

**TIMBERLINE COVE HOMEOWNERS ASSOCIATION
ANNUAL OWNER MEETING
Mt. Royal Room, Summit County Commons Building
September 19, 2015**

I. CALL THE MEETING TO ORDER

The Timberline Cove Homeowner Association Annual Meeting was called to order at 10:04 a.m.

Board members present were:

Duane Abbott, Unit 404
Paul Joliat, Unit 102

George Hart, Unit 209
Robert Yost, Unit 302

Owners present were:

Marietta Joliat, Unit 102
Robert & Irene Doran, Unit 202
Dean Marie Hart, Unit 209
Cayle Townsend, #409
Jack Dippel, Unit 305
Stacey Gilbert, Unit 206 (via teleconf.)

Steven Gustafson, Unit 103
Edmund & Leslie Gustafson, Unit 204
David & Katie Krieves, Unit 210
Lawrence & Lois Van Heukelom, Unit 306
Sherry Abbott, Unit 404
Tim Kiehl, Unit 304 (via teleconf.)

The following units were represented by proxy: 201, 205, 208, 301, 303, 304, 305, 309, 404, 405, 406 and 407

Representing Summit Resort Group were Kevin Lovett, Mike Kellett and Paul Fretz. Margot Mayer of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE/QUORUM

With 13 units represented in person and 12 by proxy a quorum was confirmed.

III. VERIFICATION OF NOTICE

Notice of the meeting was sent in accordance with the Bylaws.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

Robert Yost made a motion to accept the September 20, 2014 Annual Meeting minutes as presented. George Hart seconded and the motion carried.

V. PRESIDENT'S REPORT

Duane Abbott said the hot water heater was replaced at a cost of \$15,000 and the hot tub boiler was replaced at a cost of \$5,500. Current projects include finalizing kayak and canoe storage options. A storage area has been identified. In a show of hands, there were four owners with standup paddleboards and seven owners who have kayaks or canoes. He said the next steps would include researching appropriate storage racks since the existing ones can only hold kayaks and canoes.

Deck railings are a work in progress. The warranty work was not completed satisfactory because the contractor did not sand before staining. Paul Fretz finished one area and the railings look much better than after the work done by the contractor. The Board will continue research of product alternatives.

Dryer vent cleaning is done every other year and will be scheduled for next year.

The Association finished 2014 favorable to budget and there will be no dues increase. It is the Board's philosophy to keep dues low and periodically have a Special Assessment. The next painting is scheduled in 2017 at a cost of approximately \$30,000, which will translate to a Special Assessment of \$598 - \$1,600 per unit, depending on size. The Special Assessment may be paid in installments at owner request.

Duane Abbott said that the lot at the rear of the Holiday Inn is becoming a truck and RV parking lot. He met with Emily Woods from the Town of Frisco to discuss this matter. The Town of Frisco is willing to work with him. This will be an item for this coming year. The Community Planner recommended teaming up with neighboring association to register a formal complaint. Kevin Lovett will work with the neighboring Association that he manages. Paul Joliet thanked Duane for pursuing this issue.

Duane Abbott stated there have been leaks and resulting water damage from deteriorated caulking in showers and encouraged owners to inspect their caulking.

Duane Abbott said that the spa has always been a heated topic of conversation due to late night noise. He asked that owners call Property Management or the Frisco Police Department about excessive noise problems rather than confronting the violators.

VI. TREASURER'S / FINANCIAL REPORT

Kevin Lovett presented the financial report. He noted that Timberline Cove operates on a calendar fiscal year.

A. Year-to-Date Financials

As of July 31, 2015 the Association was operating \$7,343 favorable to budget. There was \$10,143 in Operating and \$83,866 in the Reserve Account. He reviewed the following variances:

1. Insurance – \$4,900 under budget.
2. Snow Removal – \$2,050 under budget.
3. Gas – \$2,029 under budget.
4. Utilities – \$1,157 under budget.
5. Repair & Maintenance – \$2,420 over budget due to a leak in a fire sprinkler head and garage door repairs. The insurance deductible for the fire sprinkler head claim was \$5,000.
6. Grounds – \$3,085 over budget due to timing of billings.

There were no delinquent accounts and all contributions to Reserves were current.

