

Townhome at Rockrimmon Association, Inc.

Board of Directors Special Meeting Minutes

May 6, 2020

The Special Board of Directors meeting of the Townhome at Rockrimmon Association was held via Gotomeeting conference service. Chris Norquest, the birthday girl, called the meeting to order at 5:33 p.m. Those present were:

Chris Norquest	President	DRAFT
Gloria Ballton	Vice President	
Diana Sanderson	Secretary	
Mark Chisholm	Treasurer	
Victoria Patterson	Director at Large	
Josh Bernhard	Director at Large	
Darren Burns	Property Manager (Z&R)	
Chris Schade	Property Manager (Z&R)	
Steve Kinder	Dynamic Renovation Contractors	

Open Forum: None.

Approval of Previous Minutes: Chris made a motion to approve the April 2020 minutes as submitted and the motion carried unanimously.

Manager's Report:

Finances – Mark reported the Association was not as bad off as he had feared. There is more money in the Special Assessment account than expected. Mark recommended paying some or all the \$169,000 in the 1st Bank Special Assessment account to significantly reduce the loan balance. Darren said his staff is working with 1st Bank on possibly of them assuming the rest of the loan, so the lowered balance would be easier to refinance. Mark made a motion to pay \$165,000 from the Special Assessment account towards the balance of the loan and the motion carried unanimously.

Under Associa, the operating account balance was artificially high because SA funds were being deposited into the operating account. Z&R has rectified this discrepancy. Mark said an audit was needed to try to track all the money spent in the past few months of Associa's tenure. Darren will get a transition audit and normal audit bid from Waugh and Goodwin. Mark feels the bottom line is not all that great. The Association only has about \$500K in Operating and Reserves. The Association needs to be careful not to deplete the reserves since the financial ramifications of the pandemic are yet to be fully realized.

Special Assessment Status – Allyson from Z&R explained the significant time and effort it took to reconcile the accounts from Associa. Since there were three payment options, she asked the following questions of the Board:

1. Some owners have paid zero towards the assessment; do we assume they are now on the ten-year plan and assess their account $\$63.79 * 120 = \$7,654.80$? – *Board decision : Principal \$48.33 per month and interest for first 12 months is \$185. Any payments made reduce principal of \$5800 then add \$185 interest.*
2. Some owners have paid a portion of the \$5,800, do we now assess the account for the \$7,654.80 and credit the paid portion? Or is there an amount less that considers an interest reduction? – *Board answer: If you paid half, we take half, add \$125 interest for the year and post the remaining balance.*

3. There have been no late fees assessed on any owner who has not paid their monthly payments. Do we assess those, and if so, how much? – For Owners who have not paid anything towards the special assessment, \$5800 posted to account 1 April 2019, then post 2% of the balance each month beginning 1 May 2019 – 30 May 2020 pursuant to the Covenants.

Statements will go out to all owners with the new payment terms. Owners who have partly paid will have the previous interest posted based on their payment option and then be noticed that on 1 July, 2020, the Covenant language of 2% of the total account balance each month will be posted to their account until paid in full.

Covid Exception – 1 July is start date for interest charges for all folks late on transition payments.

Darren reviewed the aged receivables report, the work order summary, and the covenant violations report. Future financial reports will contain the detailed aged receivables report to show the details of each owner's balance (dues, interest, special assessment). The work order and covenant violation reports will fill in as time goes on. To save time in future meetings, the previous minutes, financial report, work order report and covenant reports will be added to the consent agenda with the minutes for bulk approval. Darren reported on his discussions with Mac of RTMC Quality Services about how to coordinate and share information between management and on-site maintenance to keep good work order and invoice tracking. Any normal work Mac finds in the course of his normal duties will be performed and he will report it to Z&R as an after the fact work order. Work he cannot perform will be forwarded to Z&R for generation of a work order to an alternate contractor. Work requests from orders will be vetted by Mac. If it's something he would normally do, the he reports as an after the fact work order to Z&R. Otherwise, he directs the Owner to contact Z&R to file the work order or submits it himself.

Steve Kinder – 392 A&B Fire Claim – The fire claim filed in January is finally underway. The asbestos abatement permit has been issued and the utilities turned on for power. Asbestos abatement starts 7 May and will continue approx. 6 weeks. When the site is safe, the scope of work for reconstruction will be done, engineering, submittal, final approvals, permits and finalization will take 5-6 months for completion. Steve did report that on the 4 first occasions he visited the property, the generator Servpro was being paid to run to prevent pipe freeze was off. If the pipes have freeze damage, Steve will work with the adjuster or get documentation to Z&R to go back to Servpro.

408A and 456H – Chimney Water Tests – 408A, DRC found the water leak at step flashing points and put no water on the chimney mortar. Reconstruction experts had reported the leak was not due to their flashing, but due to the chimney mortar, and had submitted bids for approx. a total of \$9000 to repair the two chimneys, but DRC confirmed the leak was absolutely coming through the improperly installed step flashing. They made this assessment after they'd been awarded the contract to do the chimneys for approx. \$8500, so they basically talked themselves out of that work in the process of conducting a \$1000 repair. Darren will approach Recon for reimbursement of the cost of what should have been a warranty repair.

456H – Water test horizontally showed leaking at the step flashing, which should have been properly sealed with the new roof. This should have been done under Recon and Darren will reach out to them to repair this under warranty. Steve raised the question that there seemed to be quite a bit of original step flashing not replaced, which will require a more detailed inspection. On 456H, the chimney only had one side of the chimney step flashing completed in response to the original leak call in.

The chimney caps also need to be sealed where the flu penetrates on an annual or every other year basis or at the very least an inspection.

Gov docs – Darren review and send a summary

360E and 210 bldg and by 226 – Multiple damaged fence slats need repair and replace, but Darren will address the cost with Brightview. Darren will contact Brightview regarding irrigation coverage.

Covid pool – Stay closed until government directives allow for normal use.

Chris made a motion to appoint Eric Attard as the chair of the events committee and request a formal event plan with a budget for the next meeting.

Future – Governing document review, parking permits, clubhouse access, insurance claim updates, July garage sale, appoint Eric as chair of the Event Committee, fate of the tennis courts.

There being no further business, the meeting was adjourned at 7:53 p.m. on a motion from Diana.

Respectfully Submitted,

Diana Sanderson
Secretary

Darren H. Burns
Property Manager