

Blackhawk Homeowners Meeting Minutes

February 19, 2019

We had 16 families in attendance, see attached sign in sheet

Holiday Inn & Suites – Bellevue

Meeting was called to order at 7:01pm, by President Stacen Gross. Also in attendance was Vice-President Greg Schrader, Treasure Dave Wiegand, and Secretary Lynn Moser. Everyone in attendance introduced themselves. All Blackhawk residents are invited to attend meetings.

Thanks to all that braved the weather to come out for the HOA meeting on Tuesday night! We had 16 households in attendance. We had lots of great discussion on the pros and cons of the impending annexation by the City of Bellevue.

Treasurer's Report

<u>Beginning Balance:</u>			\$24,676.77
<u>Expenses:</u>			
OPPD (Nov, Dec, Jan, Feb)			\$230.65
1&1.com (Oct, Nov, Dec, Jan)			\$32.96
Stacen Gross - President			\$600.00
David Wiegand - Treasurer			\$600.00
Menards			\$19.31
NE Nonprofit Biennial Report			\$23.00
<u>Subtotal:</u>			\$1,505.92
<u>Credits:</u>			
2019 HOA Dues			\$4,955.42
<u>Total</u>			\$28,126.27
<u>Notes:</u>			
As of February 17, 61 homeowners have paid in full for 2019.... 89 remain outstanding.			

Secretary's Report

Meeting minutes were approved from August 16, 2018. Motion was made by Ken Hurt, second was made by John Kunce, pass with all yeas votes. The residents at this time are getting notified about the HOA dues for the fiscal year 2019. The information was posted on the Facebook page, as well as the Nextdoor app. Stacen Gross reminded everyone at the meeting that the **dues are not optional**. The HOA and annual dues were established by an amendment to the original Subdivision Agreement with the City of Bellevue because the City does not normally allow neighborhoods to have more upscale amenities like the entrance fountain and lighting feature, park trail and lighting, decorative street signs and park irrigation system. They do not allow these types of features in neighborhoods for fear that they will someday have to maintain them when the neighborhood is annexed into the City. The Blackhawk Homeowners Association is therefore contractually obligated to maintain these features even after annexation. The annual dues are needed to pay for said maintenance.

Welcoming Committee Report

We are truly excited to see the new neighbors and potential friends moving into our wonderful subdivision. Please pass along the names of new neighbors so we can get our welcoming committee around to their new residents, to provide information that is pertinent to the Blackhawk Subdivision. Also, Stacen Gross has designed our website so that all of the information for new residents is easily accessible. Please check it out at www.blackhawkhomeowners.org. It was discussed as well this month that with all the activity in Missy McCool's life right now that maybe we could help her out a little with this responsibility. Greg Schrader and Dave Witkop expressed interest in helping out at this time, discussions will follow about responsibilities, thank you to all who are helping at this time, we have a wonderful Community of residents and thank you to Missy McCool for all of her hard work in the past.

Architectural Committee

The Blackhawk Neighborhood Covenants technically expired in February 2016 and with the impending annexation by the City of Bellevue, there really is no need to have a designated committee to enforce the covenants. We would like to thank Roger Keith for heading up this committee and the many years of dedicated service of always trying to make our subdivision look beautiful and well maintained. We are very grateful for all the work you have done over the last years! Thank you! Permits and inspections for all home improvements and exterior projects will now be directed to the City Permits & Inspections Department at <https://www.bellevue.net/departments/permits-inspections/overview>

SID Board Report

Stacen Gross provided everyone in attendance an update on the annexation and a summary of work completed to date between the SID Board and the City regarding the MOU discussed above. The City has told us that the annexation plans for Blackhawk were "accelerated" last Fall due to a letter received from the Federal Highway Administration regarding an ADA complaint filed by Frederick Payne, 2905 Courtney St. The letter which was received by the City advised the City that approximately \$16 million

dollars in federal highway funds could be held up and possibly re-allocated to other areas if the City is unable to resolve the ADA complaint with the Blackhawk neighborhood. The City feels that the only way to resolve this claim and maintain the funds which will be used to widen 36th street is to annex Blackhawk. It is pretty clear that if this complaint had not been filed, Blackhawk would likely not be annexed at this time.

Old Business

Most of the meeting was focused on the new business regarding annexation, rest assured that the Board will try to maintain the integrity of our subdivision. We all benefit from the upkeep to the park as well, our homes and subdivision are quick to sell, because we do provide some upscale amenities to our subdivision.

New Business

BHOA Vice President Vacancy – President Stacen Gross asked Greg Schraeder if he would be willing to take over the Vice President position. A motion was made by Stacen Gross and seconded by Dave Wiegand with all aye votes. Thank you Greg for agreeing to serve on the Board!

City of Bellevue Annexation - The annexation, budget and upkeep to the park were all discussed in great detail. Our SID Board and HOA Board are working with the City to allow us to maintain the park and our front entrance in the manner we have all become accustomed too. Some of the concerns from homeowners were focused on the added costs and if the annual dues would need to increase to cover the added costs. A “frequently asked questions (FAQ) on handout on the annexation was prepared by Stacen Gross and handed out. A copy of this is included at the end of the meeting minutes.

