

Twin Rivers Owners Association Board of Managers
Meeting Notes – 17 June 2009
Reissue #1

The Twin Rivers Owners Association Board of Managers met Wednesday, 17 June 2009 in Denver. Those in attendance were: Clare Cavanaugh, Sue Poet, Bob Chipman, Jon deVos, and Robin Wirsing. Kitty Miller was not in attendance. These notes include mention of other working meetings involving a subset of Board members held since 9 December 2008.

The action item list is included in these notes.

The next Board meeting is scheduled for 8 July 2009, in Denver at a time to be determined.

NOTES

Meeting Notes

The notes from the Board of Managers meeting of 09 December 2008 were approved.

Administrative Report

The Interval Owners Association has changed management companies to Alderwood. Bob reported that the transition between management agents is in process: keys will be provided to the new agent and the PO Box ownership will be moved from the Interval Owners Association to the Owners Association. The Board requested to Robin and Jon that they bill the Interval Owners Association for dues, just as they bill the owners of the fully owned units, and send letters of communication to the Interval Owners management agent just as they do for the full owners. They agreed that was the plan. Bob reported that as of 1 July, Alderwood would have a Fraser office in the Safeway complex. He also said the plan was to have the Interval Owners liaison on the Owners Association Board as well as the managing agent for the Interval Owners Association keep the Owners Association informed of issues which the Owners Association needs to know.

Kitty has reported to the Board that she does not want to serve on the Board beyond the expiration of her current term in 2009. In addition, Bob would not like to be reappointed to the Board as a representative from the Interval Owners Association after his term expires in 2009. Bob reported that the Interval Owners Association Board has not provided him, recently, any recommendations to fill the second Interval Owners position which has been open for some time (their focus has been on the transition of the managing agent). However, he feels that there is one interval owner who may be able to contribute because she might be able to focus on the scope of the Owners Association where some of the other Interval Owners are very focused on the scope of the Interval Owners. Some discussion ensued about possible full owners who might be approached to run for the position to be vacated by Kitty. Jon agreed to provide Sue with the contact information of several owners so that she and/or Clare could contact one or more of them to assess their interest in serving on the Board. (Jon did provide that information to Sue the following day or so.)

Jon reported in the previous meeting that there is a provision in the Declarations that the Interval Owners Association has a specific date by which it will no longer exist. He reported that this is in error and there is no provision in the Declarations regarding the end of the Interval Owners Association.

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The Board has had several working meetings (2 March 09 and 10 June 09) regarding the process and material for the Request for Proposal on the Association management agent contract. The Board plans to send letters to prospective agents on or about the beginning of July with subsequent RfP packages to be sent to those who respond they are interested in bidding. Robin requested that Allegiant be one of the bidders and the Board agreed.

The annual meeting is scheduled for 8 August 2009. Bob noted the Interval Owners annual meeting was in the afternoon, so a time of 10 - 12 was proposed for the Owners Association annual meeting. Allegiant will check with Fraser Library to see if that time is available. Sue will write a letter to the owners to be mailed with the July bill, to remind the owners about the annual meeting on 8 August. A follow-up letter will be sent to the owners with the specific time, place, financial information, etc., after the 2009-2010 budget is approved.

Property Management Report

The Board expressed their deep concern about the reassignment of Tammy Bleier from being the construction manager for Twin Rivers and Jon taking over that position. At least as much concern, is that Jon had not informed the Board of the decision as of this meeting but the communication came as part of Tammy's effort to work a transition plan with the Construction Committee. One of the co-leaders of the Construction Committee resigned as a result of that decision. Robin explained that there are fewer construction projects and that has resulted in Tammy's reassignment. Both Robin and Jon stated that as long as Tammy was willing and available, she can help Twin Rivers with any construction type projects.

