

**THE POINTE AT LAKE DILLON
BOARD OF DIRECTORS MEETING
JULY 2, 2010**

MINUTES

1. **Called to Order.** The meeting was called to order at 8:03 a.m. by President Mike Gradassi.

2. **Attendance and Quorum.**
 - A. Board members in attendance were Mike Gradassi, Art Ballah, and Wendell Hughes.

A quorum was established.

 - B. Representing Mountain Managers were Phil Wells and Judy Freese (via phone).

3. **Owner Forum.** No owners other than the Board were in attendance.

4. **Approval of Minutes from the 11/6/09 Board Meeting.** A question was asked on whether or not the funds allocated for landscaping were moved from the MCR to the operational budget. This will be verified. (Later in the meeting it was noted that the figures are correct.) A motion was made, seconded, and passed to approve the minutes as written.

5. **Repair and Maintenance Report.** Phil reviewed the report and a few items were discussed.
 - A. Gutter cleaning was done and will be completed annually. A question was raised as to whether heat tape is checked when roofs are inspected. Phil stated that Turner Morris will make sure all heat tape is hooked up properly but does not check on whether it is working. Mountain Manages checks all heat tapes every fall.

 - B. 103E – insurance claim for sprinkler system leak. Owner reimbursed for interior repairs.

 - C. Glycol added to building 101 and 103

 - D. Unit 101C – living room carpet replaced due to previous glycol leak. This was an old leak and carpet was older. Owner paid half the cost of new carpet.

 - E. Unit 103D – snow and ice removed from roof.

 - F. Building 102 – added gutter to upper section with downspout onto lower roof. Gutter added to lower section with downspout. Heat cable added to middle existing gutter and downspout. Conduit and electric were run for new heat cable.

 - G. Building 101 – heat tape was not working (it was working properly when tested early in the season). Ice and snow removed from front and back of roof. 315 feet of heat cable on the front and 249 feet on the back were replaced along with the two back downspouts.

6. **Financials.**

May financials were reviewed.

On the income side, there was one delinquency listed. The owner is on a payment plan and is making payments as scheduled. In spite of the delinquency, the HOA is showing a positive variance in dues. This is most likely due to some prepayments.

Phil noted that many Associations are having a lot of trouble with delinquent accounts. Foreclosure and bankruptcy are becoming more common. Mountain Managers will be starting a new collection policy and would like all HOA's to agree to the same policy. He explained that with Colorado's super lien, the Association is guaranteed 6 months of back dues if the bank forecloses on a unit. This can take many months and the Association would be out all monies owed past the 6 month period. HOA's have the right to foreclose. If an Association beats the bank to the courthouse, they can collect all back monies owed, including legal fees. The only way the HOA can lose is if the Bank beats them to foreclosure. Normally banks begin foreclosure at 120 days. It's important for the Association to proceed with foreclosure earlier. The new collection policy would be as follows:

30 days delinquent	Delinquency letter to owner notifying them that late fees/interest will be charged in accordance with the HOA's governing documents.
60 days delinquent	Letter to owner showing late fees/interest as outlined in the Association's Covenants and stating intent to turn account over to an attorney for collection. All legal costs are the responsibility of the unit owner. Starting cost is \$300.
90 days delinquent	Attorney will send a demand letter giving owner 15 days to respond. If no response, attorney will initiate foreclosure proceedings on behalf of the HOA at 105 days.

Phil noted that there has already been one foreclosure by an HOA and the Association got everything that was owed. There is currently another one pending where the HOA and the bank filed on the same day. The attorney is pursuing this to see if precedent can be set (he'll get paid if the HOA wins).

The collection policy will be reviewed at the HOA meeting.

Expense items were reviewed line by line. Year-to-date, utilities, trash, security, roof snow removal, and legal were all over budget (most by small amounts). The legal expense was for tax preparation. This was budgeted for in August and will come back in line. Cable, repair & maintenance, water, sewer, heavy equipment snow removal, grounds, clerical, supplies, and the fire sprinkler were all under budget (some substantially). Overall, the HOA was \$1,943 under budget on expenses year-to-date. Some of this is offset by delinquent dues but that will be caught up.

Questions were raised on what security covers versus fire sprinkler. Security is solely for the monitoring of the fire sprinkler system including testing. The fire sprinkler line item is for unexpected repairs.

The balance in the checking account was \$17,515.40 and the Money Market was \$22,947.80.

7. **Old Business.**

A. Deck cap estimates were reviewed. G & G looked at this and estimates there are 35 more caps to do. Their bid was \$369 each. Turner Morris bid \$2,000 for 6 caps (\$333.33 each). The Roofing Company came in at \$1,500 to \$2,000 to do all remaining caps (about \$57 each using the \$2,000 estimate). It was noted that Bruce had previously stated this could be done for much less than the original cost for the first caps done. The caps need to be sealed to keep out moisture but they don't need to be "fancy". Bituthene can be stretched across the top and covered with protective metal. Phil will contact The Roofing Company and verify the materials they plan to use and the number of caps they are doing for the price submitted. It was unanimously approved for Phil to proceed with a maximum to be spent of \$3,000. If the scope of work or the cost is more than anticipated, the Board will be e-mailed for approval. Whatever metal is used should be painted to improve appearance.

B. Leaking gutters were reported on the north east outside corner gutter by 102B. An icicle formed again this winter. 103F has a spike sticking out. It was unanimously agreed to have all gutters inspected to see what needs to be done.

Buildings are getting older. 102 is 14 years old, 104 is 13, 103 is 12 and 101 is 10 years old. More maintenance is required as buildings age.

C. Building 104 – exterior lights are on during the middle of the day. These will be checked. Compact fluorescents are being installed as regular bulbs burn out. The price for compact fluorescents has come down and it does not make sense not to use them.

