

Minutes of the Annual Owners Meeting

For the Association of Unit Owners of
Firelight Meadows

September 28, 2017 6:00 PM, Buck's T4

Call to Order

President Kari Gras called the meeting to order at 6:01 PM. Board members in attendance included Kari Gras (A01, B01, 184), Curt Wilson (B02), Jeff Alger (367, C04), Laura Gregory (D09), Matt Walker (D05), Annette Stone (B12) via WebEx, and Steve Cherne (308) via WebEx. Owners in attendance were Denise Dahl Davis (C09), James Dolan (C10), Bob Pailthorpe (433), Kathryn & Dave Shappee (329), Michael Smart (B09), Travis Wangsgard (354), Kinga Wilson (B02), and Patricia Krause (D12) Rosalie Roeder (B19).

Others present included Doug Shanley CPA, Kevin Loustaunau of West Fork Utilities (WFU), Scott Hammond, Jeff Malinowski, Katie Coleman, Dustin Long and Seanna Farrow of Hammond Property Management (HPM).

Quorum

Quorum was established by proxy (65 total) and those in attendance.

Minutes of Last Annual Meeting

No corrections to the minutes were necessary. Wilson motioned to approve the minutes as presented. Shappee seconded. Dolan abstained. The motion was carried, and the minutes were approved as presented.

West Fork Utilities Update

Loustaunau represented West Fork Utilities (WFU). He presented a detailed update regarding the recent 24-hour water outage and the on-going septic issues on Firelight Campus. He outlined in a diagram that there are 2 outdated wells located on campus; one well holds about 40K gallons of water, the other holds between 10-15K gallons. The estimated daily water usage of those living on campus is around 40K gallons daily. The current wells meet the daily usage but there is not much leeway for emergencies or additional usage. West Fork is working to expand the smaller well in an effort to meet the current water usage requirements. Each tank is currently in sound condition; however the expansion will likely take place in the next 1-3 years.

Preceding the water outage, the pump associated with the second well seized up and the 40K gallons of water necessary to meet the needs of the Firelight residents was no longer being distributed. In this case, a water level alarm is supposed to notify West Fork which did not happen. Over the course of a few days, water levels plummeted and ran out, finally triggering an alarm. With the help of the fire department, the water district, and HPM, WFU was able to stabilize the problem. A driller then came and various sources filled the system with water. The irrigation well contributing to the refill was an unknown source, thus a boil order was temporarily put in place for safety reasons. After 24 hours the tanks were refilled and water pressure was restored. Lab tests came back and the boil order was lifted.

Although the outage was a major inconvenience, there will not be any credit for temporary loss of service given by WFU to owners affected. This was a very costly and time-consuming repair that will be upgraded and replaced or repaired in coming years.

Financial Report as of August 31, 2017

Doug Shanley presented the financials. As of August 31st, 2017 the total checking and savings cash on hand was \$1,410,051.71. Shanley stated the accounts receivable net total equaled \$24,720.56. The total assets equaled

\$1,065,772.27. He presented the Profit & Loss, Budget versus Actual for both the condos and the chalets for January through August. Shanley noted the Association was \$7,642.00 under budget. He stated that the Chalets are over budget \$3,446.00 (most likely because of the two major septic backups). The Condos were under budget \$11,088.00.

Proposed 2018 Budget

Gras presented the proposed budget for 2018. She noted the chalets will see a 5% decrease in dues, and the condos will see a 1% increase. The difference in assessments is due to separating the limited common elements between the condos and chalets. Travis Wangsgard motioned to accept the 2018 budget as presented. Rosalie Roeder seconded the motion. One person opposed, the rest in favor. The motion was carried.

A discussion was held about the condo carpet cleaning. The board will obtain quotes from different contractors for services going forward.