Several days before this meeting, the bridge developed a significant hole due to wash-out of the dirt in one area. Jon reported the problem to the Board, at the Board's request had a structural engineer observe the damage for historic reference and to recommend a plan of action. The engineer confirmed Jon's plan to dig out more dirt, and fill with concrete. The hole was repaired the next day and the total cost to Twin Rivers was \$908.

Jon reported that he wrote a letter to the owner of the unit with the very old water heater to let them know the water heater was older than the recommended water heater life asking for a response on their plan to replace it. No reply had been received from the owner. Tammy is going to check the age of the water heaters she did not check last year.

Prior to the meeting, Sue had reviewed the bid on the roof repair and replacement. She had asked Allegiant to go ahead and have the contractor make general repairs on all roofs, replace the first several rows of shingles on the fronts of Bancroft, Nystrom and Vasquez and then completely replace the back side of Bancroft per the bid from Coldwater Construction. Tammy had reported via email that the work would start within a week. It is understood by the Board that money for this work will have to be obtained from a draw on the Millennium loan.

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The Board's request for Allegiant to provide a clearer explanation of their maintenance processes was closed as this will be part of the request from management companies bidding for the Associations management contract.

The Board plans an Owners Work day following the annual meeting in August.

Added with Reissue #1 – In November 2008, the Board realized that we had only \$65K remaining to draw on from the existing LOC and that the roof replacements that had already been completed still had an outstanding bill of \$25+K. Therefore we could not afford to pave the parking lot (September 2009 estimates were \$79K – \$86K) solely from the LOC remaining funds (nearly \$40K). If the parking lot was to be paved in 2009, at least some funds would have to come from normal operating expenses and/or some nominal additional LOC which might be negotiated with the bank. The oil prices dropped significantly from September 2009 through the spring of 2009, so the Board felt that cost estimates for paving might decrease enough to allow the paving to be affordable. The Board asked the Construction Committee to proceed with obtaining new estimates, knowing that the paving specification also needed to be clarified (feedback from contractors who bid in September 2008)

The Construction Committee scrubbed the specification and in late April, solicited bids from several contractors. Bids returned in early May ranged from \$162K to \$240K rather than less than \$80K, as the Board had anticipated. Clearly, either the parking lot pavement had deteriorated significantly or the project scope was too extensive or both. Via email and phone discussion, the Board agreed that we would not pursue the parking lot paving project in 2009, other than patching the trench left by the Confluence sewer replacement.

Financial Report

The result of the 2007-2008 financial audit was sent by Allegiant to the Board members in January 2009. Results and issues need to be addressed by the Board and Allegiant. Specifically, issues pertaining to internal control deficiencies need to be addressed. This topic was not specifically discussed in the meeting of 17 June 09 but is noted here as a matter of record of events occurring since the Board meeting of 9 December 2008.

Since the December Board meeting, significant changes have taken place in the spreadsheet which the Board has developed and will use going forward to track actual income and expenses from all sources. We are nearly complete with the 2006 Special Assessment (SA) history and future income and there are several re-classifications of 2008-2009 expenses that the Board requested of Allegiant. And, based on explanation of the type of expenses which Allegiant has grouped in several categories, the Board will add several more sub-categories to track. The capital expense plan is also tied into the spreadsheet as well as the draws on the Millennium loan.

It is pretty clear, that we will have a significant cash flow problem in late 2009-2010 and certainly in 2010-2011 if we do not have some significant additional income. The Board talked about the likelihood of additional dues and/or an additional special assessment as well as the input from several owners at the previous annual meeting, to reduce debt. The current loan is to be paid off December 2010. Based on the remaining payment on the 2006 SA, the Interval Owners will pay off their portion of the 2006 SA a number of

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months before the last loan payment. When we clarify a number of specific expense issues with Allegiant, we will have a pretty good view of current expenses and a prediction of 2009-2010 expenses. Allegiant will provide end-June expenses and income, and also update their projected end-July (end of fiscal year) expenses.

