

**THE POINTE AT LAKE DILLON
SEMI-ANNUAL HOMEOWNERS ASSOCIATION MEETING
JUNE 15, 2013**

MINUTES

1. **Called to Order.** The meeting was called to order at 10:40 a.m. by Tom Baranowski.
2. **Attendance and Quorum.**
 - A. 10 owners representing 7 units (104E, 103C, 104B, 102E, 103D, 101E, and 103A) were in attendance either in person or via conference call. In addition, 6 proxies were received for a total of 13 units represented at the meeting. (Attendance sheets and proxies are filed with the original minutes.)

A quorum was established (8 units required)
 - B. Representing Mountain Managers were Phil Wells and Judy Freese (via phone).
3. **Approval of Minutes from the 12/15/12 Semi-Annual HOA Meeting.** A motion was made, seconded, and passed to approve the minutes as written.
4. **Repair and Maintenance Report.** Phil reviewed the report covering the period of 11/12 through 4/13. Completed items included gutter cleaning, replacement of the flat roof, water restoration due to a broken shower valve in 104C, water restoration and repair of frozen pipes in 103A. All monies spent by the HOA on restoration were reimbursed by insurance.
5. **Financials.**
 - A. April financials were reviewed. Year-to-date, dues payments were \$367 ahead of budget and total income (including insurance reimbursement) was ahead of budget \$11,719. On the expense side, most items were at or under budget. Any overages are generally due to timing issues. Overall, the HOA was over budget on expenses \$6,213 year-to-date but with the insurance reimbursement, the bottom line shows a positive net of \$5,505.

The balance in the checking account was \$8,633.99 and the money market (reserves) balance was \$22,415.88.

Questions were asked on whether there was anything pending that could take away the positive net surplus. Nothing is known at this time. The HOA is budgeted for what is expected to be spent for the year.

The HOA contributes \$28,512 per year to reserves. This is done monthly at \$2,376 per month.
 - B. The possible assessment for asphalt replacement was discussed. Tom noted that prior Board members did a lot of work on this issue. The asphalt is worn out and pot holes will begin to develop. The substrate is an issue and needs to be addressed. No decision is needed at this meeting but owner comments are welcome. Tom noted that if the asphalt is done in sections, it's not as good as doing it all at once and there will be major disruption over 2 to 3 years. New bids are being obtained. The bids from 2011 are in the \$60,000 range but could be higher now. The work will probably not be done this year.

Moving of the dumpster enclosure is not included in the current asphalt bids. The majority of the asphalt cost is labor, materials, and equipment along with a set up charge. It's not likely that the HOA would realize substantial savings by trying to tie in with asphalt work that will be done by the new construction on the adjacent vacant lot. It was also noted that Peak One will need different equipment (complete tear out of asphalt vs. new construction and timing could be an issue since it's unknown when the new construction will take place.

Questions were asked on repairs to the manhole – this will be done next week and is not an HOA expense.

Owners noted that while no one wants or likes assessments, having the asphalt work done will improve the appearance of the complex substantially and this will help property values. The patching that has been done does not look very good. The project needs to be done right with drainage issues addressed. Terri noted that she would like to see an engineer involved to ensure drainage and grade are done correctly.

Tom stated there were several issues – asphalt replacement, drainage issues at 102 and 104 (the prior Board discussed putting in a culvert to improve drainage at a cost of \$9,000), and moving the dumpster enclosure. A new slab will need to be poured when the enclosure is moved. It needs to be moved closer to 104 because 103 has a hard time getting in the drive. The new dumpster enclosure is estimated to cost about \$10,000. It was noted that changes to Town code may require a roof over the new enclosure. Moving/re-doing the enclosure may trigger this new requirement.

The original asphalt was not done properly. If it was, it could have lasted 30 years. Since it will be necessary to tear everything out, it should not be a real issue if this is deferred for a couple of years to allow for starting assessments now and building reserves. Some owners do not want their money tied up over a period of years and would prefer to put aside their own assessment fund.

Terri asked if the dumpster could be traded for one with a slider door. Also, the current wooden doors on the enclosure break frequently (the wind plays a big factor). The cost to swap out the dumpster is about \$150 and was approved.

