

**THE POINTE AT LAKE DILLON  
SEMI-ANNUAL HOMEOWNERS ASSOCIATION MEETING  
JULY 2, 2010**

**MINUTES**

1. **Called to Order.** The meeting was called to order at 10:07 a.m. by President Mike Gradassi.
  
2. **Attendance and Quorum.**
  - A. 8 owners representing 6 units were in attendance. In addition, 10 proxies were received for a total of 16 units represented at the meeting. (Attendance sheets and proxies are filed with the original minutes.)  
  
A quorum was established
  
  - B. Representing Mountain Managers were Phil Wells and Judy Freese (via phone).
  
3. **Approval of Minutes from the 11/6/09 Semi-Annual HOA Meeting.** A motion was made, seconded, and passed to approve the minutes as written.
  
4. **Repair and Maintenance Report.** Phil explained that the first 8 items reflected what has been done since the last meeting. The second section lists completed items over \$250.00. Phil went through the report and several items were discussed.
  - A. Leaking gutters were discussed. Gutters were inspected and cleaned. One was missed (102A) and has since been done. Mountain Managers will arrange for a complete gutter inspection this year. All gutters will be checked for leaks and the downspouts/extensions will be looked at. This will be done prior to winter and everything will be repaired/sealed as needed. Owners were asked to notify Mountain Managers immediately if they see new gutter leaks or ice build up in the winter. These issues need to be addressed before serious damage occurs. The buildings are getting older and more maintenance issues are becoming evident.
  
  - B. Mud jacking has been done. Mike explained that this is done instead of a complete tear out and replacement of concrete. Small bore holes are made and expandable foam is injected which raises the concrete. As an example, Mike cited buildings 102 and 104 C and D. These areas have large slabs that should slope away from the building. If the slabs begin to slope towards the building, mud jacking can be done to correct the slope and the concrete would be preserved. Mud jacking can only be done in areas where the concrete has integrity. If the concrete is crumbling, mud jacking will not work. When it can be done, mud jacking saves a lot of money in addition to saving wear and tear on lawns. Once accomplished the area can be used almost immediately – no waiting time as with newly poured concrete.
  
  - C. Deck Caps on buildings 102 and 104 were discussed. It was explained that the posts only have plywood on the top which will let water in. These need to be sealed and a metal cap installed. 6 have already been done at a relatively high price. Mountain Managers located a company (The Roofing Company) that has estimated \$1,500 to \$2,000 to finish all remaining caps. This would be about \$57 per cap using the \$2,000 estimate. Phil will verify with the contractor the materials to be used and the number of caps covered in the estimate.

- D. The annual roof inspection is being scheduled. The flat roofs are especially critical and the membrane will be checked for cracks or splits. Turner Morris will be asked to add gutter inspections to the roof inspection this year and make recommendations.
- E. There were some questions on the budget/funding at this time. It was explained that any excess funds at the end of each year can be put into the MCR. Landscaping money was moved from the MCR to the operational budget. Mike noted that 8 to 10 years ago, the Pointe had no landscaping to speak of. Some major work was planned and funds were allocated in the MCR. The majority of the work has been completed and it's mainly upkeep and maintenance now. Phil stated he likes a budget with some room to work with but does not spend money if it's not needed. The goal is to spend as little as possible and have a surplus at the end of the year. The budget is reviewed and revised each year by the Board.
- F. Whether mulching is needed was talked about. There were some objections to spending money on mulch. One homeowner expressed concerns that The Pointe's dues are high and neighboring complexes are less. Phil asked if the neighboring complexes were funded or were there assessments any time major items came up (i.e. painting). The homeowner acknowledged they did not know any details of neighboring complexes' dues structure. Most likely other HOA's are not in compliance with Colorado law which states HOA's must have and fund major component reserves. The Pointe is in compliance with the law and as a result should be funded for all anticipated projects for the next 10 years. Thanks to a dues increase, The Pointe is one of the best funded complexes that Mountain Managers manages.
- G. Unit 103E experienced a sprinkler system leak. This resulted in an insurance claim (\$5,000 deductible).
- H. Buildings 101 and 103 did not have enough glycol in the system. Glycol was added which brought the freeze level to a more acceptable point.
- I. Heat tape failed on building 101. This was an unexpected expense (\$5,300). Phil noted that gutters may last 20 years but heat tape does not. The MCR should be changed to reflect a shorter life expectancy. Mountain Managers checks heat tape every year before winter sets in to ensure it is functioning.

5. **Financials.**

- A. On the income side, there was one delinquency noted. The owner has set up a payment plan and is making scheduled payments. The HOA is showing a positive variance in dues – probably due to some prepayments.

On the expense side, the Association is in good shape overall. There were a few line items that were over budget but none were excessive. The under budget items more than compensated. Overall, the HOA is \$1,943 under budget on expenses year-to-date.

Questions were asked about what happens when an owner fails to pay dues/assessments, etc. Phil outlined the new collection policy that was previously discussed with the Board. This is as follows:

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| 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 if an HOA proceeds with foreclosure, it is vital that the Association beat the bank in order to get all monies owed (including legal fees). If the bank forecloses first (usually at 120 days), the HOA is only guaranteed 6 months of back dues. It is hoped this never happens but if it does, the HOA has enough in reserves to cover lost legal costs.

Phil stated there are not a lot of 2<sup>nd</sup> home foreclosures in the area yet. Whether Summit County is behind the curve or being missed is unknown. If the worst hasn't been seen yet he wants to be sure the HOA is protected against losing a substantial amount of money. Owners commended the Board and Mountain Managers for taking a proactive stand on delinquencies and for their diligence with the budget.

