

Highland Park 3 Homeowners Association
Special Meeting
September 28, 2021, 7-9pm

Location:

7075 Campus Drive

Colorado Springs, CO 80920

A Google Meets forum will also be established for those who cannot attend in person.

Quorum Rules: 25% of members by household (10 households in-person or on-line); voting is simple majority

Agenda:

- Call meeting to order **(2 min)**
- Review/Approve Previous Board Meeting Minutes **(2 min)**
- Budget Review (John Christianson/Treasurer) **15min**
 - We have a relatively simple budget for our small neighborhood for 2021
 - The review is an opportunity to ask questions about our current financial state
- Budget Approval (member vote) **5 min**
 - One vote per property
 - Simple majority once a quorum is established
- ACC update (Doug Barber) **10 min**
- Meter Readings (Tim Cerniglia/President) **10 min**
 - Due dates remaining this year
 - Available resources
- Lot Mowing, Briargate Parkway mowing (John Christianson) **10 min**
 - Plans for mowing unmowed lots and costs
 - Briargate Parkway mowing
- Trash Services (John Christianson) **10 min**
 - Economy of scale; opportunity to get in on the HP1-2 trash deal
 - Fewer trucks in the neighborhood
- Dog waste management (Tim Cerniglia/President) **10 min**
 - Study dog waste station costs
 - Suggesting 3 along Lochwinnoch trail and one at each cul de sac
- HP 1-2 merger, Warren Management (Tim Cerniglia, info/discussion) **20 min**
 - No decisions are being made at the meeting
 - Any merger would require a future vote by HP3A homeowners
- Other neighborhood improvements (Tim Cerniglia, info/discussion) **ad hoc**
 - *This is our community. What we choose to invest in to improve the neighborhood and increase property values is up to us. The covenants are up to us.*
 - What suggestions do you have to improve common areas and neighborhood vibe like the dog waste stations discussed already?
 - Cathedral Pines - Müllhäus (trash sheds)
 - Lochwinnoch Trail improvements (e.g. Gliderport history/markers)
 - Mailbox improvements (lighting, covers, etc.)
- Schedule Next Board Meeting **(5 min)**
- Adjourn

Meeting Minutes HP3 Homeowners Special Meeting
7075 Campus Drive, Colorado Springs, CO 80921
7-8:30pm, 9/28/2021

Board Members Present

Tim Cerniglia (#146) - President

John Christiansen (#137) - Treasurer/Secretary

Quorum (25% required) and meeting start

Per HP3 Bylaws, 25% attendance by homeowners is required to establish a voting quorum. This was easily met with at least 16 of 39 property owners in attendance either in person or via Google Meets. The meeting was called to order and the minutes of the previous meeting were approved by the Board.

Owners represented (by lot number). Others may have been in attendance on Google Meets that were not confirmed prior to the start of the meeting. Nevertheless, a quorum was established and we are not intentionally trying to leave anyone off the list:

Lot number: 120, 121, 123, 129, 133, 134, 136, 137, 139, 142, 144, 145, 146, 148, 149, 154

Budget

The primary purpose of the meeting was to review and seek member approval of the 2022 budget. Mr. Christiansen provided an overview of the budget (left) and balance sheet (right). The Association has \$19,919 in reserves on \$7,800 in collected dues and HOA Status Letter fees plus retained 2020 earnings. Expenses in 2021 were related to HOA custodial costs (taxes, fees, insurance, etc.).

HP3A, Inc. 2022 Budget as of 9/16/2021		
Income *		\$7,800
Expenses:		
Annual fees (Secy of State and C	\$48	
Website	\$300	
Trail Maintenance	\$250	
Insurance	\$800	
Postage and Mailings	\$100	
Legal/Training	\$250	
Accounting/tax return	<u>\$570</u>	<u>\$2,318</u>
Net Operating Income		\$5,482
* There could also be late fees and fines (hope not) and title company statement fee income, but those are not reliable sources and so are not included in income for budget purposes.		