D. The MCR will be adjusted to put all 4 buildings on the same paint cycle and the cycle will be changed from 6 years to 5. The next paint job will be in 2015 for all 4 buildings. There was some discussion on 5 versus 6 years for painting. It was pointed out that painters all recommend 5. Phil noted that on a 5 year cycle there will not be as much siding repair needed. It was unanimously agreed to go to 5 years.

E. Roof vent condensation problems from furnaces are an owners' responsibility. All mechanicals associated with heating, etc. are the owners' responsibility. Dryer vents are an exception since they can affect more than one unit and can be a fire hazard. The HOA pays for cleaning of dryer vents.

F. Carbon monoxide detectors were discussed. All owners are reminded that they should have these. If the unit is rented, they are required by law.

- G. Door replacement. Four doors (102 B and E and 104 B and E) were scheduled to be replaced at a cost of \$3,320. The “B” units will be done; the “E” units are north facing and will be deferred. A new bid for 2 doors only will be obtained (may be more than exactly half of the \$3,320 bid). Some interior painting/minor repairs may be needed after door installation and is considered part of the replacement.

8. **New Business**

- A. Shrub prices were obtained from Neils Lunceford and a price sheet was attached to the meeting packet. Some items have already been purchased and it is unknown at this time if the landscaping committee (Kathy) has any plans for this year. A dead pine tree was removed from the middle of 102. This will not be replaced unless it's with shrubs/flowers. There is also a dead Aspen at the end of 103 and one behind 102E.

Kathy and Art planted wildflowers and natural grass. 4 or 5 years ago, these were weed whacked way down and nearly wiped out. Art contacted Eric and has been doing it himself. He will also do the berm area. Staff is weed whacking on the east side of 104 much too short and also by 101F. Phil stated this is his first summer and he is not pleased with the landscaping efforts he has seen by staff members. He's working on it and it's coming along. If progress is not made, there will be some changes made! Phil also noted that if growth is very fast weed-eating once a week can result in an 18" growth if it starts at 6-8". He recommended starting at 4". In addition, all trees need to be ringed. Round-Up can be used to create a ring around the trees – it will not hurt the trees unless sprayed directly on leaves. Art noted he prefers to do the berm on the north side himself. Wildflowers are being cultivated in this area and he'd rather Mountain Managers did not touch this area. Mountain Managers will do the east side of 104 – no lower than 4" for natural grasses.

- B. Rear decks on building 103 were incorrectly done and won't hold paint. Estimates were obtained for replacing rotten decking with new redwood (\$3,000), replacing all redwood decking with new redwood (\$10,300), and replacing all decking with synthetic decking (\$12,000). Mike stated that Tom Lindhorst had asked about the deck. He said the deck surface is natural (no stain) and it's just the top rails that won't hold paint. Mike thinks the decks need to be personally inspected to see what the actual problem is before proceeding. All decks at the Pointe are stained every 3 years, including the flat surfaces. Phil asked if anyone had considered sand blasting/sanding the old finish off. This is labor intensive but would be cheaper than re-building. It would be necessary to make sure all the old finish can be removed so new stain will stick. Owners will be notified prior to deck inspection.
- C. Mountain Managers estimates mulching at \$1,272 for a high quality, shredded red cedar mulch. Phil explained the shredded mulch is soaked when it's put down. It then binds together and forms a mat that stays put. The chunk type of mulch does not work as well and definitely does not last. The Board felt \$1,272 seems a little high. The budget is currently \$1,644 under for landscaping year-to-date. There don't seem to be any big plans for landscaping – it's mostly filling in

and maintenance at this point. The Board is not opposed to mulch as long as it falls within the budget. Mulch keeps weeds down, retains water, and improves appearance. Red cedar mulch is not actually red (it's brown); it just comes from red cedar. It was noted that the back berm between Prospect Point and the Point no longer needs mulch. Phil will check on what areas the bid includes. Phil or Ed will walk the property and note which areas need to be done and re-work the bid if necessary. This mulch should last 2 years before needing to be top filled. Less will be needed on the second application.

- D. Art submitted a request for a retractable awning on his 2nd deck. There is intense sun in this area and the awning would allow them to use the space much more often. The area is not highly visible from other units or from Prospect Point. He showed pictures of what it would look like. It would be motor driven with colors to match as closely as possible the siding/trim (either solid or stripes). This is still in the design phase. 6'6" would go just to the edge of the outside rail. The next increment would be an additional 18" which would create a 1' overhang. The Board saw no problem with the awning provided it does not exceed an extension of 8'6". For the record, the awning will be pastel in a color that will blend in and it will be professionally installed. No permit is required (per contractor). Installer is responsible for permit if one is required. In addition, if the awning is attached to the building siding, the owner or subsequent owner agrees to repair/replace siding if awning is removed. Owner is also responsible for all maintenance, etc. This will be considered private and personal property and not the responsibility of the HOA. The current Architectural Control Committee is the Board. The awning was approved with the above stipulations. Art will put all his awning information into an electronic file and send to Mountain Managers so it can be kept on file.
- E. Board terms. Art thought his term expired this year. The records show he was elected in 2008 for 3 years with the term expiring in 2011. There are no vacancies on the Board this year. Terms are to be staggered and there should be at least 1 vacancy each year. Mountain Managers will research and try to determine where this got out of sync. (This was subsequently done and the findings are attached to these minutes.)
9. **The Next Board Meeting** will be held prior to the Fall Semi Annual HOA meeting. The date will be determined at the HOA meeting following this Board meeting.
10. **Adjournment**. There being no further business, the meeting was adjourned at 9:56 a.m.

Respectfully submitted:

Judy Freese, Recording Secretary

APPROVED:

Approved via e-mail

8-4-10

Mike Gradassi, President

Date