

**MARINA PARK
BOARD MEETING
JANUARY 23, 2009**

MINUTES

1. **Call to Order.** The official call to order was postponed until a quorum could be established. The two new Board members (George Schock and Jim Buckler) were inadvertently left of the e-mail notice when the meeting time was changed from 4:00 p.m. to 3:00 p.m. Eric called George and Jim – George was unable to attend and Jim would get there as soon as he could. The meeting was officially called to order at 3:25 p.m.
2. **Affirmation of Attendance and Quorum.**
 - A. Board members in attendance either in person or via conference call were Rich Rutledge, Ron Melgren, and Jim Buckler (arrived at 3:25 p.m.)

A quorum was established.

Also in attendance (later in the meeting was Shannon with Maximum Comfort.
 - B. Representing Mountain Managers were Eric Gill, Susan Witkowski, and Judy Freese (via conference call).
3. **Financials.** While waiting for a quorum to be established, it was decided to deviate from the Agenda and begin with financials.
 - A. Eric reviewed the December financials and explained that these financials also included year to date figures. Each line item was reviewed and it was noted where the Association was either over or under budget. Eric went over the insurance reimbursement and explained that the reimbursement was listed under income (\$15,080) versus the \$16,817 listed under expense. The Association had 2 claims, both with a \$1,000 deductible so the HOA came out a little ahead.

The big overage on utilities was due to the two utility accounts that Mountain Managers didn't know they were responsible for plus a substantial increase in gas and electricity. Cleaning up the accounts also resulted in X-cel creating a new account for Marina Park and a hefty deposit requirement. The line item for repair and maintenance was a little out of whack due to some overlap from the changed in management agreements from an "a-la-carte" contract to a more inclusive one.

Elevator expense was looked at. Eric said Jennifer had spoken to him and asked how his HOA's felt about affordable housing/deed restricted units. Eric used Marina Park as one example where inequities existed that made some owners unhappy. For example, the elevator is only used by the deed restricted units but all owners must share in the expense. Eric talked about the possibility of shutting down the elevator if the deed restricted owners were agreeable. Of course, the elevator would be started up again in the event one of the units required its use for handicap accessibility. Eric will do some research on the elevator operation costs and also find out if it is feasible to shut down the elevator if there are no handicap persons using it. He'll have more information at the next Board meeting. All agreed that any way to keep expenses down is worth looking into.

The end of year bottom line reflected a negative \$4,598. It was noted that this was not too bad for the first budget preparation which involved a lot of estimates and guess work. Next year's budget should be more on target with a full year of actual figures to work from. Eric reviewed some of the line items on the previously approved 2009 budget

B. The balance in the checking account was \$1,243.74 and the money market was at \$2,044.56.

4. **Pool/Hot Tub Options.** At this time Shannon with Maximum Comfort arrived and it was decided to proceed with the pool/hot tub discussion.

Eric opened the discussion by explaining that Maximum Comfort has been in business for a long time and will stay around for years to come. He explained that the problems with the pool/hot tub have been discussed at several meetings and the fact that both will need repair/maintenance and the hot tub will need to be replaced in the not too distant future. The pool does not get as much use as the hot tub and options were being explored as to whether to retain the pool and put in a new hot tub, get rid of the pool and relocate the hot tub to the pool location, or get rid of both amenities. It was originally thought that the "simple" fix of dropping in a new hot tub would only require the purchase of a new shell and plumbing jets. After talking to Shannon, the cost is much higher than anticipated.

Shannon explained that the current pool is in-ground concrete/plaster. To be compliant with the new VGB codes established by the Federal Government, a new grate will have to be installed along with a new vacuum brake switch. This could be done at a cost of approximately \$2,000. The hot tub is also noncompliant, not only with the new VGB codes but quite a bit more. It currently does not meet any state requirements. This could be a problem if it is ever inspected. Shannon pointed out that no residential tub will meet state requirements for commercial use. Just putting grates, etc. on the hot tub will not solve the problem.

If the pool is retained, re-surfacing would cost \$8,000 - \$10,000. It could be painted with an epoxy every year or two at a cost of \$2,500 - \$3,000. If repairs are required down the road, sandblasting off the epoxy surface would be required. The pool is open on a limited basis in order to save money. It isn't winterized when not in use and therefore, chemicals are kept up and the temperature is kept at about 40 degrees. It still must be opened on a regular basis to add chemicals but at least there are no lotions, hair, etc. to deal with. The savings is not a huge amount. The most economical solution would be to do away with the pool and replace it with a larger commercial grade hot tub. The current hot tub is in a bad location and if the pool is retained, the hot tub should still be moved. Nothing has been done to date due to a lack of funds.

Discussion took place on several issues including having owners install private hot tubs if they feel they must have hot tub use. Shannon said he has installed a couple but only on concrete decks. Some Marina Park units do not have a deck to put a hot tub on. It was also noted that the hot tub is used by renters, not only by owners. Eric stated that if you remove an amenity, all owners should be in agreement since they purchased their unit with the amenities in place. The hot tub will need to be replaced in the next 1 to 2 years. The Association could be looking at \$20,000 in the next 3 years to maintain/replace amenities.

