

TWIN RIVERS OWNERS ASSOCIATION
BOARD OF MANAGERS MEETING
2/16/10 4:00PM
CLARE CAVANAUGH'S HOUSE

CALL TO ORDER

Sue Poet called the meeting to order at 4:09pm

ROLL CALL

Sue Poet, Board President

Clare Cavanaugh, Board Secretary/Treasurer

Nancy Bowman, Board Vice President

Dick Norman, Mountain Chalet Property Management

APPROVAL OF BOM MEETING MINUTES FROM 1/26/10

Sue did not have time to do a thorough review of the prior meeting minutes but had made some minor grammatical changes. Sue indicated she would review the revised version that Dick would provide. Clare moved to approve the modified meeting minutes with Sue to do a final review of the revisions as presented. Nancy seconded the motion. Motion unanimously approved.

OLD BUSINESS

1. **CONTRACTOR RULES AND REGULATIONS**

Per the 1/26/10 BOM meeting Sue was to review the document and the BOM was to have further discussion. Due to Sue's busy schedule she did not have time to do so and the agenda item was deferred to the next BOM meeting.

ANNUAL MEETING MINUTES

Sue brought up some comments regarding minor changes to the annual meeting minutes that she would like to address. Dick commented that approval of those minutes was not on this agenda because the approval of the annual meeting minutes would take place at the next annual meeting. Sue said she would like to comment on the changes and then move forward with posting the annual meeting minutes on the website in a draft form. Sue would follow through and get the draft minutes posted on the website.

2. DUES STRUCTURE

Discussion took place regarding the past and current dues structure. There are currently two dues levels, the smaller units at \$365 per month and \$405 per month for the larger units. The CCRs indicate in Article 6.3 that "assessments shall be apportioned according to the appurtenant percentage undivided interest in the general common elements assigned to a unit." Further evidence supporting equal dues is referenced in Exhibit 2---recorded Book 265—Page 104. It clearly states that each unit is responsible for and owns an undivided equal 1/60th interest in the association and the expenses of the association. Exhibit 2 indicates 52 listed units and fails to mention the Bancroft building. Item #3 of an amendment recorded March 18, 1980 adds the Bancroft building and brings the total to 60 units. Sue commented that she feels the BOM should move toward structuring the dues properly as directed by the CCRs. Clare agreed with Sue. A reallocation of dues would put the monthly dues assessment at \$385.67 per unit. Nancy mentioned the dynamics would be different for the interval owners because of other financial obligations that the interval owners incur. It was decided that Dick would draft a letter similar to one that he used for another association with the same issue. Dick would present that draft to the BOM for review and modification prior to sending to the owners. The BOM unanimously agreed to move forward.

NEW BUSINESS

1. BUDGET PLAN FOR 2010

Discussion took place on the expenses and budget for 2010. Mountain Chalet indicated the cost to properly maintain the hot tubs and sauna was significantly more time consuming than what was previously budgeted. Mountain Chalet felt that efficiencies could be recognized in the "housekeeping" and "grounds" that would help offset the increase needed to properly maintain the hot tubs as amenities. Dick commented that maintenance of both hot tubs, hanging flower baskets, and grounds lawn maintenance were contracted out by the prior management company. Mountain Chalet will provide these services internally in an effort to minimize costs in those budget categories. Dick pointed out that the cost for the laundry detergent/fabric softener packets was approximately 47 cents per packet and the vending sale price is 50 cents. The BOM approved raising the sale price to 75 cents per packet. MCPM also learned that COCA-COLA is charging \$22.00 per case and the product is being sold for

\$1.00 each. The BOM authorized MCPM to investigate the ability to increase that price to \$1.50 each. Discussion occurred regarding maintenance of the parking lot. BOM asked MCPM to obtain proposals for paving the whole parking lot and also to consider doing the work in stages and getting proposals for that as well. It was determined after discussing the insurance expenses and insurance claim money received from the insurance agency that Janet would have direct discussion with Sue to answer her questions. There was discussion regarding the loan pay off and the special assessment. The Twin Rivers Interval Owners Association did pay their 2009 Special Assessment by the end of January 2010 and received a pre-pay discount of \$100 per unit (26 units.) Discussion occurred regarding the roof inspection which has been done every couple of years. Dick mentioned a roofer that MCPM had used in the past that is very experienced and knowledgeable if there were questions about the roof in the spring. It was also determined that the engineering inspection of the bridge is due in October of 2010. MCPM will schedule notification of the engineer in October. After extensive discussion that indicated a number of moves of budget line items, it was decided that MCPM would revise the proposed budget and present the revision to the BOM for review.