In email since the last meeting, Clare had reported on her survey with a real estate contact in Grand County of dues of comparable properties. Although Twin Rivers has different amenities to support than other properties, so an exact comparison is not possible, we appear to be mostly in line with other properties. We had thought we were lower than comparable properties, but we don't appear to be much lower, if at all.

Jon said that Millennium Bank is concerned about extending additional money on a Line of Credit (LOC) because of our financial situation. Jon has set up a meeting with Clare and the bank representatives in a few days to help communicate the information the bank has requested. The bank needs to see the extent of our income/expense spreadsheet. In addition, Clare will discuss some alternates she would like them to consider to our existing loan payoff. The Board agreed to halt any further draws on the loan once the roof repairs and replacement currently taking place, are completed.

Secretary Report

A new web page has been set because of the movement of the Interval Owners agent, so we were no longer able to tie our web page to their web page.

NEXT MEETING(S)

The next Board meeting is scheduled for 8 July 2009 in Denver.

Action Items

| Action Item | Description | Who Responsible | Result / Update | Due Date |
|--------------------|---|------------------------|---|---|
| Financial #1 | Reconsider compensation to owners who had gas inserts before 2006 chimney removal; communicate decision to all owners | Kitty | 09 Aug08: AI established; 11 Oct08: Kitty will talk to specific owner; 17Jun09: Board continues to reaffirm decision made by previous Board | 17 Sep08; 06 Dec08; 20 Jan09; Aug09 |
| Financial #2 | Perform an audit of the association financial records for the year ending 31 July08 | Clare, Jon | 08 Aug08: AI established; 09 Sep08: audit has been requested; 11 Oct08: Clare to find out reason for an attorney involvement; expect draft of audit early November; 6Nov08: draft received; 09 Dec08: Clare will respond to auditor that they can issue the report as final; she still needs to review their recommendations and determine what we need to do differently; 28 Jan09: final audit report distributed (see Financial #18) | 06 Dec08; 31 Dec08; closed |
| Financial #3 | Assess Trash Collection Schedule and Adjust for Seasonal Needs | Debbie | 26 Aug08: AI established as standard activity; 09 Sep08: twice a week in Sept, once per week in Oct | 03 Sep08; closed |

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| Financial #4 | Assess Trash Collection Schedule and Adjust for Seasonal Needs | Debbie | 26 Aug08: AI established as standard activity | 15 Nov08; closed |
| Financial #5 | Assess Trash Collection Schedule and Adjust for Seasonal Needs | Debbie | 26 Aug08: AI established as standard activity | 15 Arp09; closed |
| Financial #6 | Assess Trash Collection Schedule and Adjust for Seasonal Needs | Debbie | 26 Aug08: AI established as standard activity; 17Jun09: Jon reported that schedule has been adjusted | 20 May09; closed |
| Financial #7 | Provide Board with details regarding the loan; interest only, interest rate, required principal payment, suspending principal payments, and copies of loan documents | Jon | 08 Aug08: AI established; 09 Sep08: Debbie emailed to all Board members; some pages still to be provided | 17 Sep08; closed |
| Financial #8 | Consider refinancing existing loan; perhaps dependant upon input from Dec08 owner's questionnaire | Jon, Clare | 08 Aug08: AI established; 09 Aug08: supplemented with concern from annual meeting; 11 Oct08: now is probably not a good time to do this; 17Jun09: Jon reported that bank is concerned about our ability to pay back a line of credit; Jon will set up a phone call with representatives of the Bank and Clare and request will be to include an appropriate LOC | Mar09; Jun09 |
| Financial #9 | Put together list of things owners can do to keep expenses down | Sue | 08 Aug08: AI established; 11 Oct08: draft provided, comments due back 10 Nov and will include in Dec letter to owners; 09 Dec08: no additions expressed; letter not sent | 17 Sep08; 24 Sep08; 06 Dec09; 20 Jan09 |
| Financial #10 | Provide Mike with copy of 2006/7 financial audit | Debbie | 08 Aug08: AI established; 09 Sep08: AI cancelled, Mike has left the Board | 17 Sep08; closed |
| Financial #11 | Have accountant proceed with financial audit of 2007/8 | Jon | 08 Aug08: AI established; 09 Sep08: audit has been requested; 11 Oct08: duplicate of Financial #2 | 06 Dec08; closed |
| Financial #12 | Determine which line items of expenses to review at each Board meeting in fiscal year | Clare | 08 Aug08: AI established; 09 Sep08: Debbie provided Prof. Services and Snow Removal details; 11 Oct08: will do Maintenance items at Dec meeting; 09 Dec08: not provided; 17Jun09: maintenance detail not provided | 17 Sep08; 06 Dec08; 20 Jan09; Aug09 |
| Financial #13 | Complete and finalize 2007/8 financial tracking spreadsheet | Clare | 08 Aug08: carryover from 2007/8; 11 Oct08: completed | 17 Sep08; closed |
| Financial #14 | Inform the Board as to the income from the beverage machine for consideration of future replacement of vendor; stop the contract with this vendor and make sure that they do not damage the wireless repeater | Jon | 11 Oct08: AI established; 17Jun09: Jon reported that beverage vendor is now supplying machine; spreadsheet now set up to monitor income and expense of vending | 18 Oct08; 20 Jan09; closed |