It was noted that prior to moving the dumpster, the plat should be reviewed and property lines determined. The dumpster should be pushed back as far as possible. Set backs will need to be checked. The whole project will be permitted and all information will be known before the project is started. Negotiating with Prospect Point on using their berm is not feasible. There are a lot of issues involved with "common" areas and changing the Declarations for both associations would be almost impossible.

The asphalt is a major expense. It was suggested that the dumpster be dealt with first. It was noted that moving the dumpster will not impact asphalt repair. It may be possible to leave the old slab in place. Mountain Managers will talk with the asphalt contractors and get recommendations.

In summary the following will be done:

- Review the plat and mark where the dumpster will go – check property line and easements
- Get designs/costs for the dumpster enclosure
- Get current asphalt bids

If the dumpster enclosure is done this year and asphalt is planned for the spring, it's still a major amount of money for both projects. If the asphalt work is postponed until 2015, there will be more deterioration and probably major pot holes. More patching (more money) could be done to try to hold off asphalt replacement until 2015 and allow for spreading out of assessments. It will be less expensive to do the work now vs. 2015. The economy is improving and if building starts again, prices will go up. This is something that needs to be considered.

A motion was made to have all information available for the November semi-annual meeting. Final approval will be voted on for asphalt and the dumpster enclosure. The motion was seconded and additional discussion ensued. That would mean moving the dumpster would not be done for at least a year. There is enough money in reserves to do the dumpster project this year. There is another major expense scheduled for 2015 – exterior painting of all buildings and deck staining. It is not recommended to postpone painting. It's extremely important that the siding be protected. Waiting too long between paint jobs can result in having to replace the siding (a major expense).

Tom will get the dumpster information to owners and this will be scheduled this year. The original motion was amended to make the final decision on only the asphalt at the November meeting. The amended motion was seconded and passed.

The rough estimate for the assessment will be about \$2,500 per unit (\$70,000 for asphalt and \$10,000 for the dumpster).

Questions were asked on the MCR (Reserve Study). The updated MCR for 2013 is posted on the website. To access, go to mountainmanagers.com, click on HOA Management and then select "Homeowner" from the drop down menu. The homeowner access code is pt22 (case sensitive). Without asphalt replacement coming due much sooner than originally anticipated, there would be no funding issues for years. The HOA contributes about 20% of income to reserves which is very good and would generally pay a good portion of anticipated expenses. Very few HOA's pay for everything through dues and many do not even budget for new roofs (automatic assessment). Dues need to keep pace with inflation. If dues remain flat, owners could be faced with a very large increase down the road.

Additional discussion took place on the upcoming assessment. Some owners would like to spread out payments and others would prefer to pay in a lump sum as far out as possible. Very little interest is earned on HOA accounts. Owners can do better by keeping their money and getting better interest rates. If the asphalt work is to be done in 2015, owners can plan on saving the amount needed for the assessment over the next couple of years. By November, current bids will be obtained, total cost

known, and the Board can decide on contractor selection. The timeline will be discussed with contractors. The Board has done an excellent job on keeping expenses down and does not spend money unnecessarily. Costs will be kept down as much as possible while still ensuring that the job is done correctly.

6. **Old Business.**

Having 3 Board members vs. 5 was talked about. The Board used to consist of 5 members but had a great deal of difficulty in getting the positions filled. The current Board is 3 and they are managing very well. A motion was made, seconded and passed to retain a 3 person Board.

7. **New Business.**

A. Frank Willems (103A) asked about Mountain Managers response to calls to their emergency number and why he did not get any response to his call this morning. He was concerned that if it had been a real emergency (water leak, etc.) it could have been a major issue. Terri asked Frank if he was still working on the water in his unit. Frank had a major water leak and still has not had drywall repair done. He wants to make sure all leaks are repaired first. His plan was to turn on the water this weekend, run the dishwasher, washing machine, etc. and to repeat the process in July. The door to the water valve access room was to have been unlocked but he found it locked this morning. This was brought to the Board's and Mountain Managers' attention during the earlier Board meeting. It was discovered the door had been unlocked last night but was locked this morning. It's possible; someone noticed the door was open and locked it. A staff member met Frank at his unit and unlocked the door. Mountain Managers will check and see what happened with this morning's call. It is not a usual occurrence for calls to the emergency number to go unanswered. Terri noted that she had a water shut off valve installed in her unit at her expense. Freeze alarms are also recommended. Many freeze alarms require a land-line. Newer ones may work with Wi-Fi and VIOP phone. Complex wide WiFi is an option only if 100% of the owners participate and this will add about \$26 per unit per month to the cable bill.

