

**MARINA PARK
BOARD MEETING
JANUARY 11, 2008**

MINUTES

1. **Call to Order.** The meeting was called to order at 12:10 p.m.
2. **Affirmation of Attendance and Quorum.**
 - A. Board members in attendance were Rich Rutledge, and Ron Melgren (via conference call). Zeke Gazett arrived later in the meeting.

A quorum was established.
 - B. Representing Mountain Managers were Eric Gill, Susan Witkowski, and Judy Freese (via conference call).
3. **Approval of Minutes from the 11/16/07 Board Meeting.** A motion was made, seconded, and passed to approve the minutes as written.

Before proceeding with the meeting, Eric noted that William Burnidge had called regarding an invoice he received. Per the October Board meeting minutes, owners who had paid into the reserves under the old dues structure were billed for the difference between the old dues amount and the new dues amount. The Board stated that this was not their intention. The intent was to ensure all owners are now paying the new dues amount. The only owners to be billed are those that may have paid the old dues amount after the new dues structure went into effect on 8/1/07. Letters will be sent to owners who received invoices.

4. **Repair and Maintenance Report.** Eric briefly read through each item. Per the last Board meeting, the pump that failed has been re-built and will be available for future use. Eric discovered that this pump can be used to replace either size pump so there will now be 2 extra pumps that can be used when necessary.
5. **Financial Report.** Eric reviewed the November financials and the year-to-date numbers. He explained to the Board that beginning in January the financials will begin to make more sense and it will be easier to see exactly where the Association is either over or under budget.

Insurance: The full premium (12 months) was paid in November.

Repair and Maintenance: This will change and go down under the new all inclusive management agreement.

Snow Removal (back section of alley way). The city plows the sidewalk but is not responsible for the street. It was noted that it appears the city has plowed the street on a couple of occasions but Eric knows they did not plow during the first two snowfalls.

During the discussion of snow removal, it was noted that there are owners who are parking numerous vehicles in the spaces intended for guest parking. Their garage/carport is being used for storage and not for parking vehicles. A trailer is currently parked in the carport which sticks out past the carport. Vehicles parked in the lot are not being moved for snow removal.

The Board feels that the Rules and Regulations must be enforced to prevent further violations in the future. Eric stressed to the Board that if a letter is sent and not enforced within one year, the Board will not be able to do anything further. After discussion, it was resolved to send a letter to the violator (unit 11) notifying them that they must comply with the Rules and Regulations. Vehicles must be parked in owner's garage/carport; outside spaces are intended for guests only. If they have too many vehicles, they must make other arrangements to park them off site. Zeke also mentioned that one of the older vehicles is leaking oil everywhere. This is not acceptable and owners will be so informed.

Returning to the financial report, Eric noted that many labor items under pool, grounds, repair and maintenance, etc. will be included in the new management agreement.

The checking account was at a negative \$3,039.16 and the money market account balance was \$9,652.92.

Several owners are delinquent. Eric has spoken to Michael Bosma – he has said he will bring his account current.

Ron questioned whether or not the dues structure was adequate to cover the increase in management fee costs under the new agreement. Eric feels confident that doing away with the a-la-carte agreement and therefore eliminating substantial labor costs will result in the Association having enough money for day to day operations. Rich noted that with this winter being so snowy and cold, the a-la-carte agreement would eat the Association alive. Ron had some reservations about dues not being adequate to fund the increase in management fees. Eric explained that the 2008 budget had been prepared using the current dues amount and the new management fee. He noted that when Mountain Managers first started its property management duties, the developer was taking care of most items and the a-la-carte contract made the most sense. Over the last 6 months, the developer stepped back and Mountain Managers began taking over all property management tasks resulting in much higher bills to the Association. It was also explained that \$35-\$40 per door is for financial management. Tasks performed and the time required were used to come up with the new management fee. When asked if the comprehensive agreement could be "phased" in, Eric replied that this would not make sense since it would be impossible to cut out essential services. Ron's main concern was that the comprehensive agreement would result in an increase in dues. A year will be needed to determine the actual costs for running the Association. A budget is an estimate and while Mountain Managers can't guarantee that all numbers will be accurate to the penny, barring any unforeseen expenses it is expected that the Association will get through 2008 without a dues increase. The Board will see financials each month – nothing is hidden. Eric will also explain the budget procedures to the owners at the 2/2/08 annual meeting.

A motion was made, seconded, and passed to accept the new management agreement retroactive to 1/1/08. A motion was also made, seconded, and passed to accept the November financials.

Ron noted that he has worked with many management companies and Mountain Managers is the most professional one he has worked with.

6. **Old Business.**

- A. Letter to Michael Bernier – no response was received, however Eric has spoken with Dr. Bernier on several occasions and passed on the Board what he is willing to pay for and what was denied:

- (1) Legal fees - \$1,171: agreed to pay
- (2) Sign - \$5,000: denied
- (3) Door bell system - \$885: denied
- (4) Painting -\$19,167: agreed to pay
- (5) Exercise equipment-\$2,664: denied

The Town will only allow a sign that does not exceed 8 square feet unless a variance is applied for and granted. The smaller sign would cost approximately \$2,000 instead of the \$5,000 originally estimated for a much larger sign. The smaller sign would be chiseled wood with gold leaf and paint accents and a stained wood look for the back drop. Taking out the boat/lake/mountain would allow for larger letters. Zeke had a picture of what the sign would look like – Rich agreed that this was fine. Ron will be in Summit County next week and will look at it as well. The information will be sent to Dr. Bernier with the hopes that he will at least help defray the approximate \$1,700 cost plus the \$50 application fee.

