

Townhomes at Crail Ranch

PO Box 160099 Big Sky, MT 59716

Annual Owner's Meeting

Thursday, December 28th, 2017 at 2:00 pm (MST)
Big Sky Water & Sewer District Conference Room

MINUTES

Welcome and Introductions

Josie Erickson called the meeting to order at 2:04 PM. Those in attendance included Josie and Bill Erickson (unit 65), Vince and Susan Meng (unit 20), Charlie Callander (unit 30), Jay Leopold (unit 50), Bill and Liz Fulton (unit 60) via phone, Jeff Cranford (unit 125) via phone, and Ron and Nancy Kurz (unit 10) via phone. Also in attendance were Scott Hammond, Ryan Welch and Seanna Farrow of Hammond Property Management and Rich Lindell of Lindell & Associates.

Determination of Quorum

Quorum was established at 60% by those present either in person or by proxy.

Approval of 2016 Annual Meeting Minutes

Charlie motioned to accept the 2016 annual meeting minutes as presented. Vince seconded the motion. All were in favor and the minutes were approved.

Financial Report and Proposed 2018 Budget

Rich Lindell presented the financial report and proposed budget. Year end for Crail Ranch Townhomes is December 31st. No deferred liabilities carried over into the 2018 year, everything is paid and current. In the Betterment reserve account, there was a total of \$18,857 with zero spent; \$500 was added to the driveway sealing reserve, totaling \$12,457; \$26,000 was added to the roof reserve, totaling \$229,990; and garbage costs decreased from \$12,300 to \$6,000. Josie Erickson motioned to approve the proposed 2018 budget. Nancy Kurz seconded the motion, and all were in favor. The 2018 budget was approved as presented, with the possibility of adding a line item for annual boiler inspections (discussed later in the meeting).

Property Management Report

Scott and Ryan presented the manager's report. Scott began by noting that an issue with the governing documents was brought to the attention of the board and HPM during the recent sale of a unit. Generally upon completion of a building project such as an HOA complex, a survey crew will survey the buildings and note any difference in the "as-builts" from the approved blue-prints – this process was not completed. Allied Insurance is working to remedy the situation and it is anticipated that the unit will sell knowing this process is underway. The board suggested that Scott work with them to write a letter on the board's behalf acknowledging the situation to ensure the sale moves forward. A survey representative will look at the remainder of the buildings on campus to assure there are no other technicalities stemming from the original development.

Ryan presented his manager's. Main points included:

- HPM was proactive this year with any previously known roof leaks. Roof shoveling will begin the week of January 1st.
- The HOA's new propane provider is Montana Energy Alliance. All owners should see a considerable decrease in propane costs, the new price being \$1.16/gallon. HPM will be checking all tanks periodically to evade propane percentages running too low during winter months.
- Landscaping was minimalized and has resulted in easier maintenance. 30 yards of washed rock was added.
- United Tree Service pruned and shaped aspen trees on campus.
- The HOA's trash service provider changed to L&L Site Services. This service resulted in reduced trash costs and proved to be consistent with weekly pick-ups around 10:00 AM on Mondays.
- Drip irrigation was added to the new trees planted by the Hood's, Cranford's and Erickson's.

- Bubbling side paint was scraped and repainted, as well as some siding replaced. Ryan anticipates using the same company to do two more buildings next year (currently \$22,880 budgeted for painting).
- Swallow deterrent was installed in the eaves of each building. This method has proved effective at other complexes managed by HPM.
- Late fall weed & feed was performed
- Irrigation system was winterized
- Boiler inspections were performed for those that requested them*
- IT&M performed annual fire suppression testing
- Heat tape was turned on
- Met with MEA for a campus walkthrough to point out propane tanks. There are 10 tanks total on campus; two 3-packs, 8 single tanks – each 1,000 gallons.

*The group discussed at length the thought of making boiler inspections mandatory and incorporating the cost into the budget, as opposed to previously being an optional service. This would prevent any boilers from being uninspected and posing a safety risk to other units. As of 2017, the cost of inspection was around \$380/unit, not including additional maintenance or repairs found. Leopold made a motion to add a line-item to the budget of \$4,000.00 for annual boiler inspections. Charlie seconded the motion. All were in favor and the motion was carried.

Concrete Apron Construction/Improvement

The board discussed the difference of resealing driveways versus the crack-seal process. The crack-seal process consists of blowing out the cracks, filling with foam, and sealing over, resulting in an efficient and long-lasting fix. Scott proposed that two driveways have this process done per year. Ryan will get a bid for the process around April or May to share with the board. Around spring, the group will meet to discuss the reserves and budgeting for this. The original asphalt driveways on campus were not fully compacted and have begun to settle, creating an inch gap from the driveway and garage. Prioritization will be discussed concerning the concrete aprons to address this, as well as the crack-seal process mentioned above in addition to privacy walls.

OLD BUSINESS

Roof Replacement Discussion

The board discussed thoroughly the topic of roof replacement and cold roofs. Main points discussed were:

- The current rate of savings for the HOA would not cover cold roofs
- Interest rates are currently sensible. Hammond recommends either 1) the HOA getting a loan to complete the project in 1 to 2 years (during summer seasons), or 2) special assessing Owners. Charlie suggested a combination of a loan, special assessment and utilizing reserves.
- With new roofs, both heat tape costs and roof shoveling costs would subside resulting in a projected yearly savings of around \$20,000
- HPM foresees roof replacement becoming necessary in the next 3-5 years and suggests investing now or soon

The board plans to discuss further.

Golden Eagle Update

Josie gave a detailed update of the neighboring complex Golden Eagle. Boyne has been doing extensive work on Golden Eagle including:

- A paved parking lot with painted lines
- A landscaping plan put in place for trees, boulders and bushes
- The flower box on campus was taken out, tree to the left of flowerbox pruned
- A new dumpster enclosure was built
- 30 pillows are being added – double occupancy apartments, each with a full bathroom (no kitchen) intended for seasonal employees
- Irrigation and seeding planned for this summer
- Both buildings will be getting new siding; the front building this winter and the back-building summer 2018

The apartments are around one month away from occupancy, and it is not anticipated that Golden Eagle will see full occupancy by this summer. The pool house is currently being used for storage and there is no concrete plan for it in place.

Board Member Elections

Josie motioned to reelect George Bray and Charlie Callander for two-year terms, and also elected Jerry Hood. Vince seconded the motion. All were in favor. Board members include: Charlie Callander (2018-2020), George Bray (2018-2020), Jerry Hood (2018-2020), Josie Erickson (2016-2018), and Vince Meng (2016-2018).

New Business – Pond & Creek update

The pond and creek project beginning summer of 2018 will make the creek independent of the pond. The pond should not silt as much after the project. Plans may be on the BSOA website. Improvements are also being discussed for a trail system around the pond and adding a “Pedestrian Crossing” sign near the bridge.

Adjournment

Josie motion to adjourn the meeting at 3:47 PM. Charlie seconded the motion and the meeting adjourned.

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