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| | mounted near the machine | | | |
| Financial #15 | Provide a complete reconciliation of both special assessments in last 7 or 8 years | Jon, Carl | 09 Dec08: AI established; 17Jun09: Board has decided to reconcile only 2006 SA; Interval owner payment plan is consistent with overall amount owed; full owner payment plan is close but off about \$1000; Allegiant will resolve | 31 Dec08; Aug09 |
| Financial #16 | Obtain another \$90K of loan from the bank to cover paving | Jon | 09 Dec08: AI established; 17Jun09: combine with Financial #8 | 31 Dec08; closed |
| Financial #17 | Provide expense details for accounts significantly over budget | Jon | 09 Dec08: do this for maintenance, administration and special projects; 17Jun09: administration and some others provided to the Board; is an ongoing process | 31 Dec08; Aug09 |
| Financial #18 | Review results of 2007-2008 audit and resolve internal control issues | Jon and Clare | 17Jun09: AI established; audit report provided in January 2009 | Aug09 |
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| Property Mgt #1 | Complete Wireless Network | Bob | 08 Aug08: carryover from 2007/8; 16 Sep08: has been stable since installation in late July; 1 Nov08: completed; 20 Nov08: Sue is back-up system administrator to Jerry and Jenine Visage | 17 Sep08; closed |
| Property Mgt #2 | Arrange for signs for trash enclosures, laundry area and amenities area; how to dispose of large items, who to call if problems with vending and W/D; open times | Sue | 08 Aug08: carryover from 2007/8; 17Jun09: Robin said Allegiant willing to do this; Board will wait until there is sufficient money available | 17 Sep08; 15 Oct08; 06 Dec08; 20 Jan09; Aug09 |
| Property Mgt #3 | Consider having a Large trash day a couple times a year, with extra dumpster | Bob | 08 Aug08: carryover from 2007/8; 17Jun09: Board will not pursue | 14 Mar09; closed |
| Property Mgt #4 | Consider bike racks at request of interval owners | Bob | 08 Aug08: carryover from 2007/8; 17Jun09: Board will not pursue unless/until specific request is made and money is available. | 14 Mar09; closed |
| Property Mgt #5 | Consider several Owners Work Days every year | Bob | 09 Aug08: AI established; 17Jun09: planned for 8Aug09 | 14 Mar09; closed |
| Property Mgt #6 | Establish comprehensive Architectural Standards; consider modifications in replacement window and door requirements regarding color; ref. email from Dan Fisher, C02, May08; include exterior door lights and door standards | Bob | 08 Aug08: carryover from 2007/8; 11 Oct08: draft provided, comments due back to Bob 10Nov; 09 Dec08: updated draft provided; all to provide comments by 15Jan09; 17Jun09: on hold until another time | Update 17 Sep08; 06 Dec08; comments due 15 Jan09, new draft 20 Jan09; on hold |
| Property Mgt #7 | Change Rules & Regulations to exclude hot tubs after 2020, | Sue | 08 Aug08: AI established; 09 Aug08: suggest to eliminate | 17 Sep08; end-Sep08; |

