

The Reserve on the Eagle River
Board Meeting Minutes
Monday, March 16, 2015, at 6:30 PM
The Reserve Clubhouse

BOARD MEMBERS PRESENT: Scott Ashburn, Deb Forsline, Jess Frieze, Marilee Horan and Lauren Immel

BOARD MEMBERS NOT PRESENT: Peter Lord and Matt Lydens

ALSO PRESENT: Dan McNeill, Managing Agent, Kerry Wallace, legal counsel with Goodman Wallace, PC and Sara Thurston McNeill, Secretary to the Meeting

OTHER MEMBERS PRESENT: Gans (C-104), Guerrette (I-203), Woodell (C-302), Forsline (G-201) and Gregory (K-102)

- I. Roll Call. With five of seven Board members present, a quorum was established. Jess Frieze called the meeting to order shortly after 6:30PM.

- II. Governing Documents Revision Project Overview. Kerry Wallace, legal counsel was invited to attend the meeting and to give the Board an overview of the process involved with the revision of the Governing Documents of the association. Kerry explained that the entire process will take about one year (perhaps longer) and that some aspects of the documents revision are fairly standardized, such as the adoption of the Colorado Common Interest Ownership Act (CCIOA) and the state-required Responsible Governance Policies. Other aspects of the Project are more customized and will take longer to complete, including the Amended & Restated Declarations, the Amended & Restated Bylaws and the Rules & Regulations. These documents will be specially tailored to meet the needs of the Reserve Condominium Association. 67% of the members will need to vote to approve them, and 100% of mortgage-holder approval will be required.

Kerry explained that a lot of homeowner involvement should be garnered and the Board should consider appointing a Committee to work with her on “hot topics” such as rentals, parking, noise, etc. She has 25 years of experience working with homeowner associations and currently represents between 45 and 50 associations. A long list of references for her work was forwarded to Jess prior to today’s meeting.

Kerry answered questions posed to her from the Board and other homeowners present at the meeting. One of the key reasons to revise the Governing

Documents is to create clarity between the individual homeowners' and the association's responsibilities with regard to insurance and maintenance of every element at The Reserve. There being no further questions for Kerry, the Board thanked her for her presentation and she excused herself from the meeting.

Comparable proposals were also garnered from Kristin McKnight of Mountain Legal Professionals and Hindman-Sanchez.

- III. Minutes of the January 19, 2015, Board Meeting. These minutes were drafted and circulated to all Board members for review via email. Several changes were incorporated and then they were re-circulated to the Board. There being no further suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE JANUARY 19, 2015, BOARD OF DIRECTORS MEETING. The motion was seconded and carried unanimously.

A quorum could not be achieved for the scheduled February 16, 2015, Board Meeting. Members of management along with Jess Frieze, Scott Ashburn and Marilee Horan were present.

- IV. Homeowner Forum. The floor was opened to the homeowners that attended to the meeting. Bill Gans asked that the Board and management address the on-going issue of noise from his upstairs neighbor's hardwood floor. Management circulated a proposed hard-flooring policy to the Board prior to the meeting; however, it was determined that this would be best addressed as part of the comprehensive Governing Documents Revision Project. In this particular instance, Dan offered to set up a meeting between the Gans and the owners of their upstairs neighbors to try and take a pro-active approach to resolve the situation.

- V. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of February 28, 2015) and Jess Frieze presented them to the Board.

According to the Balance Sheet, the association has \$42,433.50 in the regular checking account and \$145,705.29 in the liquid asset replacement account. The balance on the roof loan to Guerrero's Roofing is \$63,513.

The Profit and Loss Statement reveals that the association has total income of \$66,608 through February 2015. Operating Expenses for the first two months of the year total \$59,157. Cost overruns have been experienced in the Fire/Life/Safety line item and in all Snow Removal line items. Net income for the first two months of the year is \$7452.

The 2015 beginning balance in the Replacement Reserve Account was \$80,765.69. Current year funding through Replacement Reserve Assessments totals \$18,113.76. 2015 Capital Expenditures so far total \$10,000, all of which is for the roofing contract loan payback to Guerrero's Roofing at the rate of \$5,000.00 per month. The ending balance in the Replacement Reserve Account as of February 28, 2015, is \$100,582.02.

Jess reported that the association continues to show progress with its accounts receivable.

There being no further discussion regarding the financial reports, there was a MOTION: TO APPROVE THE FEBRUARY 2015 FINANCIAL REPORTS AS PRESENTED. The motion was duly seconded and carried unanimously.

VI. Manager's Report. Dan McNeill reported on the following:

- Recent warm temperatures during the daytime, followed by freezing temperatures overnight have caused ice dam leaks on the entry dormers of three buildings: C, K and N. All leaks stopped when the ice dams were removed. Guerrero's Roofing recommended repositioning of the heat tapes in these areas. Management is getting a second opinion from Snow Cap Roofing. Guerrero's will then make the repairs (under warranty) and finish the roofs on the trash enclosures.
- Hallway painting is slated for Buildings D, C and B beginning this week, through March 26th. Management is giving residents one week notice prior to the work commencing.
- The Spring Walk Through was scheduled for Wednesday, April 22, 2015, beginning at 4:00PM. All owners are invited to attend. The Board and members of management will inspect the common areas of the property and compile the 2015 Projects List. Please meet outside of Building A.
- There was consensus to work with the Happy Painter for the next phase of the exterior painting project
- Some of the ballasts for the walkway lights need to be replaced; management is getting a proposal from Best Electric
- Jennie Lewis, Code Enforcement Officer for MPM compiled a comprehensive list of parking infractions for March 2015. Over 40 trailers and vehicles were identified as being in violation of the Reserves parking rules. A list of the trailers and vehicles in violation will be circulated and posted in the buildings in order for owners and renters to identify the trailers and vehicles that they own and obtain Reserve parking stickers. Trailers and vehicles without current Reserve stickers will be towed.

Management was directed to distribute a door-to-memo regarding clutter in interior hallways, including the storage of bikes, scooters, strollers, etc. Once all interior hallways have been painted, the Board would like to minimize storage of

personal items in these areas and keep the hallways looking clean are clutter-free. Several attendees expressed that property values are negatively affected by storage of personal items in the common hallways.

The Spring 2015 Newsletter will include friendly reminders about the parking rules, neighborly conduct with regard to noise and smoking, and removal of clutter in interior hallways and other common areas.

Ceres Landscaping delivered a report on preliminary costs for the Long Term Landscape Enhancements. The grand total is \$603,000. Management will request that the report be modified to include the details of the number of units / quantities of materials required for each part of the plan. In this manner, comparable bids for each part of the plan can be garnered.

- VII. Old / New Business. The Board discussed the benefits of providing the membership with a standardized long-term lease. Management will send an example to the Board for review.

Deb expressed her concern with several Directors' lack of attendance at Board Meetings and suggested that the revised Bylaws provide for removal and replacement if a Director misses a certain number of meetings in any given year.

There was a MOTION: TO ENGAGE KERRY WALLACE OF GOODMAN WALLACE TO OVERSEE THE GOVERNING DOCUMENTS REVISION PROJECT. The motion was seconded and approved unanimously.

Jess Frieze reported that he was deposed last week in Denver by legal counsel working to resolve the litigation involving an injury from a bike accident on the property last year. Discovery should be completed by April 10, 2015.

- VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 8:30PM.

Respectfully submitted,

Secretary to the Meeting