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# Monthly Board Meeting

Starwood Association

Tuesday, June 26, 2018

-- accepted at October Board Meeting (read by Mike K).

## Attendees

Steve Mulkey, President

Laura Thompson-Ball, Vice President

Aaron Louknonen, Treasurer

Mike Kentley, Member at Large (secretary, pro tem)

Approximately 27 members of the community.

## Location

Meeting was held in the gym at the Three Sisters Adventist School to allow room for more **members** to be present.

## Minutes

1. Meeting called to order at 7:02pm.
  2. SM -- motion to appoint Mike Kentley as secretary. AL -- 2nd. All in favor.
  3. All board members had previously seen minutes packets for 3/20, 4/3, 4/17, 4/19, 5/15 and 6/6. Laura pointed out that a correction needed to be made on the 3/20 minutes. During the discussion of the no encroachment rule it was pointed out that there is ambiguity in our rules between roadways and common areas and attorney had recommended we modify the document to clearly define common areas. Laura pointed out that **she believes** the CC&R's do make a distinction on the 1st page between common areas and roadways even though they are all owned in-common by the association.
    - a. SM -- motion to approve minutes as amended AL 2nd. All in favor.
  4. Steve Mulkey gave the association managers report:
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- a. Attorney reminded us to update our business registration with the secretary of state -- mailing address, registered agent, and put Mike's name on as Secretary.
- b. Bookkeeper (Angela Plass) is handling escrows as they come through.
- c. Barnes House -- foreclosed/abandoned home on corner of S. Loop and Starwood. Association has been unable to get traction on collecting unpaid dues or even getting the place cleaned up. It is now a fire hazard, and thus, Steve reported that he's requested the fire marshall to check the place out for possible red-tagging which might get the attention of the note-holder on the property.
- d. Reserve Study needs to be updated. Last done in 2015. We have new equipment that is not accounted for and its a requirement for us to have a current one.
- e. Communication: **Myla Zink** brought up an issue of vegetation blocking sightlines on the corner of Lyra and Saros.
  - i. We should get our landscape crew to look at this and if its on common area, trim. Otherwise we need to ask the homeowner to do it.
  - ii. Robert Curzon requested to be able to dump some left over river rock from a landscaping project on existing rock pile on far east side of the property.
    - We need to look into exactly where and how much and what would happen if all the owners asked for the same privilege.
  - iii. Steve has contacted a local farmer (Frank Maricle) about doing some maintenance work on our irrigated pasture areas to make them presentable.
    - Previous farmer **is no longer in business and dropped our farming project without notice.**
    - Field areas leased-back for In-Stream use this year, but now we have weeds. A mower (brush hog) can at least make the areas presentable.

## 5. Treasurer's Report

- a. Aaron gave an interim financial update.
  - i. Bookkeeper is trying to get our bookkeeping data up to date so as to send out billings and prepare a YTD vs budget.
  - ii. As of this moment, checkbooks balance and we know where our money is, but data in quickbooks is not complete for the purposes of printing these reports. Bookkeeper is checking payment records, RV storage records and home transfer records to make sure all account balances are correct before sending out.

- iii. We have satisfactory financial reviews completed through the end of 2016 by our CPA. 2017 has not been sent to the CPA yet, and taxes have not been filed. Note: We expect to send this info to the CPA in time to file before the extension deadline. Either current bookkeeper or the new managers will handle this.
    - iv. Ordered new checks with our mailbox address on them. Updating all vendor addresses and contact numbers accordingly.
  6. There was nobody from ARC at the meeting. No report.
  7. Jeannie Mabon gave the RV Storage area report:
    - a. Harry Cardwell has resigned from the committee.
    - b. Harry fixed the lightpole that was broken.
    - c. The area is almost full. Currently we have 0 40 foot slots/15 30's and 4 20's.
  8. Rod **Page** discussed common area status:
    - a. 2nd fertilizer application to lawn is done.
    - b. We need more cutting and limbing around the outer edges of the property for safety.
    - c. Trying to keep costs under control and currently doing mowing once per 10 days which seems to be working for now.
    - d. Team is down to two people. Greg is out of town for 6 weeks, but there are no emergencies requiring 3 people at the moment.
  9. Communications
    - a. Jeannie had nothing to report.
    - b. Aaron reported that the website owner's signon area is working.
  10. Security and Safety
    - a. Laura reported on the April meeting. Written report attached.
    - b. Highlights:
      - i. We have some neighborhood watch signs, but no standing neighborhood watch committee. There will be future meetings and the notices will be posted.
      - ii. A homeowner asked about our fireworks policy.
        - Mike: We don't have one. Owners must comply with the rules in place for Deschutes County. If you see someone launching illegal fireworks on Starwood property (the ones that shoot up into the air), call the Sheriff. Its going to be a hot and dry summer, we all need to be careful.

### iii. Security update

- Jim Porter said he's twice stopped people on the property who did not belong here. While he couldn't arrest anyone, the people he checked out are "known to authorities". This led to some discussion of an entry gate, other issues we've seen with downed fences, liquor bottles etc.
- Jim's immediate recommendation was to sign the area no parking/private property next to the front set of mailboxes and tow cars that don't belong there.
- Scott Kirksey asked if we can get some Sheriff's patrols in our neighborhood. Jim said its a good possibility and the board should write a letter to our Sheriff asking for it. All of the local police departments have a real-time view of all of the police calls in the area, so the DCSO probably wouldn't object to have some patrols swing through the neighborhood if staffing permits. Laura is taking action to draft this letter.