2. BOM MEETING SCHEDULE FOR 2010

The BOM determined the following dates for BOM meetings to review the calendar year events for the association. It was determined that scheduling a BOM meeting in the second half of the month in the month following the calendar quarter would allow time for preparation of the quarterly financials prior to the meeting. Meeting schedule:

APRIL 20, 2010 3:00PM CLARE CAVANAUGH'S HOUSE
JULY 20, 2010 3:00PM LOCATION TBD
OCTOBER 19, 2010 3:00PM CLARE'S HOUSE
JANUARY 18, 2011 3:00PM LOCATION TBD

3. D & O INSURANCE

Research determined that with the change of insurance companies to the new insurance company (American Family) there is no "prior acts" coverage should anyone sue the BOM for any occurrence prior to January 5, 2010. Further research determined the current D & O policy could be maintained with Dailey Insurance for a cost of \$821 annually with a renewal date of March 1, 2010 and the BOM would be protected. The cost

for D & O insurance with American Family is \$505 annually and could be canceled without penalty. The BOM all agreed that protection was needed for prior acts and decided to stay with the current D & O policy with John Dailey Insurance.

4. CAPITAL REPLACEMENT FUND (CRF) FUNDING DISCUSSION

A Capital Replacement Fund spreadsheet was presented to the BOM for discussion. Dick explained that this first draft is a "foundation" to build upon. The CRF is always being modified and not a document where dates and numbers should be considered final. MCPM asked the BOM for assistance in creating the history of work completed in an effort to move forward with timely dates for replacement or project work.

ADDITIONAL DISCUSSION TOPICS

HOT TUB TESTING AND TRACKING:

Dick presented forms currently being used daily to test the chemical balance of the hot tubs. There is a separate form for each hot tub and the forms are locked in the closet of the room where the hot tubs are located. This type of documentation is required in commercial facilities with hot tubs or pools such as the Twin Rivers amenities building. Dick confirmed that the hot tub drains meet the safety requirements enacted a couple years ago.

FLOOD INSURANCE:

Dick presented a cost estimate from American Family for flood insurance on 8 buildings that AMFAM indicated were in a flood zone. The annual premium cost was \$46,948 with a \$25,000 deductible and an 80% coverage threshold. Sue indicated she had some prior quotes from Dailey Insurance from 2008 that she would find and present to MCPM. MCPM to contact Dailey Insurance for current premium quote.

RULES AND REGULATIONS:

The BOM decided to consider revising the Rules and Regulations to add that exterior window washing of high, unreachable condo windows would be done every other year at the expense of the association. Owners are responsible for all other windows in their unit.

The BOM also decided that a threshold of 18 inches of snow on the rear decks of units would trigger notification of the owner of the unit to remove the snow and if not done then the property management

company would remove it and the owner would be responsible for payment to have the snow removed.

ACTION ITEMS:

MCPM TO CONTACT DAILEY INSURANCE FOR FLOOD INSURANCE PREMIUM QUOTES

MCPM TO CONTACT OWENS CORNING TO REQUEST AN INSPECTION OF THE SHINGLES

SUE POET TO REVIEW CONTRACTOR RULES AND REGULATIONS DRAFT PRIOR TO APRIL 20TH BOM MEETING

SUE POET TO POST DRAFT OF ANNUAL MEETING MINUTES ON WEBSITE

MCPM TO GET COST ESTIMATE FOR PAVING WHOLE PARKING LOT AND ALSO ESTIMATES FOR WORK BEING DONE IN SECTIONS.

MCPM TO DRAFT LETTER OF DUES REALLOCATION FOR BOM REVIEW

MCPM TO NOTIFY OWNER OF SOFA FRAME OUTSIDE VASQUEZ #1 THAT BOM WANTS IT REMOVED

MCPM TO REFINISH TRIM IN AMENITIES AREA AND HOT TUB AREAS

MCPM TO PRESENT BOM WITH REVISION OF RULES AND REGS TO REFLECT WINDOW WASHING AND REAR DECK SNOW REMOVAL

SUE POET WILL UPDATE THE ACTION ITEMS FROM 2009 AND CREATE A NEW ACTION ITEM LIST FOR 2010.

SCHEDULE NEXT BOM MEETING

The next BOM meeting is scheduled for April 20, 2010 at 3:00pm at Clare Cavanaugh's house in Denver.

ADJOURNMENT

Sue moved that the BOM meeting be adjourned. Clare seconded the motion. Motion carried unanimously. Meeting adjourned at 6:40pm.