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| | exclude water beds; prohibit charcoal briquettes | | briquettes; 26 Aug08: draft sent to Board for review; 16 Sep08: Kitty, Debbie have responded; will have to change some notification dates in R&R since wasn't issued in Aug; 01 Oct08: new version distributed for comments | closed |
| Property Mgt #8 | Keep track of incidents of trespassing into amenities area after hours and report at March Board meeting | Jon | 08 Aug08: AI established; 17Jun09: Jon reported there have not been any reports of trespassing in the amenities area by either owners, guests or sheriff since last summer | 14 Mar09; closed |
| Property Mgt #9 | Have engineer perform and report on bridge inspection | Jon | 08 Aug08: AI established; 11 Oct08: report expected by end-Nov; 24 Nov08: report received | 06 Dec08; closed |
| Property Mgt #10 | Prepare first cut written description of Allegiant maintenance program scope of responsibility and expectations | Jon | 08 Aug08: AI established; 09 Dec08: Jon provided first cut; will provide more comprehensive program description; 17Jun09: will be provided as part of management agent RFP | 17 Sep08; 28 Nov08; 20 Jan09; closed |
| Property Mgt #11 | Audit Property Management records | Bob, Debbie, Sue | 26 Aug08: AI established as standard activity; 2 Dec09: audit done, report expected; re-inspection on 9 Jan09 | 06 Dec08; 09 Jan09 |
| Property Mgt #12 | Review standard maintenance lists | Bob Debbie; all Board members | 26 Aug08: AI established as standard activity; 30Oct08: list provided from Jon; 09 Dec08: Board to provide comments back to Allegiant by next meeting; 17Jun09: will be part of management agent RFP | 06 Dec08; 20 Jan09; closed |
| Property Mgt #13 | Write a letter to owners with very old water heaters asking them to replace; provide report on ages of all water heaters | Jon | 09 Dec08: AI established; 17Jun09: Jon reported letter was written and no response from owner | 20 Jan09; closed |
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| Admin #1 | Read Declarations, By-Laws and Allegiant contract | All Board Members | 08 Aug08: AI established; 09 Dec08: Jon will send email by 31 Dec with provision which identifies a date end to the Interval Association as he reported at the meeting of 09 Dec08; 27 Jun09: Jon reported that his information was erroneous and there is no mention in the Declarations that the Interval Owners Association will terminate on a certain date; 17Jun09: annual event; need to do by first Board meeting after annual meeting | 17 Sep08; 06 Dec08; 31 Dec08 for Jon's item; 20 Jan09 for rest |
| Admin #2 | Prepare implementation plan for each function of Board for this year | All Board Members | 08 Aug08: carryover from 2007/8; 17Jun09: need to do by first Board meeting after annual meeting | 06 Dec08; 20 Jan09; Aug09 |