It might be easier to tackle the pool and hot tub separately (i.e. work on getting rid of the pool first and then work on the hot tub. The Board felt that some kind of master plan should be developed to present to owners. The plan would include the recreation room, pool, hot tub, and the addition of any items to replace those lost. It was also mentioned that maybe a deal could be offered to owners to install private hot tubs. Shannon is willing to work on a bulk rate for multiple hot tubs installed at the same time and the addition of a hot tub would add value to a unit. At previous meetings Zeke had talked about getting rid of the pool and putting in a fire pit with benches, some landscaping, etc. It was felt that this type of area would get a lot of use.

Shannon explained that if the hot tub is kept, it's getting to the point where it will have to be compliant. If the pool is done away with and a new hot tub is dropped into this area, compliance issues could be dealt with at that time. A stainless steel shell that was custom built to fit could be dropped into the pool at a cost of approximately \$75,000. The shell itself costs about \$35,000. A fiberglass shell could also be used (total installation would be about \$35,000) but Shannon noted it will not fit as well. A stainless tub would carry a lifetime guarantee with lower maintenance. The manufacture of fiberglass shells has come a long way – better support and longer life expectancy than before and fiberglass can be repaired if necessary. Another option would be to restructure the pool with plaster/concrete, add benches, jets, etc. and turn the pool into a hot tub that way.

Ron asked if Shannon could break down all the options (stainless, fiberglass, concrete) separately with costs, expected future maintenance, warranties, etc. Eric will meet with Shannon and go over the possibilities and maintenance issues. This would be the starting point for preparing the master plan. When presenting any sort of plan to owners, it's important not to just take something away but to offer something in return. The addition of a fire pit could be a big plus. Eric noted that gas could be obtained from the boiler room. More information will be obtained on all options and brought to the next Board meeting.

Shannon left the meeting at this time. The Board thanked him for coming and for sharing his comments and expertise. Shannon left some flyers and information on shells for the Board's review.

At this time, the meeting continued with the published agenda.

5. **Board Positions.** The Board was elected at the last HOA meeting but Board positions were not established at that time. After a brief discussion, a motion was made, seconded and passed unanimously to have Rich Rutledge serve as President, Ron Melgren will be Vice President, and Zeke will be Secretary/Treasurer. The 2 new Board members, George Schock and Jim Buckler will serve as members at large.
6. **Approval of Minutes from the 10/31/08 Board Meeting.** A motion was made, seconded, and passed to approve the minutes as written.
7. **Repair and Maintenance Report** was reviewed by Eric Gill. Eric explained to Jim that the report includes punch list items from previous items and any other repair/maintenance items over \$250.00. Eric noted that he had been able to negotiate a great rate for an umbrella policy giving the HOA an additional \$5,000,000 in coverage for an extremely low annual rate. Changes to the reserve study were made as discussed at the last meeting and the Bylaws were amended to allow for 5 Board members.

8. **Financial Report** (continued). Eric brought Jim up to date on the previous financial discussion. Jim noted that not only is he new to the Board but is new to Marina Park. Eric reviewed the utility situation and explained the discussion regarding the elevator. It was noted that there is a 3 year maintenance contract in effect and cancellation of this will need to be looked into before any action is taken on shutting the elevators down. When it comes to problems with utilities, Jim noted that the best bet is to deal directly with the Colorado Public Service Commission instead of the local utility company. This usually gets better and faster results.

Financials were reviewed line by line. We are still doing a little roof snow removal. During the last storm, heavy wind piled snow on the north sides while there was little or no accumulation across the street. Snow piled up under ridge vents going north and south causing water to come in at a couple of locations. The ridge vents need to be extended to prevent this from happening. Nothing has been done yet – waiting on AGR to give their recommendations and what they will cover.

Delinquencies: Eric explained that Michael Bosma handles Dr. Bernier's finances – the account is seriously delinquent. Late fees and interest are being charged but no lien has been filed yet. If no payment is forthcoming in 30 days, lien proceedings will be started. Eric will call Michael Bosma. George Schock was also noted as delinquent. Eric explained that there has been some confusion with his automatic payment amounts but this is not a serious problem on George's unit (he stated this at the Annual meeting).

6. **Old Business.**

- A. Refiguring the square footage on Dr. Bernier's unit was discussed. He has closed off one end of his garage creating extra living space which is not included in the square footage of the unit. This has also created a parking issue since the entire garage can no longer be used for parking. The Board would like Dr. Bernier to restore the garage to its original configuration or they will consider re-figuring the square footage of the unit. If this is done, every owner's square percentage of ownership would change.
- B. Pool/hot tub options were discussed earlier.
- C. Paint bubbles have been noted under the drive entrance in two separate locations. Eric is aware of the locations and will look into.
- D. Zeke had noted earlier that the plow company is not coming back to clear the area once cars have been moved. Eric will talk to the contractor.

7. **New Business**

Ron asked if the Board thought there was any merit in attempting to obtain unit problem information from owners through the use of a survey. He feels it would be a good idea to have a history of problems, when they were reported, etc. This could be beneficial in the future if questions arise. He explained he's not interested in the small stuff (dirty carpets, chips in paint, etc.) but would like owners to report on the major problems with boilers, roofs, plumbing, etc. All felt this was a good idea. Eric said he would re-work the letter/survey that Ron prepared as a sample starting point.

8. **Schedule Next Board Meeting.** The next Board meeting will be March 27, 2009, 3:00 p.m. at Mountain Managers.
9. **Adjournment.** There being no further business, the meeting was adjourned at 5:05 p.m.

Signed:

Approved via e-mail

2/2/09

Rich Rutledge, President

Date

Judy Freese, Recording Secretary

Date