Eric talked to Dr. Bernier about the doorbell system. Bernier's stand is that the units were not sold with any kind of bell system and he doesn't think he should be responsible. Eric pointed out that without some kind of secured door, liability could be an issue should something happen. If the door is locked then some kind of bell system is necessary. Eric feels that Dr. Bernier might be swayed to contribute to the doorbell system.

It was resolved to send another letter to Dr. Bernier asking him to reconsider payment for the sign in the reduced amount of \$2,000 and also \$885 for the doorbell system.

Selection on the make/model of a doorbell system was deferred until a final answer from Dr. Bernier is received.

- B. Marina Park sign – discussed earlier.
- C. Doorbell System – discussed earlier.
- D. Management Agreement – discussed earlier.
- E. Exercise equipment. What to do with the equipment was briefly discussed. It was decided to bring this up at the annual meeting in order to get owner input on whether the equipment is wanted or if the room could be used for another purpose. Purchasing new exercise equipment would cost approximately \$12,000.

- F. Garage numbers were discussed. It was noted that unit numbers on C & D buildings are metal (brass) while the other buildings are black plastic. No numbers were ever installed on the garages and are needed so people can find them. Several options were discussed including keeping brass numbers on C & D and match the other buildings and garage numbers with brass; keeping brass on C & D and make everything else black. It was decided to use brass numbers on the garages and keep all units as they are now. The front doors of B10, 11, and 12 also will be numbered – currently their only numbers are in the hallway. Building letters are not needed on the garages – use numbers only. It was resolved to proceed with purchase and installation of the brass numbers – should be \$300-\$400 – cap of \$500.
- G. Diane Harty's sign was discussed and approved. A letter will be sent to Diane notifying her that the Board approves the sign subject to Town approval.

7. **New Business.**

- A. Sprinkler system leak. Eric explained that Western States came in and repaired the leak (they were not the company that did the installation). Warranty information will be checked. Diane has submitted an insurance claim as has Mountain Managers for the Association. It appears that a gasket failed (Eric has the part); the insurance company will pick up the defective part and determine if they should subrogate against another party. Bills have not been received from Western States or for the drying process – all information will be given to the insurance company when it is received. It was also noted that B building was without fire protection for 3 days and a fire watch was needed – insurance will cover this.

It was explained that the commercial insurance is different than the residential. Repair of drywall in Diana's commercial space will be covered by the HOA insurance but floors will be Diana's responsibility (they are not the original concrete – she installed hardwood throughout).

During repairs, some changes were made (re-plumbed differently). Eric talked to Michael Bosma about the poor design (he did not pour this concrete). If a similar leak occurs, water should now flow out and not into Diana's space.

- B. B building is experiencing ice dam problems with water leaking into the model unit (one of two left to sell). Is there enough heat tape installed? The contractor is looking at this.
- C. Rich mentioned that one strip in the heated pavement is not melting. The drain freezes and nothing can flow into the drain. Mountain Managers has been chipping ice away from the drain. All valves that are supposed to be on are on and all are warm indicating they are functioning correctly. There may be a break/blockage in that one area possibly caused by the developer's heavy equipment. Eric is continuing to research the problem and in the meantime, Mountain Managers will continue to chip ice away from the drain.

- D. Zeke mentioned that he had a leak in his unit and the plumber discovered a nail had been shot into the pipe. It has held until now but then failed. The line had to be cut out and new piping put in. Zeke realizes that he probably doesn't have any recourse after all this time but wanted others to be aware that this could also happen in their units. The question was raised that if a leak occurs in an upper unit and causes substantial damage to lower units, who is responsible? Eric explained that the Association insurance would cover this, less the deductible. Some Associations automatically pay the deductible on all claims but more often than not, the owner where the water leak originated is assessed for the HOA's deductible.
- E. Agenda items for the 2/2/08 annual meeting were discussed. Following the call to order, introductions will be made. The new budget/financials will be presented. Exercise equipment will be discussed with homeowners. Dr. Bernier's contributions will be reviewed (try to collect before the meeting). A history of how the Association has gotten to where it is today will be given. Delinquencies will be noted but no individual owner will be singled out. If Dr. Bernier declines to pay for the sign, owners will be asked if they want to proceed. The Board is hesitant to spend that much unbudgeted money without some input from owners.

Discussion took place on the location of the meeting. Should it be at the complex or at the Senior Center? Holding the meeting at Poor Boys was also suggested – they have a back room that might be used and then everyone would be free to socialize afterward. Zeke is also checking on an alternate location. (After the meeting, it was determined that the meeting will be held in unit D-20 (Rich Rutledge).

8. **Schedule Next Board Meeting.** The Board will meet briefly 15-20 minutes before the 2/2/08 annual meeting. The next regular Board meeting will be scheduled at the annual meeting.
9. **Adjournment.** There being no further business, the meeting was adjourned at 2:11 p.m.

Signed:

Approved via e-mail

1-22-08

Rich Rutledge, President

Date

Judy Freese, Recording Secretary

Date