Snow plowing was discussed. Whether it's billed on a flat rate for the season or on a per plow basis seems to come out about even. A flat rate contract is preferable for budgetary purposes. This past year the plowing company definitely came out on top but the year before, the HOA did.

Owners noted that the contractor did not do a very good job. The equipment was too big to do some driveways and there was some damage (the contractor will repair any damage). The Pointe is always plowed late in the day. Phil is trying to get the contractor to vary his route so the same complexes are not always plowed late and everyone enjoys early plowing at least some of the time. He'll also talk to the contractor about the equipment used. Mountain Managers was shoveling down drives about 4' so the plow could remove snow but apparently this did not happen. Phil was unaware of this and asked owners to let him know if this happens on a regular basis. Mike Gradassi noted his drive, 101F, is rarely plowed or shoveled.

The balance in the checking account was \$17,515.40 and the money market balance was \$22,947.80 (there are still painting bills to be paid). Mike noted that the reserve account may come close to 0 with painting but the cost was less than expected.

6. **Old Business.**

- A. Roof vent condensation problems from furnaces are an owner's responsibility. It was explained that the roof vent is for furnace venting and all mechanicals for heat, etc. are the owner's responsibility.
- B. Door replacement was scheduled for 102 B and E and 104 B and E. It was decided at the Board meeting that the "B" units would be done but the "E" units would not. These doors fact north and are still in great shape. 102B has a southern exposure and looks really bad (de-laminating). The owner of 104B stated he didn't think his door needed to be replaced. The Board will look at it again before making a final decision.
- C. Owner decks. It has been determined that the decks are a limited common element and an HOA responsibility (including the flat surface). Staining is done every 3 years. Owners who want to stain every year may do so as long as the same product is used. Mike has some extra stain for anyone who needs it.

The original owner of 101A never did anything to the rear deck. Maintenance would be the HOA's responsibility, not the owner.

- D. Painting of 102, 103, and 104 were scheduled for this year. Mountain Managers obtained new bids this spring which came in much lower than anticipated. The new bid was \$15,000 for three buildings vs. \$10,000 for a single building in previous years. The scope of work was very detailed and specific. Contractors appreciated it since it makes it easier to bid a project. When the bids came in so low, the Board made the decision to add the 4<sup>th</sup> building (101) and get all buildings on the same paint cycle. The painters did a good job and the complex looks great. The prep work was very good and painters were conscientious and careful. Many owners had positive comments about the work. The final inspection showed a few items that will be taken care of. Owners are asked to notify Mountain Managers if they have paint splatters on their deck, etc. Not everything could be seen from ground level.

Painting was previously on a 6 year cycle. Based on the shabby condition of the buildings after 6 years and the recommendation of painters and contractors in the area, this will be changed to a 5 year cycle. It was also noted that just because a paint job still looks good does not mean the buildings don't need paint. Micro cracks are not visible to the naked eye. Waiting too long to paint can void warranties (this happened on 101). Phil noted that the MCR is not written in stone and projects can be moved forward or back as necessary. The object it to protect the buildings at all costs. In addition, the longer you wait to paint, the more siding repair is needed. The Gradassi's have a lot of experience with Masonite and warranties – painting really needs to be done every 5 years. Paint color can be discussed prior to the next painting (2015). Changing the trim color may be an option.

The MCR was adjusted during the meeting and Phil stated the HOA is still showing positive figures across the board.

- E. Owners were reminded that they should have carbon monoxide detectors in their units. If the unit is rented, the detectors are required by law.
- F. Whether or not inspecting the heating systems in units had merit was discussed. One owner who has his done regularly stated Dillon Plumbing offers this service for \$99. Some owners have inspections done on an annual basis but many do not. Since there are common walls involved, it's possible that problems in one unit could affect a neighboring unit. There are some absentee owners and rentals where problems may not be noted immediately. Phil was asked if he had any experience with common walls. With common walls carbon monoxide issues could extend to other units. It was also stated that if dryer vents are not cleaned an entire building could burn down. The HOA can take action in this case.

It was noted that the only way for the HOA to ensure any inspections are done would be to make them mandatory and schedule them annually. Owners would be notified of any problem and given a deadline to repair. Failure to repair would result in the HOA arranging for repairs and billing the owner. Phil will get more information and recommendations and forward to the Board. The Board will not make any decision without getting back to owners.

- G. Exterior window washing was talked about. Phil stated that some HOA's do all exterior windows on a regular basis and some do only the ones that are inaccessible to owners. Some do not do it at all. At The Pointe, some owners have no inaccessible windows and some have a lot. Billing individually is not feasible. After discussion, it was determined that exterior windows are not an HOA responsibility per The Pointe's Bylaws. It's not advisable to pick and choose which ones get done. If the Association agrees to proceed, all windows will be done. It was resolved to get bids and see what the cost is. It does not have to be done right now but it was noted that prices are low this year and it might be a good time to do it.
- 7. **New Business** (covered under Old Business)
  - 8. **The Next HOA Meeting** will be scheduled at a later date. In order to get more owners to participate, owners will be given an opportunity to voice their opinion on when the meeting will be held. The Board will select three dates and ask owners to select the date that would work best for them. A response will be asked for within 30 days. A short survey will be sent out with the meeting minutes.
  - 8. **Adjournment**. There being no further business, the meeting was adjourned at 12:48 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary

**APPROVED:**

Approved via e-mail

8-4-10

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Mike Gradassi, President

Date