

## CEDAR POINTE OWNERS ASSOCIATION

### Minutes of the Annual Meeting of Owners

Held on August 27th, 2020

#### Owners Present:

Robert Lawler	Larry Lee	Ali Hussein
Steven Fayne	Jason Trueblood	Jamal Sheikh
Jerry Mooney	Adam Geyer	
Kim Jones	Jason Rathjen	
Richard & Paula Coltrin	Tim Kroll	
Partlow Inc.-Manager for Treetown	Faisal Yaseen	
Shaun Houston	Sam Kelley	
Larry & Hazel Abraham	Kyle & Jan McKinsey	
Saeed Ghandi	Rose Schwarz	

#### Also present were:

Wendy Pickering- President of EMG-Management Company  
Mandy Daley – Regional Manager-EMG Management Company  
Adrian Reyes - CPHOA Property Manager-EMG Management  
Michael Miller – Harrison/Miller Law Offices

A Quorum of the committee was established, and the meeting was called to order to discuss the following business:

1. Robert Lawler- introduced himself and everyone present introduced themselves. Called owners meeting into session.
2. Robert Lawler - The agenda was reviewed in order, item per item. First item was to ratify the meeting minutes from the previous owner meeting held in December 2019. Several owners inquired if additional questions could be asked. Wendy Pickering asked to hold all questions that do not relate with ratifying the meeting minutes and the election of new board members. Robert Lawler asked if we could go around the with vote of approval. Michael Miller stated if a motion is made to approve the minutes with a second, the minutes may also be approved. Steven Fayne motioned to ratify and approve the minutes from the December meeting and Larry Lee seconded. The minutes were ratified by unanimous vote of those present.
3. Robert Lawler – The meeting moved to elect 3 board members. Jerry Mooney, Steven Fayne and Joe Torrence board memberships were expiring. All seeking re-election. Bob announced that owner Ali Hussein emailed a self-nomination. Saeed Ghandi made know that he would like to be nominated. Bob asked if we should go around to everyone to cast a vote. Kyle McKinsey asked for voting clarification of how votes are determined. Robert Lawler stated that they are determined by ownership percentage. Steven Fayne said for simplicity, votes are determined unit ownership percentage. Kyle McKinsey stated that Robert Lawler has 61% of the vote, so why are we even voted. Kim Jones said it was a requirement of the bi-laws that we vote. It was determined that Saeed Ghandi of D306 is the only owner-occupied nominee. Wendy Pickering asked that each owner cast their vote for whom they nominate for board members and clarified who the nominees were for the three available positions. (Steven Fayne, Jerry Mooney, Joseph Torrence, Ali Hussein, Saeed Ghandi)
  - a. Faisal Yaseen – (unclear-too many speaking at the same time & background noise)
  - b. Jason Rathjen – Ghandi only
  - c. Steven Fayne – Fayne, Torrence, Mooney

- d. Shaun Houston – Ghandi only
- e. Jerry Mooney – Fayne, Mooney, Torrence
- f. Tim Kroll – Ghandi, Hussein
- g. Richard & Paula Coltrin – Ghandi, Hussein
- h. Larry & Hazel Abraham – Fayne, Torrence, Mooney
- i. Kyle & Jan McKinsey – Ghandi Hussein
- j. Sam Kelley – Fayne, Torrence, Mooney
- k. Adam Geyer – Ghandi, Hussein
- l. Jason Trueblood – Fayne, Torrence, Mooney
- m. Rose Schwarz – Ghandi, Hussein
- n. Larry Lee – Ghandi, Hussein
- o. Kim Jones – Fayne, Torrence, Mooney
- p. Saeed Ghandi – Ghandi, Hussein
- q. Jamal Sheikh – Ghandi, Hussein

Results of the vote are to be posted to the Association website.

- 4. Robert Lawler went over the resolution that the board approved with regards to pest control. Any unit requiring treatment outside of normally scheduled treatment will be the responsibility of the owner.
- 5. Robert Lawler began the discussion of the substantial rehabilitation project and gave a summary of what is being proposed. Robert Lawler also explained the board has yet to enter a contract and does expect the final costs to be lower than anticipated. He also stated that the information was circulated to all owners. Robert Lawler opened the floor to owners to speak. Wendy Pickering was given control to preside over the owner's opportunity to present questions with a two-minute maximum to ensure each owner had the opportunity to comment and ask questions.

Yaseen Faisal – Asked why the assessment was 25% of the value and what the return is for owners if they invest the assessment. Robert Lawler explained it is to improve the property and could possibly increase unit value but cannot determine what percentage of return.

Sam Kelley – Asked what the motivation behind the decision was for the renovation and asked if a market study had been conducted to determine if the value would go up. Steven Fayne confirmed that research had been done and that the purpose of the renovation had two basic components. First, preservation of value that would mean improvement the property condition, without which would result in further deterioration. And second, to approve the physical appearance which could result in higher market rents.