### c. Discussion of hiring a Management Company

- i. Since the departure of Jim Anderson on April **17th**, the board has been handling management tasks. Aaron and the bookkeeper are keeping the financials going but this is not sustainable.
- ii. Board sought bids (**proposals?**) from three management companies for comprehensive services (drive throughs, enforcement, billing and online payment, accounting and support for tax prep, hiring of maintenance contractors, bids for work, annual meeting management, ARC support, RV enclosure support and bookkeeping, and more. In addition, all three bidders would have someone at our board meetings to take minutes and get them published.
  - Companies were: Mile High Management, Crystal Lake Community Management and Brick House Property Management.
  - Laura explained the interviews and that the board feels Brick House would be the best fit for Starwood -- they are local, they work with large associations with complex requirements, and they were well prepared to answer our questions about CC&R changes, dispute resolution, common area encroachment etc.
  - Mike gave a quick overview of all three companies and expected pricing. Board members and owners did some brief Q&A's about the services and pricing.
  - Question of costs came up: Management services are expected to cost approximately \$3000/month. We're currently paying approximately \$1200/month, but the going rate for the area seems

to be about \$15-\$18 per door which works out to about \$3000 for us.

- Question from homeowners: How are we going to pay for it and how will our dues be affected?
  - a. Mike responded. No question our annual assessment will go up. We do not know how much yet. We need to get our reserve study updated as soon as reasonably possible so see if we can shuffle expenses and arrange reserve contributions to minimize the immediate hit to the wallet. The largest item in the reserves is for the roads, and we had initially planned for a 2023 “next major overhaul”. We’ll want to get the roads inspected and see if progressive maintenance will get us another 10-15 years out of the pavement at lower cost.
  - iii. Mike made a motion for the board to commence negotiations for management service with Brick House. Laura -- 2nd. All in favor.
- d. Steve reported on a previously approved issue. Back in February, we had voted to join the Community Associations Institute. ([www.caionline.com](http://www.caionline.com)). Steve said the cost is much higher than we originally voted on, so he was bringing the item back to the board to see if we’re still interested.
  - i. Laura made a motion to withdraw this approval and revisit after new management is in place. Aaron 2nd. All in favor.
- e. Revisit to the mailbox proposal.
  - i. Back in February, Bob Townes brought a bid to the board to replace the South set of mailboxes from the reserves. Project would consist of replacing the concrete base and replacing all of the boxes with USPS approved new mailboxes with flat mail slots, more package space, and locks that are harder to pick. Cost was approximately \$15000 and there was only one qualified vendor in the area to provide the services so we could not get 3 bids. Board approved the project.
  - ii. Contract was not signed as the time due to the board being unable to complete monthly business meetings.
  - iii. Robert Curzon went back to the vendor and got a revised quote that was approximately \$1500 higher than previous. Part of it is the steel tariffs and part of it is that the quote includes one additional group of boxes so that we don’t need to move anyone’s mailbox from where it’s been for decades up to the North set.
  - iv. Steve said we should go forward with this since its a reserve fund item.

- Multiple objections from **members** and Bob Townes presented a letter to the board (attached) saying we should not do the project because we did not get three bids and perhaps the boxes don't need to be replaced, just get the base repaired.
- v. Board deferred action on this until a management company is in place.
- Part of their job is to help us update the reserve study (condition and useful life of association assets) and to find qualified project bidders.
11. Open forum for members.
- a. Carla Lacoma brought up the issue of the abandoned "Barnes House" and what we could do to get the note holder to do something with it.
- i. Jim Porter said he talked to the owner a couple of months ago and found that the place is destroyed inside due to frozen/broken water pipes. Nobody has seen the owner since.
  - ii. Steve told the group that we've tried to get traction on this, but as long as the taxes are paid and the note holder chooses not to respond, there doesn't seem to be a lot we can do (thus the previously mentioned idea of getting the fire marshall to red tag the place).
  - iii. Carla offered (since she works in the title business) to see if she can make some headway on getting this house sold and past-dues paid to the association.
- b. **Deborah** Garley -- commentary on a situation between a board member, her husband, and other owners.
- c. Rod **Page** requested an open forum for member communication on the website which led to some discussion of moderation and what the forum would be used for.
- d. Scott Kirksey and Barry Garley had questions about our attorney at Francis, **Hansen** and Martin and whether she has a conflict of interest, as she also represents Steve Mulkey's company and some people believe she is biased against HOA's.
- i. Note: Steve did check in with our attorney, Allison Huyck, after the meeting. There is no conflict of interest. Work for his media company is unrelated to work for Starwood. The attorney routinely does HOA work and has no bias for or against.
- e. Questions about security, possible entry gate
- i. Note: Anything related to an entry gate will be researched further in security committee, eventually presented to budget committee and eventually to the board for figuring out how to pay for it and its obviously a large expense and will require substantial buy-in from the community.



There's issues of cost, maintenance and hassle, property values and how much criminal or other unsavory activity.

12. Meeting adjourned at 8:59pm.

## Action Items

1. Mike contact bookkeeper and get Secretary of State Filing up to date.
2. Board to negotiate a contract with Brick House management.
3. Laura to draft letter to Sheriff requesting some patrols.

## Attachments

4. MIKE: Get Jeannie's report, Bob's letter to board, Laura's security committee report and treasurers report to attach to this.