HIGHLAND PARK 3 ASSOCIATION, INC.		Sep 16, 21
Balance Sheet		
As of September 16, 2021		
ASSETS		
Current Assets		
Checking/Savings		10,768.53
100500 - ENT CHECKING		8,951.31
100600 - CASH IN SAVINGS ENT		19,719.84
Total Checking/Savings		19,719.84
Accounts Receivable		200.00
11000 - Accounts Receivable		200.00
Total Accounts Receivable		200.00
Total Current Assets		19,919.84
TOTAL ASSETS		<u>19,919.84</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		0.00
Other Current Liabilities		0.00
Total Current Liabilities		0.00
Total Liabilities		0.00
Equity		
32000 - Retained Earnings		12,053.00
30000 - Opening Balance Equity		105.00
Net Income		7,761.84
Total Equity		19,919.84
TOTAL LIABILITIES & EQUITY		<u>19,919.84</u>

Member Comments

- Mr. Mahefky (#144) asked whether the Board should consider investing some portion of the budget in an account with better returns. The Board acknowledged there is value in helping the HOA produce better returns on our accounts and will investigate options with the bank. This must be balanced with the need for liquidity in the event reserves are needed for repairs (e.g. mailbox vandalism). However, maintaining a large reserves balance should not be the Board's goal. Reinvesting funds back into the community should be the Board's focus. Funds in excess of those needed to cover urgent reserve needs should be reinvested back into community common areas or returned to homeowners. The idea of adding some low-intensity courtesy lighting to the

mailboxes was discussed as an example of a simple way to invest in small community improvements. The Board agrees that any lighting will respect the dark community feel of HP3.

- Mr. Torres (#139) and Mr. Mahefky (#144) asked what the Insurance line-item on the budget covers. They are specifically concerned about trail liability for the portions of the HP3 common-use trail which crosses their properties. The Board took an action to follow up with the insurance company and return an answer within a few business days. The Board believes the insurance does cover liability for accidents on the trail. *Update (9/29): Mr. Cerniglia contacted the insurer and verified that the Association's liability coverage does include the Association-managed trail, and he emailed both homeowners as a follow-up.*
- Additional discussion on the trail maintenance involved where property owner responsibility starts/stops in relationship to the trail easement. The Board was willing to investigate mowing from the trail to the street - the ditch. But, after reviewing the covenants, this remains the homeowner's responsibility. The Association will maintain the trail path to keep it as weed free as practical, fill-in areas needing repair, and so forth. Mr. Holcomb (#148) noted that in Highland Park 1-2 the homeowners mow up to the edge of the trail on both sides and that their association occasionally drags the trail and fills in any damaged areas. HP3's covenants are consistent with our neighbors in this regard.
- Following the budget review discussion, Mr. Holcomb moved that we approve the budget. Mr. Mahefky seconded. The 2022 budget was approved unanimously by voice vote of the members.

ACC Update

- Mr. Doug Barber (ACC) was unable to attend the meeting. He provided an update via email to Mr. Cerniglia. There is one house plan in review (#120) and one landscape plan in review (#123). In his email, Mr. Barber stated that he would be willing to move on from serving as an ACC member if that were the decision of the Board. Mr. Cerniglia stated that the Board has no immediate plans to shake up the ACC. With so many homeowners potentially heading to the ACC in the coming year, stability and consistency of the ACC is important.

Meter Readings

- Mr. Cerniglia reviewed the basic procedure for **submitting meter readings on October 31, 2021**. This is done three times per year in accordance with the HP3 water augmentation plan. (Feb 28 and Dec 1 are the other two dates.) HP3 reports its numbers to the other Highland Park HOA which, in turn, reports numbers to El Paso County. HP3 members were encouraged to simply send a photo of their water meter reading to the info@hp3a.org email address. The info@hp3a.org website has instructions for how and when to read water meters. Meter reading was identified by several members as an opportunity for neighbors to get involved and volunteer to help collect the required data.

Lot Mowing

- Mr. Christiansen reported that 14 lots are not mowed down to the covenant-stipulated height, and 12 were not mowed at all during the summer. The Association will contract with Teague Sawyer (local mowing company) to mow the unmaintained lots as well as the Briargate Parkway easement. Although Briargate Parkway is a County responsibility, the County has been non-responsive. Since the price is quite low, the Board decided to contract out the mowing and deal with El Paso County next year. Lots will be mowed at the cost of \$120 per lot with that cost plus a \$100 management fee billed to affected homeowners. The Board went out of its way to find a low-cost option and asked homeowners to learn from this year. The same great deal may not always be available in future years, and the Board is under no obligation to price shop on behalf of delinquent homeowners. Rather than issue hefty fines for unmowed lots, the Board

decided to coordinate the mowing this year and charge an administrative fee instead, respecting the fact that we have so many new owners learning the ropes. However, the Board recognizes and appreciates the work done by the majority of homeowners to maintain their lots, and that summer 2022 will feature stricter enforcement of the covenant's mowing requirement.