Manager's Report – Hammond Property Management

Hammond thanked the board for another year. He touched on the helpfulness from the board with the parking management issues on campus, septic issues, etc. The manager's report from Dustin Long was received and accepted. Main points included:

- Annual fire suppression checks
- Snow removal went well over the 2016-17 winter season
- A camera system was installed at the trash compactor to monitor activity
- LED light fixtures were installed
- Many violation notices were sent as the snow began to melt in March and yard cleanup was necessary
- New trees were ordered in April for the trash compactor area in hopes of more privacy and blocking the view of vehicles – Drip irrigation was put in for all new trees.
- Precision performed weed and feed on the campus
- Fire hydrants were painted
- The sewage back up was handled in a timely manner
- August – the landscaping stone was removed and replaced with a native grass around the flagpole area
- Irrigation systems were winterized
- Handled September water outage with West Fork Utilities
- Dustin noted he has made a point to keep an eye out and identify owners who do not leash their dogs
- Noxious weeds were sprayed around campus.

Landscaping Report

Gregory made note of the trees being planted near the Condo buildings – this particular project has just started and will continue with the help of HPM. Gregory stated that when it comes to landscaping, her and Gras have looked at solutions that will both save money and prevent maintenance in the long run; for example, planting trees as opposed to a privacy fence, which would require more natural maintenance. The potentillas that were scheduled to be planted last fall were rescheduled due to a vendor error. Malinowski stated that they were planted as of yesterday (September 27th).

HPM received a quote for work to be done on the campus walkways. In addition to this expense, Gregory stated that they are also trying to focus on perimeter beds and edging. Replacing the edging will increase property value; however, it is an expensive project with a large timeline. HPM commented that other complexes have transitioned to metal edging.

Gregory stated that more color will be added to the entry ways to offer a more welcoming look when driving onto campus. The group discussed that some sprinkler heads around campus are beginning to show their age, and HPM will speak with Doug Gion with Gallatin Waterworks about upgrading these and the cost to do so. This concluded Gregory's report.

Trash Compactor Report

Annette Stone reported that trash removal has stabilized per her conversation with Gale Force. Gale Force suggested considering cardboard recycling on campus. Stone called Recycle Montana who is willing to provide a 5-yard recycling container and she will inquire about a 90-day trial period. The cost of this container is \$90/month, pickups twice weekly. This may help reduce the volume of trash in the existing compactor while offering a great recycling option. Concerns were discussed regarding the possibility of people throwing trash or various other items into the container, which would be monitored throughout the trial period. The board agrees to consider committing to a recycling container following a trial period.

A question was asked pertaining to the trash compactor camera and its surveillance. The board and other owners noted that they have confronted people when they see violations and when necessary, the surveillance is referenced and helpful.

Repairs and Maintenance

Alger reported that HPM's regular presence on campus is beneficial. He brought up the campus walkthrough that was done in August by Gras, Cherne, and Malinowski. Gras noted that the walkthrough produced several bulleted points of improvement around campus and they will be prioritized.

Gras reiterated from previous discussion that the house-numbers of each unit and building are difficult to see after recent painting. Wangsgard suggested reflective sticker-numbers as an alternative to expensive reflective paint. The numbers could be placed on the condo building glass doors (although this may only be an option for condos). Including lighting fixtures and installation, installing a light under each number would be costly but would solve the issue. Wangsgard offered that he may make an example to present the board.

Gras noted other points from the campus walkthrough. Campus signs are in need of replacement in the next few years. The board and HPM have been in touch with a company out of Utah who originally installed the playground on campus and what the options may be for an updated or removed playground.

An owner asked if there is a possibility of putting trash bins near the doggie-stations to help regulate where poo-bags are disposed of. Gras stated this was a great comment and will be considered. The owner also inquired about the possibility of building storage sheds on Firelight properties that look uniform and match paint colors. Gras has added this item of discussion to the next meeting agenda. This concluded Gras and Alger's reports.

Declaration Re-Write Report

Per owner feedback and the transition to a new attorney, Cherne talked with Mindy Cummings about simplifying the language of the HOA's governing documents to be more understandable. Current HOA insurance was also discussed, but no changes have been proposed.