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| Admin #3 | From December 07 Owner's questionnaire, establish program to improve Board and Allegiant interactions and expectations among Board/Allegiant/owners | All Board Members, Jon and Debbie | 08 Aug08: carryover from 2007/8; 09 Dec08: no significant work has transpired, so will be dropped and reconsidered after Jan 2009 Owner's questionnaire | 17 Sep08; 06 Dec08; closed without resolution |
| Admin #4 | Keep Association informed of the water retention and drainage impact of Victoria Village on Twin Rivers | Jon | 8 Aug08: carryover from 2007/8; 09 Dec08: Jon reported that work is halted on this project; 17Jun09: Jon reported this project appears to be on hold | ongoing |
| Admin #5 | Distribute another owners questionnaire in Dec 08; Include question regarding whether owner prefers a special assessment or increasing/refinancing outstanding loan | Kitty | 08 Aug08: AI established; 09 Aug08: add question of SA vs. loan, etc.; 11 Oct08: consider adding feedback whether owners see improvements in finances, communication, property, things to consider in management contract, interactions with Board or managing agent, willingness to help on committee; 17Jun09: Board decided not to pursue owners questionnaire at the present time | 06 Dec08 (draft by 28 Nov); 20 Jan09; closed |
| Admin #6 | Solicit names of people interested in filling Board position expiring in 2009 | Kitty | 26 Aug08: AI established as standard activity | 14 Jun09 |
| Admin #7 | Ensure all Board members are receiving subscriptions to Sky High News | Jon | 11 Oct08: AI established; 09 Dec08: no Board members are receiving subscriptions; we already have link from a news item on the web; we'll leave that link for a short period of time and Allegiant will consider putting a link to it from their web page | 06 Dec08; closed |
| Admin #8 | Invite Cindy Montrose to the next Board of Managers meeting | Jon, Debbie, Bob | 11 Oct08: AI established; 17Jun09: Bob reported that Cindy's focus is on Interval issues and perhaps Nancy Bowman might be more appropriate; he will talk to her | 06 Dec08; 20 Jan09; ongoing |
| Admin #9 | Provide to Kitty the publication describing property management agent selection guidelines | Jon | 11 Oct08: AI established; 09 Dec08: Kitty received publication | 06 Dec08; closed |
| Admin #10 | Prepare RFP for Managing Agent Contract | Kitty | 11 Oct08: AI established; 17Jun09: in process | 14 Mar09; Jun09 |
| Secretary #1 | Audit Association members list as defined in Declarations/By-Laws | Sue, Debbie | 08 Aug08: carryover from 2007/8; 2 Dec08: records audit, report by next meeting; Debbie will contact owners who haven't provided email addresses to obtain them | 06 Dec08; 20 Jan09 |
| Secretary #2 | Audit Association records of Board meeting notes | Sue, Debbie | 08 Aug08: carryover from 2007/8; 2 Dec08: records audit, report next meeting; Sue forwarded meeting notes from since she was on Board | 06 Dec08; 20 Jan09 |

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| | | | to Jon to put on F-drive; 17 Jun09: Jon reported he has filed the meeting notes | |
| Secretary #3 | Create pictorial history of Twin Rivers to put on web site | Jon | 08 Aug08: carryover from 2007/8; This is NOT pictures of various building problems the last 5 years, this is a pictorial showing the multi-colored buildings, gravel parking lot, yucky amenities area, old tennis court, etc; 11 Oct08: Clare will see if she has some old pictures as will Jon; if nobody has anything by next meeting, we'll abandon; 09 Dec08: no progress, so we are abandoning AI | Update 17 Sep08; 06 Dec08; closed without action |
| Secretary #4 | Create a clear phone list of what Allegiant phone numbers are for what function (emergencies, maintenance, repair companies) | Debbie, Sue | 11 Oct08: AI established; 09 Dec08: Debbie would prefer she gets contacted for everything other than out-of-hours emergencies | 06 Dec08; 20 Jan09 |
| Secretary #5 | Write and maintain a local current events section on Allegiant's web page | Jon | 11 Oct08: AI established; 9 Dec08: we are not tracking what Allegiant will or will not do on their web site unless it is vital to Twin Rivers | 18 Oct08; closed |
| Secretary #6 | Link Allegiant's web page to TR Owners Assn web page | Sue | 11 Oct08: AI established; 26 Nov08: link in place | 06 Dec08; closed |
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