on the bottom of the chimney that needs immediate repair. The outside of the chimney had a horizontal crack running through the bottom. This is a HOA responsibility. Mr. DiTullio contacted Stonewerx, Inc. to provide an estimate to repair. It will cost roughly \$500 to repair the crack. The Board approved the estimate and repair for \$500 or less to be completed fall/early winter 2012. Mr. DiTullio will move forward with the repair with Stonewerx, Inc.

c. Unit #27

i. Rose Bush Growing in Wall

HPM was contacted by the unit owners of #27 with concerns regarding a rose bush growing inside their wall. The rose bush has grown up through the inside of the window sill in the unit. The owner is concerned there is a large mass of plant life inside the wall. He is worried there may be a large crack in the slab or possibly mold in the wall. The question of whether this is a HOA responsibility or owner responsibility was discussed. The Board discussed and determined this is a HOA responsibility. The Board directed Mr. DiTullio to have the HPM crew remove the bush on the outside of the condo and approved \$300 or less for HPM to dig into the sheet rock to excavate the bush. Mr. DiTullio will work with the owner and HPM crew to reveal the source of the rose bush and will report to the board the findings at the next Board meeting.

d. Unit #31

i. Electricity

Ms. Gregory received an email from the owner of #31 regarding electricity. It was determined that when Unit #30 remodeled their deck, the contractors used the outside electrical outlet that unit #31 pays for. Therefore, unit #31 requested reimbursement for the electricity used for the remodel of deck at unit #30. The Board asked Ms. Gregory to correspond with the unit #31 owner and direct her to contact the owners of unit #30 for reimbursement. This is a "neighbor issue" and should be handled directly between unit #30 and #31. Therefore, Ms. Gregory will contact both owners and put them in touch with each other to resolve this concern.

e. Unit #42

i. Letter from Canyon Chimney Sweeps

Mr. Dige and Mr. DiTullio presented a letter they received from Canyon Chimney Sweeps, Inc. regarding unit #42. Canyon Chimney Sweeps, Inc. was called upon to inspect the operating condition of the chimney. Mr. Dige had previously noticed an unknown substance causing a dark stain on the side of the chimney chase and requested HPM contact Canyon Chimney Sweeps, Inc. They inspected for the unknown substance and could not find the source of origination but could verify that it was not coming from the chimney flue. They also reported there was no sign of combustible material from which the stain could have originated. Therefore, no further action is required at this time and the initial concern has been addressed.

VIII. Other Business

a. Future Board Meeting Dates

The following dates are for the future Board meetings for 2013:

- **Tuesday, February 19, 2013 at 12:00 p.m. at Hammond Property Management's office.**
- **Thursday, May 16, 2013 at 5:30 p.m. at Hammond Property Management's office.**
 - **PLEASE NOTE: At 4:30 p.m., please meet at the Silver Bow campus to perform a spring walk around prior to the Board meeting.**
- **Monday, July 22, 2013 at 12:00 p.m. at Hammond Property Management's office.**
- ✓ **The Silver Bow Annual Owner's Meeting will be Friday, August 30, 2013 at 9:00 a.m. at the Big Sky Water & Sewer District Building.**

IX. Adjournment

The meeting was adjourned at 2:35 p.m.



***Silver Bow Condominiums HOA
Board Meeting
November 15, 2012 @ 12:00 p.m.
Hammond Property Management, Inc.***

Manager's Report

August/September/October:

- Replaced light bulbs throughout the complex.
- Swept and cleaned in and around dumpster buildings.
- Engaged with Mike McCarthy on painting the interior of the pool building; supervised project.
- Subcontracted Gallatin Valley Heating Services to install new controller on the boiler for the pool.
- Subcontracted Lone Peak Electric, Inc. to provide estimates for flood light options and options for lighting in the laundry room.
- Worked with Ali on rule violation notices throughout the campus.
- Subcontracted Lone Peak Electric, Inc. to install a new photo cell on a flood light in the pool room.
- HPM met with Sign Committee to discuss options for entry sign.
- HPM worked with Signs & Designs on creating a new rule and regulations sign for the pool building; Sign proof sent to the Board and will be discussed and approved at Board meeting.
- Worked with 46 North Landscape & Design on receiving clarification on irrigation aspects of landscape improvement project proposal.
- Subcontracted Gallatin Valley Water Works to blow out irrigation system.
- Established snow plowing contract for winter with Grizzly Snow Removal, Inc.
- Established snow shoveling contract with Mike McCarthy.