Security checks are also recommended. Mountain Managers only checks units where owners have signed up for the checks and given permission for regular unit entry. Checks are done weekly in the winter and twice a month in the summer. Frank noted he is on the security check list but the sheet in his unit has not been filled out for quite a while. It was explained that there had been a staff change and Mountain Managers will make sure that whoever is doing the checks knows to sign off on the sheet.

One owner noted that when Service Monkey cleaned dryer vents, lights were left on. Does Mountain Managers go back and make sure units are locked, lights off, etc.? Terri felt that if Mountain Managers contracts with a vendor it should be their responsibility to follow up. It was explained that Mountain Managers does not contract with the vendor; the contract is with the HOA except for bulk agreements such as snow plowing and trash removal. Mountain Managers is not paid to "oversee" vendor's work. They use reliable contractors and rarely have an issue. They do not have enough manpower or expertise to follow up on every job that is

done for an HOA. Terri stated she was not asking for a “general manager” – just verification that contractors show up when they are supposed to and reminders to lock up, turn off lights, etc. Frank asked if Mountain Managers would check on the work when the drywall repair was done in his unit. It was explained that since this was a large project and an insurance claim was involved, it is generally checked after the work is done. Frank would like Mountain Managers to make sure no sheet rock is left in the garage, the unit is cleaned up, doors locked, etc.

This led to a question on asphalt work. Will someone need to be hired to oversee the work? The contractor will have someone overseeing the job. On big remodels a construction manager could be a money saver but probably not on asphalt work.

Dan noted that all owners should be able to shut water off/turn it on in case of emergency. The doors to the rooms where the valves are located are normally locked. There is a combination lock on the doors and the combination is 970 for all. He also noted there is a double glass door that’s stored in one of the maintenance rooms that should be removed. This is not a storage area.

- B. Trees were discussed and what can be done to mitigate fire danger. There are too many trees too close to buildings. The work that needs to be done is on Denver Water Board property and they have refused to do anything in the past. Other HOA’s have gotten permission from the Denver Water Board and then paid for tree removal themselves. This may be something for the HOA to consider.
- C. Frank noted that he took a picture of the 103 water room and showed it to Susan. There appears to be a water leak and the floor was still wet today. Mountain Managers will have a plumber look at the area.
- D. There are currently no water restrictions in Frisco. It is best to water when the sun is not up to prevent wasting water due to evaporation.
- E. Rock squirrels have returned behind 102 and 104. The HOA has paid for pest control in the past and it was suggested that it be done again. Mountain Managers will contact whoever did the work before.
- F. There has been new legislation that will affect HOA’s. Mountain Managers is working with their attorney to make sure the HOA is in compliance. There may need to be some changes made to Rules and/or Bylaws. By November, there should be a clearer picture of what needs to be done.
- G. The Board is continuing to look at landscaping. Terri noted that there will be no more mulching done this year (too expensive). There is no contract for landscaping. It was too expensive last year and a lot of “spring cleaning” is being done in house. Kathy stated she would be glad to plan, organize, and look at proposals. Regina agreed to help and it was suggested that Phillip be asked since he is a landscape architect. Terri noted that the watering system is poor and that needs to be considered when doing any planting. Mountain Managers did a good job of weed whacking and should be watering.

- H. The water spigot at 101F needs to be turned on.
8. **Election of Officers.** There was one vacancy on the Board of Directors for a 3 year term. Terri Golden's term was up this year and she stated she would be willing to continue. With no further nominations, a motion was made, seconded, and passed unanimously to re-elect Terri to the Board.
9. **The Next HOA Meeting** will be on Saturday, November 23, 2013, 10:30 a.m. at Mountain Managers. The Board will meet before the HOA meeting at 9:00 a.m.
10. **Adjournment.** There being no further business, a motion was made and seconded to adjourn the meeting at 12:45 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary

APPROVED: Approved for distribution at the 11/23/13 Semi-Annual HOA Meeting