Website and Newsletter Report

Greg Hunt was not present to give a report. Gras stated that Hunt has been working with HPM to upload documents to the website. Future newsletters will include a link to the website where all information provided to owners will be accessible.

President's Report

Gras feels the board has done the best they can to address suggestions and concerns over the last year. Some main points included:

- Planting trees around the compactor, and replacing the condo lights (which will offer significant savings in the future).
- Gras commented that parking is still something discussed amongst the board almost every meeting; however, it is a large problem with no immediate solution. The board is currently faced with not only parking issues, but angry owners. The board has found with several attempts it is not easy maintaining a parking management company to enforce rules. Gras has been in communication with sheriff deputies in Big Sky about hiring them for parking management. Steps are being taken to get this approved.

Those present discussed why there are parking issues and expressed opinions and ideas, including additional parking and the possibility of enforced occupation limits on rental units. Gras noted that reiterating rules and regulations on occupancy and parking to tenants is a great start.

Election of Directors

Annette Stone is finishing up her term through 2017 and will be resigning. Two board members are up for reelection including Laura Gregory and Kari Gras. Wilson nominated Gras and Gregory for reelection, and both accepted. Jim Dolan and Karla Yeager elected themselves for possible board members.

A discussion was held concerning the Montana state laws and the HOA bylaws regarding the number of board members required as well as the voting process. Gras stated there are currently 8 board members serving staggered 3-year terms. Alger made a motion to continue requiring 8 board members. Walker seconded the motion. Further legal questions will be answered and this motion may be subject to change. All in favor, two opposed. Cherne intervened to translate that *if* the HOA currently has nine directors, that the board may elect nine members total; however, the board currently has less than nine members and can move forward with Alger's motion.

The board asked for a revote of Alger's motion. Including those present and proxies, 20 were for and 2 against. Further discussion lead Wilson to suspend Alger's motion. Wilson motioned to waive the validity of the proxies where voting for board members is concerned. Walker seconded. 12 in favor, 2 opposed. Wilson's motion was passed. Alger restated his motion for an eight-member board. Walker seconded. All in favor, two opposed. The motion passed.

The board and those present then voted on the three open board positions, effective January 2018. Those up for election include Gras, Gregory, Dolan and Yeager. Everyone cast their vote and the board will later appoint individual positions at an executive meeting.

Cherne pointed out that someone will need to be appointed to fill out the remainder of Annette's term once she has resigned. Wilson stated that the top two people to receive votes at this meeting will be committed to three-year terms and the third person voted in as a member will commit to a one-year term. For clarification, Gras reads from page 9 of the bylaws titled "Vacancies and Removal". Gras further clarified that no action will need to be taken until January 2018 when Stone officially resigns from the board. The board then re-voted for *two* rather than three board members. The winning results were Gras and Gregory.

Parking Update

Gras noted that at the last Annual Meeting Karen Roberts put together a document that outlined 35 additional parking spaces and the cost (document attached). Those present discussed the pros of additional parking. Parking is a common element and both condo and chalet owners would be affected by any costs. Potential costs could cause an amendment to the approved 2018 budget, or the HOA could possibly use the RID (Rural

Improvement District) who has helped in the past. Before any plans are underway, the board will consider the best way to begin the process while keeping everyone informed. Cherne stated that he is against the new parking spots as this will not change parking behavior. Ending the discussion, all agreed that the proposed parking spots may not be ideal; however, adding more parking spaces is ultimately the only solution.

Tenant Screening

Hammond described to the group a software that he is familiar with that performs background checks on potential renters. He suggested bringing this to an HOA level and enforcing similar requirements for renters in Firelight. The group discussed variables that would make enforcing this difficult, such as contractors signing a lease and having several different people in the unit, etc. Gras encouraged owners who rent their unit to call references, do checks, and take steps to find out who their tenants and roommates are.

Adjourn

Gras thanked everyone on the board for their time and effort, as well as Doug Shanley and HPM. Gras made a motion to adjourn the meeting at 9:56 p.m.

Laura Gregory, Secretary

Date

DRAFT