

MINUTES

MEETING: NSHOA Board of Directors (open to attendance by any owner)

DATE: Wednesday, February 8th, 2006

LOCATION: Johnson Residence, 3313 Sentinel

ATTENDANCE & REVIEW OF MINUTES:

- Attendees: Lisa Carter, Barb Ditmars, Joanne George, Cindy Johnson, Steve Muller, and Paul Throckmorton.
- The minutes of the previous meeting were approved as-published.

SPECIAL THANKS:

- The Board expresses its thanks to Veronica Precella and Rich Lathrop for their multiple years of extensive service on and/or to previous Boards. The Board purchased \$50 gift certificates for each of them as tokens of appreciation.

TREASURER'S REPORT:

- Barb found an error in the December report. She has corrected it and e-mailed it to the President and Secretary. The corrected report is now available through the HOA's website.
- Barb reported that 53 Homeowners have paid their Annual Assessment amount for at least the first half of 2006; 18 Homeowners have not yet made any payment for 2006.
- The 2006 President, Treasurer, and Secretary need to visit the HOA's bank next week to update names on file for the HOA checking account.
- Insurance coverage for the HOA (from 3/2/06 to 3/2/07, through Farmer's Insurance) will be \$1483.
- Largely due to the newly-effective conflict of interest policy conditions, Barb has decided to stop collecting the \$40/month for bookkeeping services.

HOT TUB:

- Final cost for replacement, in December, of the hot tub pump motor was \$463.

(COMMON-AREAS) LANDSCAPE:

- The Green Plan has bid \$324/month, for the 9 month span of March-November. They've done our landscaping for at least the last couple of years, and this amount is similar to that of last year. Lisa will obtain 1 or 2 more bids in time for next month's Board meeting.
- We need to remember that Lisa plans to sell her home soon, so she will no longer be available to be the Landscape chairperson.

COMMITTEE APPOINTMENTS & RECRUITING:

- Joanne reported that Thor Berg is willing to be on the ACC, and his offer was happily accepted.
- Steve has received no responses from his mail building bulletin board posting which asks for additional committee members.
- Steve would like to have 5 people on the ACC; we now have a chairperson and 2 other members.

OLD BUSINESS:

- We reviewed the sample balloting packet recently prepared for the upcoming vote (on the 2 Policies & Procedures documents which the Board hopes to have approved) and determined the final revisions to the packet. We will put a balloting packet into the US Mail for each homeowner, probably by next Tuesday. The completed ballots must be received by the HOA no later than Friday, March 17th.
- In the opinions of the Boards and Architectural Control Committees of the past 2-3 years, both 3374 Sentinel and 3376 Sentinel have been out-of-compliance for exterior painting and/or decay issues

MINUTES

which remain unresolved. As such, the Board voted upon whether to follow these steps: give a final warning to the homeowners, followed by a short period of time during which the owners could repair the problems, then pursue what is known as a “Notice of Covenant Violation”[1] lien against properties with issues that have not been corrected by that time. The Board voted in-favor of following those steps (4 in-favor, 1 against).

NEW BUSINESS:

- Unfortunately, the owner of 3367 Sentinel recently installed roofing shingles that don’t meet the HOA’s requirements. They are not of the color specified by the ACC/Board in order to retain the uniform roof color/texture concept that has existed across Northcreek homes virtually continuously since Northcreek’s creation. The Board thoroughly discussed this issue, and decided that we must insist that the owner meet the existing shingle requirement, both in order to maintain the consistency of roof color/texture and because we must maintain consistency in the application of requirements across all homeowners. Other homeowners have deferred to this exact requirement, and allowing a different owner to violate this requirement would likely leave the HOA in a legally and ethically indefensible position. The Board voted (4 in-favor, 1 against) to pursue a “Notice of Covenant Violation”[1] lien in an attempt to gain compliance. In part, the CVL approach was deemed necessary because even though the violation has existed for only a short period of time, the house is now for sale.

ADJOURNMENT: The next meeting of the NSHOA Board of Directors will be held at 7:00pm on the second Wednesday of next month, March 8th, 2006, at the Johnson residence, 3313 Sentinel.

[1] Our primary intent in pursuing a “Notice of Covenant Violation” lien is to obtain compliance with the covenants. It involves putting a notice on record with the Boulder County Clerk and Recorder's office, stating that the property is in violation of the HOA's covenants. A primary effect of this is that, if a potential lender does a title search prior to refinancing or sale of a property, then they will see that the property is in violation of covenants, and they will probably be extremely hesitant to make the loan, which may help motivate the owner to correct the problem.

Over time, this Board and past Boards have learned that although it is not difficult to notify an owner that their property is in violation of covenants, there are actually very few ways to motivate the owner to correct a problem (if they are not sufficiently motivated by notification from the HOA that the condition of their property is believed to be a detriment to the neighborhood). Two primary ways that allow an HOA to motivate an owner to correct a problem are through a “Notice of Covenant Violation” lien and through the accrual of fines. Because the Owners have not yet approved a Policies and Procedures document for the enforcement of covenants, the HOA currently has no ability to levy fines. Either one of these two methods can be more effective than the other method, depending upon the circumstances, and in some cases both approaches may be taken.