B. Proposed 2016 Operating Budget

There is no proposed change to dues or overall expenses for 2016. Kevin Lovett reviewed the following expense projection changes from 2015 to 2016:

1. Legal & Accounting – increased \$175 based on \$575 annual budget figure, legislature filings, tax return and annual filings.
2. Insurance – decreased \$77 based on actuals plus allowance for a 6% increase.
3. Water – increased \$119 based on actuals.
4. Cable TV – increased \$603 based on actuals.
5. Trash – increased \$408 based on actuals.
6. Gas – decreased \$1,371 based on actuals and still allowing 6% increase.
7. Common Utilities (Electric) – decreased \$700 based on actuals plus allowance for a 6% increase.

Paul Joliat made a motion to approve the 2016 Budget as proposed; Steven Gustafson seconded and the motion carried.

Kevin Lovett reminded Owners that all Association documents are on the Association website at http://www.srghoa.com/hoa_timberline_cove.html.

VII. MANAGING AGENT’S REPORT

Kevin Lovett thanked the Board for their work on behalf of the Association and the Board thanked him and the other staff in return. He reviewed the following:

A. Completed Operating Projects

1. Touch up painting.
2. Landscape work and improvements such as tree spraying, tree feeding, pruning, bed cleaning, mulch refresh and flower planting.
3. Annual fire sprinkler systems inspections.
4. Exterior window washing.
5. Stone inspection and repairs.
6. Boiler service.
7. Garage floor power washing.
8. Kayak rack additions.

Cayle Townsend asked about the cracks in the timbers. Kevin Lovett said he discussed the cracks with the Board and consulted with an engineer. He was told that the cracks are of no concern and he will receive a written analysis. He will measure the cracks and keep track of any changes. He will ask the engineer if the cracks should be caulked.

B. Capital Projects

1. Boiler/Mechanical Work – Replaced one hot water heater (there are three total), flushed hot water heaters and installed filter on domestic water line.
2. Hot Tubs – Replaced one hot tub heater at a cost of \$5,500. Kevin Lovett explained that the new heater was defective and he received a different brand, covered under warranty. He will keep an eye on the new one before he replaces the second heater.

3. Emergency Lighting – Replaced all ten interior emergency lighting because they were beyond their useful life. There are 36 exterior emergency lights that need to be replaced at a cost of \$150 each plus labor. Kevin explained that per Fire Department regulations, he was not able to reduce the number of emergency lights. George Hart said that there should be a reduction in the utility bill since the new lights are LED's.

C. *Pending Items*

1. Second hot tub heater replacement.
2. Replacement of all exterior emergency lighting.
3. Annual Roof Maintenance – Turner Morris inspected all roofs and the report recommends \$2,500 of roof repairs. The Board reviewed the report and approved the recommended repairs.
4. Deck Railing Alternatives – Paul Fretz did a great job staining the front railings. The Board is continuing to research other reasonably priced alternatives such as coated steel or hardwood. Duane Abbott said it cost about \$50,000 to replace railings. He gave directive that Paul should refinish the railings in an area as a trial. Paul said the front side was labor intensive and the south side has to be fully sanded with a power sander. He will work on pricing after looking at the west side of the building. Katie Krieves said some of the rocks are chipping.
5. Dumpster Enclosure Repairs/Maintenance – A proposal has been received to complete maintenance of the dumpster enclosure and expenses will be shared with Mountain Meadows 45/55. The proposal will be presented to them.

VIII. OWNER'S FORUM

A. *Cable TV Upgrade*

George Hart asked if it would be possible for the Association to upgrade to a premium channel package. Kevin Lovett said he could look at the options and costs. George Hart said ResortInternet has plans to lay fiber optic cable in the Frisco area.

Jack Dippel felt that upgrading to premium channels should be an individual owner expense. Kevin Lovett said if owners upgrade individually they will only pay for the upgraded channels. Owners can contact him for more information.

B. *Bathroom Caulking*

The Owners discussed the importance of keeping up on regular bathroom caulking inspections and caulk maintenance. SRG will set up a program to assist owners in having their unit bathroom caulking inspected and re-caulked. Owners interested in having their bathroom caulk inspected should contact SRG to set up the inspection; SRG will also help set up necessary caulking maintenance. Owners will be billed for the service individually.