City of Bellevue Public Works MOU – Our SID Board and HOA Board have been negotiating a Memorandum of Understanding (MOU) with the City Public Works Department pertaining to the future maintenance of the park and front entrance. The City has indicated that they will not maintain the following features in our neighborhood if they are in charge.

1. Front entrance & park trail lighting – if it breaks or stops working, it will be removed
2. Front entrance & park sprinkler system – the use of this would be discontinued and any parts above the ground would be removed
3. Decorative street and stop signs – these would be replaced with standard “U” channel metal posts and signs when damaged or in disrepair
4. Landscaping (areas with wood mulch) – this would need be maintained and would be removed
5. Mowing – We would be on a 10-14 day mowing cycle with limited trimming (we currently mow weekly)
6. Weed control and fertilizer – weeds would be sprayed a couple times annually, no fertilizer applications
7. Picnic tables and park benches – if damaged, they would be removed
8. Stream bank erosion – the city will not touch any erosion issues

9. Pedestrian bridges – the city will keep them operable to pedestrian traffic but will not replace them if damaged beyond repair
10. Snow removal – the city will provide for snow removal on the park trail and front entrance sidewalk

The proposed MOU with the City would allow us to maintain all of the elements listed above on our own using our contractors. In exchange, the City would provide our HOA with \$15,000 annually to offset some of the costs. After much discussion, a vote was called to allow the HOA Board to continue to negotiate with the City and to ultimately enter into the agreement with the City. Molly Gross made a motion, Ken Hurt seconded, vote was 14 YES and 2 NO, motion carried.

BHOA Dues - Currently our annual HOA dues are \$84/year. and it is a possibility that it will increase to around a \$100.00 a year per home, more information will be coming.

2019 Maintenance Contracts & Budget – Stacen Gross presented the Board and members present with a draft budget for calendar year 2019 reflecting the current funds on hand with the planned expenses for 2019 including new expenses associated with the HOA assuming responsibility for the maintenance of the park and front entrance which had been SID expenses. The proposed budget is listed below:

2019 Budget

Item #	Expense/Service Description	Budget Amount	Notes
1	Mowing	\$15,000	
2	Turf Care/Fertilizer & Weed Control	\$1,500	
3	Critter Control/Mole Removal	\$1,000	
4	Creek Bank/Drainage Maintenance/Repair	\$0	Reserve \$3,000 for emergency repairs
5	Irrigation System Start-Up & Maintenance	\$500	
6	Park Lighting Repairs	\$500	
7	Trees Shrubs & More/Landscape Maintenance (Qty 4)	\$2,315	
8	Trees Shrubs & More/2019 Tree Grant	\$2,992	
9	MUD/Irrigation System Water Use	\$1,000	
10	OPPD/Park Lighting	\$2,400	
11	OPPD/Front Entrance Lighting	\$1,000	
12	Dog Waste Bags	\$600	
13	Decorative Street Sign Maintenance	\$500	Painting and maintenance
14	Adminsitration/Misc/Website/Supplies/Legal	\$5,000	
15	Annual Expenses Subtotal	\$34,307	
Revenue Description/Source			
16	HOA Annual Dues Payable	\$7,476	89 homes payable
17	City of Bellevue Annual Maintenance Payment	\$15,000	
18	NRD Tree Grant	\$2,500	
19	Annual Revenue Subtotal	\$24,976	
20	Funds On Hand	\$28,126	As of 2/17/2019
21	Estimated Ending Balance 12/31/2019	\$16,295	

The new annual expenses in the amount of \$34,307 will be offset by the planned \$24,976 in revenues which includes annual dues, funds from the City and a grant from the NRD. The budget notes that HOA dues will remain at \$84 for 2019 since 61 households have already paid dues. The Board will re-evaluate annual dues later in 2019 as a part of the 2020 budget process. It is likely that dues will have to increase slightly for 2020 based on the \$9,331 revenue shortfall we are going to experience this year coupled with the need to keep some reserve balance in our fund to be able to deal with emergency expenses which will not be covered by the City such as stream bank erosion, vandalism and unplanned large expenses associated with the continued operation of the park and front entrance lighting and the park sprinkler system. Motion was made to approve the 2019 budget by Ken Hurt with Second by John Kunce, with 14 YES and 2 NO votes, motion carried.

Public Comments

By Laws – BHOA has by laws which govern the operation and administration of the Homeowners Association. Some concern was made that the by-laws currently require Board approval for all expenses in excess of \$500 and that it may become difficult in the future to make decisions and carry out the business of the HOA with this limitation. After much discussion, Stacen Gross stated he did not see this as a problem as all planned expenses for the year are and should be included in the annual budget and as long as expenses do not exceed the annual operating budget, there should be no need to approve individual expenses and that if an amendment to the budget was required due to many unforeseen or emergency expenses, it would be appropriate to have a Board meeting to get public input before amending the budget to deal with any emergency type expenditures. Everyone in attendance seemed comfortable with leaving the \$500 expenditure clause alone for the time being and just defer to the approved operations budget to guide individual expenditures.