Treetown Management Representative-Laura Partlow – A representative of Partlow Management spoke on behalf of the Tree Town property owners. She presented reasons that the owners should hesitate to trust the Park Place owners. She gave examples of how the property is in poor physical condition and that there are security issues. Robert Lawler explained to her that these are the reasons why the Board is suggesting the rehabilitation project and pointed out that some improvements have been made over the past two and a half years.

Jason Rathjen – Expressed concerns that the rehab will make it difficult for low income families. He expressed that the rehab would decrease the value of units because owners will want to sell their units and buyers will fear to buy, thus forcing owners to sell at below market prices to sell their units. He also shared that he believed that the scope of the project was too much to do in one year. Wendy Pickering responded that the units will not all

be affected since the majority of the units in the community are Low Income Housing Tax Credit units and are rent capped. She expressed her sympathy to concern regarding the value of the units but stated that these concerns are an assumption of what may happen but have not been proven.

Kyle McKinsey – Asked that the questions that he and his wife had emailed to the Board be answered in detail. He asked when the rehab was decided on and why owners were only recently informed of the rehab. He asked where the estimates for the assessment summary came from and what company was used to provide the estimates. He questioned whether the estimator might have any kind of relationship to any member of the board. Steven Fayne responded that without doubt, no company used for the estimates has any type of relationship or affiliation with any of the Board members. Kyle McKinsey asked why owners were not included on the decision for the rehabilitation and stated that he wanted the phone numbers for all owners provided. Steven Fayne responded that it had only been discussed with the Board for the last 30 - 45 days. Steven Fayne also stated the Park Place ownership recommended the rehabilitation to the Board. Steven Fayne stated that Park Place ownership has taken charge of all leg work for the rehab. Robert Lawler stated he can provide a response to the McKinsey email. Kyle McKinsey wants proof of who signed the proposed estimate.

Shaun Houston – Asked from start to finish how long the rehab will take and how long the money will be tied up before the investment. He also asked for the names and addresses of each member. Robert Lawler responded with the exterior will take 4 to 6 months. He stated that all work included in the assessment summary will be completed in 4 to 6 months. Shaun Houston asked if the dues contributed to a reserve for the HOA. He stated that his previous experiences with other HOA used their reserves for projects like this. Robert Lawler stated that this was why the previous ownership had issues with regards to capital projects. He also said that is why there is a special assessment.

Jerry Mooney – Commented that the mansard removal has caused a concern in his family and removing them is half the cost of the assessment. He and his family feel that the return on the investment is not warranted. Jerry Mooney recommended that the item be tabled for 30 days. Steven Fayne said because the Board met and voted and approved the rehab project that there is no reason to table anything.

Tim Kroll – Inquired as to why the August 6<sup>th</sup> Board meeting was not made known to all the owners and believes that is against the HOA Bylaws. He mentioned that the track record with owners is not good. He expressed the concern over the doors to the buildings. He asked why the rehab needs to be done all at once. He stated that long-term projects do not do well. He also expressed that most owners do not have the funds. He expressed dissatisfaction with the Arizona Security company going bankrupt. He disagrees with the assessment payment schedule and that it should be broken into smaller payments over a longer term. Mr. Kroll stated all approved estimates should be posted on the HOA website for all owners to view. Reminded Board of past projects that were not executed well. Believes a more detailed summary of the scope needs to be provided. He also asked about the HOA getting a loan and allowing owners to pay into that loan. Robert Lawler asked that Michael Miller address the issue that a Board meeting was held outside of the bylaws. Michael Miller stated that the meeting was held within what the bylaws allow and that all was done in line with the Utah Condominium Act. Mr. Miller stated that Owners must request to be notified of Board Meetings. Steven Fayne stated that the purpose of the owner meeting is being done to inform owners of what is being proposed rather than not include owners. Mr. Fayne also stated there is still a lot of work and negotiating left to be done. The reason for the assessment in advance is to have an escrow account to begin any work. He also stated that each owner can seek whatever means they need to finance their assessment payments. Wendy Pickering recommended to respond in an email any other questions or comments as Tim Kroll was well over his two-minute limit. Tim Kroll requested all information be posted on the website.

Treetown Management Rep-Laura Partlow- began speaking and commenting regarding Tim Kroll's comments. Wendy Pickering informed her that she had already spoken and that she was out of order. Partlow was muted 3 times and would not discontinue interruptions. She was dismissed from the meeting at 6:17 pm

Larry & Hazel Abraham – Larry Abraham stated most of his questions have already been presented. He said Park Place ownership is not on the side of the minority owners. He stated there is no upside to his investment. He asked where the minutes are for the Board meeting and previous meeting minutes. Robert Lawler stated that the minutes are in draft form and can be circulated but will need to be ratified at the next owners meeting. Larry Abraham asked where the interest for the monies in escrow will go. Steven Fayne stated the interest remains with the escrow and becomes part of the escrow or will be returned. Larry Abraham asked if any money is coming from federally funded programs. He asked if there is any state or federal tax breaks for any owners. Wendy Pickering explained that the questions were of a private nature and that personal finances were not going to be discussed or shared with any Owner. Larry Abraham thanked everyone for their comments and wants to know when minutes will be made available and recommended that all owners should be contacted about Board meetings. Wendy Pickering stated that the minutes and meetings will be made available to the owners.

Richard & Paula Coltrin – Richard Coltrin shared that he did some research regarding items on the assessment summary and that he received a bid for the windows at 1/3 of the cost. He stated that the fences can probably be done for 1/3 the cost. He stated he thinks since the items do not need to be replaced now, it is not needed. He stated that Robert Lawler's low-income contract is soon to expire and wants to know how much he stands to gain. Wendy Pickering repeated that the question was of a private nature and that personal finances were not going to be discussed or shared.

Adam Geyer – Wanted to know if security is going to be addressed in the rehab. Steven Fayne stated that the security is one of the major concerns and topics of discussion for the rehab. Steven Fayne mentioned options that are being considered such as a central laundry room and an armed guard on-site. He stated that upgrading the appearance of the property will attract a better clientele. He encouraged the other owners to provide stricter screening processes. Adam Geyer agreed that the relocation of the laundry is a good idea.

Trueblood – No questions no comment.

Rose Schwarz – The male with Rose Schwartz requested a draft showing the increase in foreseen rents. He asked for a copy of what Steven Fayne had stated in a comment. Steven Fayne stated he did not project rent. The gentleman asked not to be interrupted and asked if all buildings would receive the same upgrades. He asked who Michael Miller works for, and Michael Miller clarified he works for the entity of Cedar Point Owners Association. He asked for minutes that Michael Miller has and if anything has been done illegally, he would like action taken. He stated that he believes that Michael Miller works for the HOA so that he is his attorney and that Michael Miller must provide information to him. The male with Rose Schwartz also stated that in his opinion all of the upgrades will not be taken care of by anyone living at the community. He wants a notice for any meeting to go out to all owners. He would like all questions emailed to be copied to him. He also asked for answers to all questions presented be posted on the Cedar Point website. He again asked who Michael Miller works for. Michael Miller stated he represents the entity of the Owners Association, not necessarily each individual owner. management company and members elected to the owner's association's board. Michael Miller clarified that he represents the board who are decision makers and not the individual owners.

Rathjen left meeting at 6:49 pm

Larry Lee – Stated he is a new owner and HOA member. He stated he understands the need for the rehab, but had a bit of sticker shock with the new assessment and the property is in bad condition both physically and security wise. He shared things he has seen onsite and how they are concerning to him. He stated he has concerns and that security is the most important of them and how it should be addressed first. Wendy Pickering thanked him for his comment.

Saeed Ghandi – Stated he has been an owner since 2016 and that he had many objectives. The assessment is being done on short notice. He stated that the property needs to be made safe before any projects are taken on. He does not think this should be done during a recession and pandemic. Stated that he wants a business plan and that he has a hard time trusting. He stated that the rehab is more for the majority owners and that minority owners will be forced to sell and claim bankruptcy. He claims he has yet to be given information he requested almost one year ago. He said he has retained an attorney and will fight the projected rehab.

Trueblood left the meeting at 6:54 pm

Kim Jones – Stated he and his wife share the same concerns as many owners. He also stated that the assessment is a lot of money to come up with in a short amount of time and it will be difficult for Owners to come up with. He stated that the scope is too large for it to be executed and see the results that are expected. He also stated that security is a waste of money. He agrees with the Coltrin's that you "don't change the tires if they aren't worn out".

Jamal Sheikh - Stated he shares the same concerns. He reviewed the previous meeting minutes and saw no indication of a special assessment. He said the rehab should be postponed to 2021 and owners should be given a longer period in which to pay.

Houston- Had one more question regarding the replacement reserve funds and where that money was going to. Bob replied that it was used for capital projects such as tree removals and that it is to be used for major capital items.

A motion was made by Tim Kroll for a special meeting tomorrow and was seconded by Kyle McKinsey. Michael Miller said the bylaws state that a meeting cannot be held without notification of at least 15 days and cannot be made unless made by 40% ownership percentage. Tim Kroll wanted clarification of the reason why he needs written notice for board meetings. Michael Miller stated he would address his questions submitted in writing. Robert Lawler offered to discuss further with Tim Kroll his concerns in depth offline. Tim Kroll wanted the Board to waive their attorney client privilege and address all items now. Michael Miller advised against that and the Board stated they would not waive their privilege.

Robert Lawler moved to adjourn the meeting. Jan McKinsey asked for a moment. She asked that her emailed questions be addressed. She wanted clarified how assessments were determined. She wanted all answers to all questions posted on the HOA Website. She would also like the rehab to be presented in a formal presentation. She would also like phone numbers for every member of the HOA. Wendy Pickering pointed out that not everyone wants their phone numbers shared. Michael Miller stated that under Utah law names and addresses can be shared.

6. Robert Lawler called the meeting adjourned.

There being no further business and upon motion duly made, seconded, and carried, the meeting was adjourned at 7:14 pm.

Minutes dated and approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

By: \_\_\_\_\_

DRAFT