C. *Property Contact Information*

The after-hours phone number is 970-470-5252. Someone is on call 24/7.

D. *Shower Door Repair Service*

Stacey Gilbert asked if there were arrangements with a shower door repair service for discounted pricing since Denver Glass is no longer represented in Summit County. Kevin Lovett said he has not found a contractor willing to offer a discount. Pika Glass & Mirror or ASAP Glass can service the doors. The repairs made last year were a temporary fix and full replacement is recommended. An Owner noted that Denver Glass replaced his door, including new hinges, at a cost of \$1,075.

E. Security Checks

The Board highly recommends security checks. Years ago, there was hot water running in a bathtub over a very long period of time. Condensation in the unit caused extensive damage and the unit had to be completely gutted. The hot water bill was around \$5,000. Kevin Lovett will include this information in his communication to the membership. The security check service is free to Owners.

F. Hot Water

Katie Krieves she experiences a long delay for cold water from her taps. Paul Fretz will inspect the mixing valves in her unit.

G. Website Owners' Directory

Paul Joliat asked if it would be possible to add spouse's names to the owner directory on the website. Kevin Lovett said he can add spouse's names. He explained that per recent Colorado legislation, he can only add contact information for owners who have granted written permission. Owners who would like to opt in should send him an email. Paul Joliat recommended including this request in the written communication to the membership.

I. Draining Problem in the Shower

George Hart said he is having a consistent drainage problem in the master shower. He believes the blockage is more than 6' outside of the unit. Paul Fretz will hire a contractor to clean the pipe elbows in the garage.

J. Hot Tub Jets

An owner said the bubbles in the jets are very noisy and owners try to talk over the noise. He suggested plugging the hot tub "venturies" to decrease the noise; this will eliminate the bubbles but still provide water flow from the jets. Mike Kellett said this was previously discussed at a Board Meeting and with the hot tub company. Kevin Lovett said it would be worth a try in order to minimize noise. Dean Marie Hart suggested adding a sign reminding hot tub users that sound travels. Kevin Lovett noted the request.

Jack Dippel suggested setting the lock to prevent access after quiet hours. This item will be discussed under New Business during this meeting.

IX. NEW BUSINESS

A. Sound Prevention Structure at Hot Tub

George Hart said the Board discussed building a structure over the hot tub to deflect sound away from the units. Kevin Lovett met with a couple of architects, who recommended consulting with an acoustical engineer, which would be very expensive.

Jack Dippel said he can hear the noise from the hot tub even when his television is on. He was told in previous meetings that the hot tub is a necessary amenity but after checking with realtors, this statement was not confirmed. He would prefer to have the hot tub removed. The majority of owners commented that they do use the hot tub.

George Hart said the Board will take steps to mitigate the problem. Kevin Lovett pointed out that a structure could alter the view in first level units. Another option might be to change the hot tub hours.

The conclusion reached was to “plug” the venturies to decrease the noise of the tub, place a sign at the hot tub area stating “Sshhhh, Sound travels and people in units can hear your conversation” and setting the lock on the door to the hot tub to prevent entry after 9:50 pm. Currently, the heater is set to shut down at 10:00 pm.

B. Owner Recognition

Dean Marie Hart thanked the Board for their consideration for storage of watercrafts. Steve Gustafson thanked Property Management and the Board.

C. Doggie Bag Station

George Hart recommended installing a doggie bag station outside the spa gate area. Paul Joliat suggested installing another one in front of the lawn by the Holiday Inn.

D. Real Estate Values

Stacey Gilbert asked about real estate values. Kevin Lovett said values are higher and there is more demand than supply.

X. ELECTION OF MANAGERS

The terms of Duane Abbott and George Hart expired and both indicated their willingness to serve another term. There were no nominations from the floor. Steven Gustafson made a motion to reelect incumbents by acclamation. Cayle Townsend seconded and the motion carried.

XI. NEXT ANNUAL MEETING DATE

The next Homeowner Meeting will be held on Saturday, September 17, 2016.

XII. ADJOURNMENT

Robert Yost made a motion to adjourn at 11:28 a.m. George Hart seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature