

Approved: 3/31/2021

**Solana Community Association
Solana Courtyards Homeowners Association
Solana Estate Lots Homeowners Association
Minutes of the 2/25/21 Combined Board Meeting
Conducted online via Zoom App**

Call to Order

The meeting was called to order at 10:02 AM.

Roll Call

Board members present included:

Solana Community Association Board:

Sherry Hansen
Bruce Emery
Joe Pancoast
Mary Hartman
Ross Richards

Solana Courtyards HOA Board:

Ross Richards
Bruce Emery
Bruce Fryxell
Sherry Hansen
Mark Kady

Solana Estate Lots HOA Board:

Joe Pancoast
Mary Hartman
Bruce Emery
Mark Pekar

There being at least three members present from each Association Board, a quorum was present for the conduct of business.

Proof of Notice of Meeting

The Secretary noted that adequate notice was issued for the meeting on February 18, 2021 and the notice with a list of recipients would be kept with the records of the Associations.

Adoption of Minutes

The combined Boards considered the Draft Minutes of the December 12, 2020 combined Board meeting. After consideration, it was moved and seconded to approve the minutes as submitted, which passed unanimously. The Estate Lots Board considered the Draft Minutes of the January 27, 2021 Estate Lots Board meeting. After consideration, it was moved and seconded to approve the minutes as submitted, which passed unanimously.

Officers' and Committees' Reports

The Secretary reported on the Budget Committee's meeting of February 22, 2021. The bid received from Najera Landscaping originally totaled \$104,780 in annualized costs. Following negotiations, that total was reduced to \$91,633. Ross Richards and Joe Pancoast were recognized for negotiating on behalf of the Associations. Other savings were achieved by reducing labor costs for pool maintenance and elimination of summer lawn fertilizing.

Unfinished Business

The Boards considered the Draft Statement of Work/Najera Contract (V13). It was noted that the contract with Najera was good for two years, giving predictability for next year's budget process. Price quotes for special projects and private flower bed (Courtyards) maintenance was still needed to complete the contract, but all budget-related information was included. Concern was expressed that the Associations had no apparent mechanism for cancelling the contract. It was agreed to amend Section 10.f, to include the right of the Associations to terminate the contract in the event the Contractor fails to remediate identified work deficiencies. Following discussion, it was moved and seconded to approve the contract, as amended, and with the stipulation that the prices for special projects and private flower bed maintenance (Courtyards), to be provided by Najera, is found acceptable by the Presidents of the Associations. The motion passed unanimously.

The Courtyards Board members considered the *Rules and Procedures for the Maintenance of Private Landscape and Flower Beds* policy document. After limited discussion and review, it was moved and seconded to approve the policy document as submitted, which passed unanimously.

The Estate Lots Board members considered the *Rules and Procedures for the Maintenance of Vacant Lots* policy document. After short discussion, it was moved and seconded to approve the policy document as submitted, which passed unanimously.

The Boards considered the Draft Reserve Budget Summary for 2021. It was noted the estimated quarterly assessment for the Estate Lots of \$8.29 was in error and should read \$8.26. Joe Pancoast explained how the budget model provided by Association Reserves operated, and how by manipulating key entries, the long-term results of budget decisions could be understood. He explained the model provides a base-level recommendation and optimum level recommendation for assessment amounts. He indicated that, according to the modelling, the Association would have significantly more money than would be needed if the optimum level recommendation was implemented. Likewise, using only the base level recommendation would result in deficiencies at key points in the future. Mr. Pancoast indicated that selecting an amount that was approximately 60% between the base and optimum levels provided comfortably adequate funding for all future needs according to the model. With this discussion, it was recommended that the Board consider using the base level amount for the next two years, until the Community Reserve loan was fully reimbursed, and then implement the 60% loading amount moving forward. The current recommendation for the 2021 Reserve Budget, with the base amount calculated, would include the following

quarterly assessments per lot: Community - \$49.39; Courtyards - \$8.27, and; Estate Lots - \$8.26. Following discussion, it was moved and seconded to approve the Reserve Budget Summary as recommended, which passed unanimously.

The Boards considered the Draft 2021 Operations Budget. Joe Pancoast prefaced the discussion with data that showed the daily usage costs (pool, Clubhouse, street lights) for electricity and gas has been reduced from \$27.35 to \$11.90 by various changes and upgrades made over the past two to three years (e.g, heat pumps, insulation, LED lights, etc.). While these efforts cost at the time, they have resulted in an annual savings of over \$5,600. Regarding the Draft Budget, it was noted that the three reserve-funded projects could be fully funded by the Reserve Account without the need for any additional funding through operational assessments. It was also noted that four “special projects” were included for which there was no reserve funds available. These included: purchase of a Robo-vacuum for the pool, wet-vac for cleaning the spa, trial repair of the door latch to the Clubhouse, and bird netting installation to prevent swallow nesting following the painting of the Clubhouse. The Boards discussed these items—questioning whether some could be reduced or eliminated. It was noted the pool vacuums would reduce labor cost and increase savings over time. The Board also considered each line item within the Budget and determined that further savings did not appear feasible. It was suggested that careful explanation of the budget elements be provided to the membership to help their understanding of the costs involved. After discussion, it was moved and seconded to approve the 2021 Operations Budget as presented, which passed unanimously.

New Business

The Boards discussed the current terms ending for various Board members. The Secretary noted the terms were two-years, but there was no limit on the number of consecutive terms a member could serve. It was noted that new membership on the Boards was valuable. Several attending members expressed a desire to serve another term. Based on the responses, it was evident there would be one vacancy on the Community Board, and possibly one vacancy on the Estates Lot Board. It was noted that additional members could volunteer to serve and their nomination would be voted on during the Annual Meeting.

The Boards considered establishing a date and time for the Annual Meeting. The Secretary noted the need to provide a minimum 14-day notice period, and the need for at least a day’s work to assemble the meeting packet. It was suggested that the meeting be held on Wednesday, March 17, 2021 at 6:00 via the Zoom App. A motion was made and seconded stating the same, which passed unanimously.

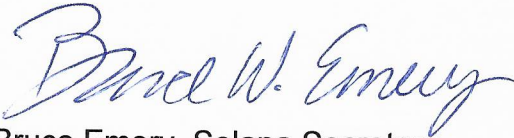
Non-Agenda Discussion Items

The Secretary noted having received a request inquiring when the Clubhouse would be reopened. The Board members were reminded of their action taken to close the Clubhouse and Pool until the County reached level 3 status—noting the liability for enforcing occupancy limits and cleaning protocols. The Board members concurred. Bruce Fryxell also requested that the Board seek back-up pool maintenance support to enable vacations and other leave.

Adjournment

The meeting was adjourned at 12:02 PM

Respectfully Submitted,

A handwritten signature in blue ink that reads "Bruce W. Emery". The signature is written in a cursive style with a large initial 'B'.

Bruce Emery, Solana Secretary