- The Board reviewed the primary reasons why lot mowing is expected and required by the covenants:
 - Property values are affected by unmaintained and unmowed lots.
 - Rodent/pest control
 - Wildfire control
 - Noxious weed control

Trash Services

- Mr. Christiansen briefed owners that Waste Management has been picking up trash in our neighborhood under the contract negotiated by HP1-2. HP1-2 set up this arrangement because they had trash on the curbs and trucks in the neighborhood all week. The Waste Management contract eliminated this. HP3 will formalize this in 2022, to include taking on payments and adjusting annual dues accordingly as is done in HP1-2. Until this can be formalized, HP3 homeowners are asked to contract with Waste Management to take advantage of the very good pricing (\$11/mo) and single trash day each week and to pay the trash company directly. *Update 10/21/21: a new homeowner in HP3 reported on 10/11 that Waste Management's contract with HP1-2 includes the lots in HP3. Therefore, the Board will investigate how best to reimburse HP3 for the trash services on a per-lot basis through annual dues invoices. New HP3 owners can opt out of this arrangement and handle their trash independently. However, the sense of the Board is that the \$11/mo rate and goal of "one trash day" per week in Highland Park ought to be sufficient for most homeowners to contract with Waste Management.*

Dog Waste Control

- There have been several complaints about unleashed dogs possibly running loose in the neighborhood and owners not picking up their dog's waste. This seems to mainly be an issue with non-HP3 homeowners walking their pets in the neighborhood unleashed. However, many homeowners admitted to not leashing-up their dogs since they've been visiting their property for a long time before homes started being built.
- Mr. Cerniglia suggested installing dog waste stations along the trails and maybe the cul de sac areas. Homeowners roundly disliked the idea on general principle - owners should carry a bag and clean up after their dogs. Several asked which homeowners would have to "host" the dog stations which are smelly and unattractive.
- Mr. Cerniglia noted that as more homes are built it becomes more necessary for owners to respect the properties around them. This is part of getting used to living in a community and not a large open tract of land. Homeowners agreed that we are individually responsible for keeping our pets under control, cleaning up after them, and helping hold each other accountable.
- A specific homeowner was identified (we will not identify him here) as having dogs running loose. To his credit, he stepped up, apologized, and agreed to do a better job in the future.
- The Board will look into installing "Welcome to HP3, dogs must be on a leash, please clean up after your pet" type signs at the entry points as a reminder to our guests. This will continue to be an issue due to encroachment by Wolf Ranch and the new Timber Ridge neighborhoods as well as our neighbors on Poco Road being unaccustomed to HP3 lots as private property.

HP1-2 Merger and Warren Management

- Mr. Cerniglia provided an overview of the idea of merging HP3 with HP1-2. Highland Park 1 and Highland Park 2 merged several years ago. The combined association manages about 200 lots and common areas including the entrances to HP, the traffic circles, the trail system, and other land the Association has oversight of. The HP1-2 board struggles to get volunteers for Board positions, and many homeowners make routine matters like timely dues payments and meter readings an unending hassle. For these reasons, and others, HP1-2 contracted with Warren Management to perform the day-to-day HOA activities (covenant enforcement, dues collection, meter readings, common area maintenance, etc.).
- Mr. Cerniglia briefed that he and Mr. Christiansen have been attending HP1-2 board meetings since early 2021. There are pros and cons of merging with HP1-2. Pros include simplified management and a reduced need for volunteers as well as presenting a unified front for the coming extension of Briargate Parkway through the middle of our neighborhood. Cons include higher dues (HP1-2 is about \$420/year (not counting trash) vs. \$200/year in HP3), a perceived loss of control over HP3 improvements, uncertainty about the performance of Warren Management, and the lack of HP1-2 community improvements.
- Homeowners were given open time to air their views on the proposed merger. Nobody spoke up in favor of the merger. Many spoke negatively about Warren Management as the reason they left their previous neighborhood. The sense of the community is that it is too soon to consider this option because most homes are not even built and we do not know how easy or hard it will be to manage the 39 properties in HP3.
- Mr. Cerniglia was asked by a homeowner what the process would be to merge, if that ever came about. Mr. Cerniglia outlined that the process is not simple or fast. First, there would need to be a compelling reason to move forward. Managing HP3 is not difficult if homeowners volunteer and do their part. However, managing the community becomes infinitely more difficult if homeowners are not timely about dues payments, meter readings, keeping their lots mowed and general maintenance of their properties within the covenants. Second, the Board would have to bring it back to HP3 owners for a vote. Then, HP1-2 would have to vote us in. This would take a few months most likely.
- The Board agreed to continue to participate in HP1-2 meetings and bring ideas forward to collaborate with them on needed improvements (traffic circles, entrances/exits, trails, signage, etc.). The Board also stipulated that the community belongs to the members, and that members need to volunteer, help out, and be responsive to routine needs of the neighborhood. Maintaining our independence means showing up and everyone doing their part.

