

University Woods Condominium Association

Board of Directors Meeting

Monday, April 28th, 2025

Zoom

6:30 PM

1. Calling Meeting to Order

Called to order at 6:32

Quorum Established

2. Discussions on questions presented to Henry Jones of Jordan Price Law Office  
(Summarized Below)

\*Unit owner responsibility for water bills

Summarized Attorney Response

No specific reference to water billing, responsibility lies with the HOA. Due to submetering, recommends amending covenants to allow association to recover water bills. May go to small claims

\*Reconciliation of the Declarations and CC&R and Bylaws

Attorney recommends reconciliation and updating of the governing documents. Mentions included water billing, special assessments, insurance clauses. This will require a vote from the association members and he discussed options to get the votes needed to amend, i.e. online voting, zoom, mail

\*HOA funds for Private Unit Repair

HOA should be filing all claims with insurance regardless, even though this most likely will end up with either higher and unaffordable premiums, cancellations or unable to obtain insurance. This includes insurable claims that will not meet the deductible. The attorney discussed options about the possibility of self-insuring in that cause and proper steps needed to take for that to happen.

\*Legality of Special Assessment and Dues Increase

Only mention of special assessments were for capital improvements. Options discussed to remedy those who have already paid the SA

Only Assessments are Capital Improvements and Annual Assessments; there is no Special Assessment listed in our covenants or bi-laws \*

\*Misinterpretation of Liability Clause in Declarations

Unit owner is responsible for maintenance. A question was brought up about negligence and he discussed that negligence was typically hard to prove and insurance rarely denied claims due to negligence if it was an insurable loss.

HOA Insurance to remedy losses up to original building, any betterments made by an owner would be their responsibility.

\*Failure to Enforce Transparent Elections and Rotate Leadership

Elections must happen annually when there is a quorum. Holdovers due to no others wishing to join the board is ok.

While “holdover board” provisions apply in some cases, the attorney emphasized the importance of documenting all efforts to notify homeowners and obtain a quorum. \*

Courts expect meaningful attempts to engage the membership, especially regarding transparency and fair governance. \*

Board decided to submit their ideas on how to move forward based on this meeting with attorney.

3. Adjournment at 7:30pm

Here is Read.AI Summary and Topic Notes of meeting

**Summary:**

The discussion focused on the association's financial responsibilities and the need for amendments to the covenants regarding water bills and insurance coverage. Speaker 1 emphasized the importance of recovering costs from unit owners, suggesting that the association amend its covenants to facilitate this process. The conversation also highlighted the statute of limitations for recovery, with a recommendation of six years, and the potential for small claims court involvement, underscoring the necessity of legal representation.

Additionally, significant discrepancies between the declaration and bylaws concerning insurance coverage were identified, prompting a need for clarity to avoid confusion and ensure compliance.

The board's decision to pay for a \$57,000 repair without filing an insurance claim was scrutinized, with the attorney advocating for claims to be filed to protect the HOA's interests and future insurance options. Concerns were raised about the financial implications of charging homeowners to replenish the HOA account after utilizing funds for repairs. The discussion also included the need for a special assessment provision in the covenants, with suggestions for improving community participation in voting on amendments through mail-in ballots and virtual meetings. The outdated nature of the current covenants was acknowledged, with a preference for targeted changes rather than a complete overhaul.

Frustrations regarding the association's inability to recover costs from negligent unit owners were expressed, particularly concerning water heater damages. Henry Jones clarified the distinction between maintenance responsibilities and insurance claims, noting that negligence must be proven for claims to be effective. The conversation also touched on the potential for mandatory water heater replacements and the costs associated with redrafting covenants.

Concerns about transparent elections and adherence to bylaws were raised, emphasizing the need for proper documentation and member engagement.

### **Topics:**

#### Discussion on Water Bill Responsibility and Legal Remedies

Speaker 1 addressed the issue of water bill responsibility, indicating that the association should consider amending its covenants to facilitate the recovery of water costs from unit owners. Speaker 8 mentioned their current practice of collecting unpaid amounts at the time of unit sales. The discussion included the statute of limitations for recovery, with Speaker 1 advising against waiting longer than six years to pursue claims.

#### Insurance and Bylaw Compliance Discussion

Speaker 1 pointed out inconsistencies between the declaration and bylaws concerning insurance obligations, suggesting that amendments may be necessary to resolve these issues. Leondra Edwards questioned the legality of the association covering repairs for private units, emphasizing the burden this places on the HOA. The discussion underscored the complexities of insurance claims and the importance of clear covenants.

- \* Legal implications of suing unit owners for unpaid bills.

#### Insurance Claims and HOA Fund Management

The board decided against filing a \$57,000 insurance claim, choosing to cover the cost with HOA funds. Speaker 1 argued that filing the claim is essential to determine coverage and protect against potential rate increases or policy cancellations. Speaker 2 raised concerns about the appropriateness of using HOA funds for this purpose.

- \* Insurance claims and the necessity of filing claims regardless of deductible amounts.

#### Discussion on Special Assessments and Covenant Amendments

Speaker 1 emphasized the importance of including a provision for special assessments in the community's covenants, distinguishing it from annual and capital improvement assessments. Speaker 8 recounted previous unsuccessful attempts to gather community votes, prompting Speaker 1 to propose alternative methods such as mail-in ballots and Zoom meetings to facilitate participation. The discussion also touched on the potential need to update outdated covenants.

- \* Special assessments and their legal standing within the association's covenants.
- \* Communication strategies for improving member participation in meetings and votes.

#### Discussion on Insurance and Maintenance Responsibilities

Speaker 5 questioned the association's recourse when a unit owner's negligence, such as a failing water heater, causes damage to other units. Speaker 1 explained that while unit owners are responsible for maintaining their own units, insurance claims can complicate the determination of negligence. If negligence is established, the insurance may cover damages, but the deductible would need to be sought from the negligent owner.

#### Discussion on Special Assessment and Homeowner Dues

Leondra raised issues about the special assessment and the increase in homeowner dues, proposing a motion to remove the special assessment in light of recent findings. Crystal indicated that the assessment is still being collected, but some homeowners have not paid, citing concerns over its correctness. Leondra emphasized that other homeowners are also worried about the situation. Mark sited he has not heard of any homeowners. Crystal mentioned that there is a condo owner who is concerned that he was at our annual meeting.

#### Discussion on Condo Association Rules and Financial Assessments

Speaker 6 inquired about the feasibility of requiring water heater replacements every ten years, and Speaker 1 explained that such rules must align with existing covenants. The discussion also covered the costs of redrafting covenants, estimated between \$3,000 to \$5,000, and how to manage a special assessment already communicated to homeowners. Speaker 1 suggested providing credits to homeowners over time to address the special assessment issue.

#### Discussion on Election Procedures and Quorum Requirements

Henry outlined the legal obligations for conducting elections and maintaining a quorum, noting that a minimum of 10% of members is required for meetings. He explained that if a quorum is not met, the current board can remain in place until a legitimate election occurs. Additionally, he highlighted the need for clear communication with homeowners to encourage participation.