ADA Compliance & Broken Sidewalks - We would like to let our residents know that it was also discussed at the meeting that the City will likely be mailing out letters to residents that have sidewalks that are in need of repair. Those repairs would have to be done at the residents expense, or the City will do the work and file a lien on the property for the amount of the work. Lisa Witkop asked if the SID was able to help out with these expenses and the answer was that it was just too costly to undertake by the SID board or HOA at this time. The SID actually does not have any excess funds on hand and pays contractors with warrants or a “promise to pay” certificate. Typically, contractors doing business with the SID are able to get paid for the warrants in 6-7 months as tax revenues are received. The HOA also does not have adequate financial resources to take on this work as evidenced by the 2019 budget above.

The meeting was adjourned at 8:24 PM. The next meeting is planed for 7 PM on April 18th at the Blackhawk park pavilion.

Meeting Attendance

Name	Address
Stacy Gross	2920 Blackhawk Cir
Molly Thors	2920 Blackhawk Cir
David Wierand	2915 Blackhawk Dr
Laurel Wierand	" " "
Roger Reiter	2918 Blackhawk Cir
Joel Kuehn	2920 Courtney Dr
Upton Bruce Mayhew	2807 Blackhawk Dr.
Shari & Tom Koski	2805 Sheridan Rd
Ryan Gledits	2801 Blackhawk Rd
Chris Dalton	2805 Blackhawk Dr
Rich Coch	2917 Blackhawk Dr
CAROL RECKW	2904 SHERIDAN RD
Deanne W. R. R. R.	2913 Sheridan Rd
Vicki S. S. S.	2905 Blackhawk
Ken Hunt	2617 Blackhawk Dr
David W. W.	2701 Blackhawk Dr
Catherine W. W.	2507 Blackhawk Dr
GREG SCHRAEDER	2903 SHERIDAN RD

SID 147 Blackhawk Maintenance Responsibilities & FAQ

Item #	Current Tasks & Expense Items	HOA	City
1	Park Mowing	X	
2	Park Trail Snow Removal		X
3	Turf Care/Fertilizer & Weed Control	X	
4	Critter Control/Mole Removal	X	
5	Creek Bank/Drainage Maintenance/Repair	X	
6	Irrigation/Sprinkler System Maintenance	X	
7	Park & Front Entrance Lighting Maintenance & Repairs	X	
8	Tree Trimming & Maintenance		X
9	Park Bridge Repair & Maintenance (Qty 3)		X
10	Sidewalk/Concrete Repair & Maintenance		X
11	Landscape/Plantings Maintenance	X	
12	MUD/Irrigation System Water Use	X	
13	OPPD/Park/Entrance Lighting	X	
14	Park Trash Carts (Qty 4)		X
15	Dog Waste Bags	X	
16	Decorative Street Sign Maintenance	X	

Frequently Asked Questions

1. How can we have an HOA but no Covenants?

The duties and mission of the BHOA per the By-Laws is to provide for the care and maintenance of the common space facilities and open spaces and enforce the Protective Covenants. Since the Protective Covenants expired on February 7, 2016 (25 year term). Covenants do not survive annexation. Once annexed, Covenants are replaced by City Municipal Code & Zoning Regulations.

2. If we increase the annual dues, what happens if residents fail to pay?

The Supplemental Agreement (which created our HOA) signed by the City of Bellevue, SID 147 and the BHOA on June 24, 1991 assigns the BHOA specific duties regarding the care and maintenance of specific common space and facilities. The BHOA By-Laws then provides for a mechanism for the BHOA to assess annual dues to fund said care and maintenance. The By-Laws contains a provision to assign liens against property for non-payment of HOA dues. BHOA has filed liens in the past and liens have been paid upon sale of the property. The average rate of non-payment over the last 5 years has been less than 10 households annually.

3. Why would the annual dues need to increase if they already cover all of the maintenance costs?

The current annual dues only pay for landscaping maintenance at the front entrance along 25th street and at 4 spots in the park, along with maintenance of the decorative stree signs, an annual tree planting program in the park, dog waste bags, electricity for the front entrance lighting and administrative expenses. Costs associated with the park mowing, snow removal, irrigation system, lighting, etc...are paid by SID 147. The BHOA will now be taking over maintenance for these elements as well.

4. Can we collect HOA dues from the Oakhurst residents on the south side of the park?

The Oakhurst neighborhood does not have an HOA and will also likely be annexed by the City later in 2019. The residents would have to create an HOA or voluntarily join our HOA and agree to pay annual dues to also support the maintence of the park. This also brings up the question of how maintenance will be handled for that portion of the park that lies west of 29th street which is the responsibility of SID 186 (Oakhurst) today and if they will try to establish an HOA to take over maintenance of this area. SID 147 (Blackhawk) currently handles the administration of the maintenance contracts with Oakhurst for this section of the park. SID 147 will cease to exist by mid March. Discussions will need to take place with SID 186 regarding the contracts.