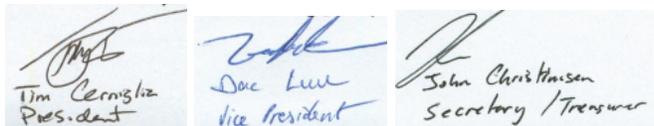
Community Improvements

- Mr. Cerniglia stated that the community is all of our responsibility, and that we can do things and change things if we want to. Covenants can be changed. Architectural requirements can be changed as long as we stay within zoning/County requirements. We can upgrade and enhance common areas such as the trail system, mailbox areas, and so forth. He solicited ideas from the members.
- A significant input from several members was establishment of a social media forum for members such as Nextdoor or a Facebook group. These provide a means to communicate to members about routine things like meter readings and community events or more urgent things like emergencies, crime, or wildlife alerts. The Board took an action to look into options and will need volunteers to set up and maintain it. Mr. Cerniglia stated that any neighborhood social media needs to be managed to prevent neighbors from attacking neighbors which he has seen happen in many locations. Homeowners stated that there is moderation available and the community sets the rules of conduct.

- Members also suggested starting up social events like annual cookouts as the community fills-in with homes. This provides a means to build community. As with the social media idea, volunteers will be needed to carry this out.
- Members suggested a “Welcome to the neighborhood” style information sheet to help new homeowners. Nancy Dyo (#133) noted that when she first moved into the community, she wished she had a simple reference for things like utilities, trash, internet, etc. Mr. Cerniglia agreed to update the info@hp3a.org website to include this. Mr. Grover (#143) emailed Mr. Cerniglia the current “fact sheets” which are outdated and in need of a refresh.
- Mr. Cerniglia talked about the Black Forest Gliderport which once occupied the western side of Lochwinnoch Lane. http://www.airfields-freeman.com/CO/Airfields_CO_ColoradoSprings.htm The flightline extended from the north end of HP3 (hangars) and the longest runway ended at the Forrestgate/Lochwinnoch traffic circle. He thought this small bit of local flying history might make a unique addition to HP3 given our proximity to the airport, the Air Force Academy, and the connection many in our community have to these. Nancy Dyo (#133) mentioned how a community she used to live in put out markers in warmer months which contained pictures and descriptions of the local history. Similar to trail markers we see throughout our area, these might make a nice addition to the mailbox areas or along the HP3 common use trail.
- Mr. Cerniglia encouraged homeowners to look at communities in the Black Forest area (e.g. during the Parade of Homes) to see how higher-end communities manage things like mail, trash, and common areas. HP3 homeowners stated that this can be nice, but that he should keep in mind those communities may have much higher annual or monthly dues. Mr. Cerniglia agreed, and encouraged homeowners to think about ways to differentiate HP3 in ways that can help build a sense of community and increase home values. These do not always have to come in the form of higher dues which lock in costs. Assessments targeted at specific projects can be used, as can building up the reserves account to save for specific projects.
- Mr. Christiansen added that HP1-2 HOA is concerned that their home values are not increasing at the same rate as other communities with large-acre, close-in, lots. The Board believes this is due, in part, to the lack of investment in community common areas. The entry monument signs are too small. The traffic circles are unkempt/bland. Compare this with communities we compete with for buyers like Flying Horse which welcome owners and visitors with metal statues and landscaping that is maintained. Briargate Parkway will be here before we know it. We need to start thinking about improvements now that we will appreciate later on and encourage our HP1-2 neighbors to make improvements entering/exiting HP that will entice buyers to pay top dollar.
- The meeting concluded with members discussing their interest in volunteering. This is needed for routine matters (e.g. meter reading) as well as to investigate community improvements (social media, community events, common area improvements). Mr. Cerniglia concluded by stating the Board would “press to test” on volunteerism. (Press to test is an electronics term that means push the button and test if the box works.) There will be opportunities for members to join the HP3 Board, set up and run various committees, and participate in community events. These will be announced in the coming weeks.

The meeting concluded early, 8:20pm, and the Board wishes to extend its sincere appreciation to all members for their thoughtful and engaged participation.

Digitally approved by voice vote and signed in Executive Session on 10/22/21.



Tim Cerniglia
President

Dore Luv
Vice President

John Christiansen
Secretary / Treasurer