

MARINA PLACE ONDOMINIUM ASSOCIATION, INC
HOMEOWNER MEETING
July 16, 2005
Dillon, Colorado

Homeowners in attendance were:

Eileen & Sam Bolton, #426
Joe Ballweg, #432
Joel Carter, #319
Francis & Hugh Corry, #124
Jeff English, #231
Henry Gardiner, #121
Patrick Kelly, #136
Lauri Larson, #214
Frank & Jean Moore, #217
Linda & Jim Northrop, #322
Joy Ostaffe, #123
Robert Priest, #222
Paul Scott, #133
Susan Snyder, #315
Linda & Jim Sowaskie, #335
Regina Bischofs, #126

Al & Judy Baker, #427
Cecile & Ernest Berliner, #433
Jim & Dorothy Carty, #414
Greta & Melvin Dudley, #212
John & Carole France, #324
Kristin Howland, #134
Barbara & Gene Kotlarek, #135
Mary Lawson, #234
Donnis Moore, #215
Blair & Deidre Ohler, #416
James Pacotti, #311
Bob & Tobie Rosenberg, #334
Charles Shoff, #225
Jamie Vanhorn, #335
Al Watson, #236

Representing Basic Property Management were Dan Ulmer, Lanelle Barnett, Ryan Cain and Charles Johnson. Margot Mayer was recording secretary.

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I. DILLON TOWN UPDATE

Dan Ulmer presented a brief review of the major projects around the town of Dillon:

1. The Dillon Center renovation includes an underground garage and three seven-condominium complexes. The majority, about 75%, will be two-bedroom units.
2. The bike path along the back side of the marina will be expanded from four feet to about ten feet wide. The expansion will only be along the lakeside. [Following the annual meeting, BPM reported that the bike path between buildings two and three was to be widened to satisfy ADA requirements for grade and wheelchair access. The Town of Dillon will be handling all aspects of the project, including the replacement or repair of any damaged or displaced MP sprinkler system hardware.]
3. The Fishhook Ranch project has been tabled.

II. PRESENTATION ON NECESSARY MAJOR REPAIRS

Charles Johnson presented a power point slide show describing in detail all necessary repairs that were done:

1. Clubhouse #2 – Installing two hot tubs and a sump pump. Ground water was coming up and needed to be fully stopped.

2. Clubhouse #1 - The women's restroom was repaired
3. Building 3 - Foundation and structural concrete repair, elevator upgrade.
4. Building 2 - Concrete parking repair.
5. Building 1 – Dumpster pad

He explained that the project was more time consuming and expensive than anticipated due to the fact that some plumbing and electrical wiring and circuit breakers panels had to be replaced to meet County code requirements. A structural engineer was hired and a proposal was submitted to the County for approval. Currently the contractor is working on an electrical problem which should be resolved soon. Charles explained that anytime repairs or remodeling is being done the County requires upgrading to County code requirements.

Upcoming projects for next summer will include the Building 4 elevator upgrade.

III. CALL MEETING TO ORDER

The meeting was called to order by Board president Henry Gardiner at 9:50 a.m.

IV. INTRODUCTION OF OWNERS

With twenty-eight units represented in person, including the one Association-owned unit, and twenty-four proxies received (Henry Gardiner - 12, Board - 1, Joel Carter - 1, Jim Carty - 3, Al Baker - 2, Al Watson - 1, Ernie Berliner - 1, and Paul Scott - 3), a quorum was reached.

V. PROOF OF NOTICE

Notice was sent in accordance with the Bylaws.

VI. APPROVAL OF PREVIOUS MEETING MINUTES

John France made a motion to approve the minutes of the July 17, 2004 Annual Meeting as presented. Blair Ohler seconded and the motion carried unanimously.

VII. PRESIDENT'S REPORT

Henry Gardiner apologized for sending out the incorrect address for submitting proxies.

A. New Management Company

Henry Gardiner reported that as of October 1, 2004 Basic Property Management (BPM) was selected to take over management from ResortQuest, with similar financial arrangements. Dan Ulmer explained that the flat fee includes all services listed in the contract. A one year contract has been signed with BPM and the Board will have to approve renewal.

The overall consensus from the homeowners was positive regarding the onsite manager Charles Johnson and his wife Charlette. Henry urged all owners to fill out a repair request for the common area if they see something needs to be repaired or replaced. The forms and drop off box are outside Unit #111.

A letter has been sent to various rental companies explaining that BPM does not offer a rental program and asking rental companies to communicate with the Marina Place onsite manager and BPM to ensure security if units are being rented out. Association rules require that any renting owner and any rental agent must inform the Association's management company regarding all rentals: dates of rental, number of occupants, and responsible adult to be staying in each unit.

B. Ongoing and New Projects

1. The rehabilitation of Clubhouse #2 is underway.
2. Staining is ongoing and looks good.
3. Regular maintenance on roofs is being done.
4. Concrete work continues.
5. No recycling program has been established yet. This discussion was tabled until later this meeting.

C. Financial Summary

Henry Gardiner explained that during the year the Association had some major capital expenses for projects. As a result the Board decided to levy a Special Assessment. The Special Assessment is to fund the one time expenses for upgrading and repairing clubhouse 2. The board has also decided to raise monthly dues by 5% to meet inflation effects on the operating budget.

D. Owner Items

1. Security - Two reports of unauthorized entry in units were reported. The Board took action by re-keying those units and asked the rental companies to turn in any master keys to BPM. Henry urged all owners to let BPM or the Board know if there are indications that there has been unauthorized entry in the unit. Charles Johnson believes that all master keys have been accounted for. BPM must have access to all units for security inspections and emergency services. All owners who want their unit re-keyed should go through Charles.

If owners feel that somebody has unauthorized access to the swimming pool, they should contact Charles immediately.

2. Noise – There is no insulation between floors. Henry urged all owners on the second and third floors to make sure there is enough soundproofing on the floor. Area rugs must be put down on hardwood floors out of courtesy to the occupants below.

An owner suggested prohibiting hardwood floors and tiles in the Rules. There was discussion about having the Board explore modifying the Declarations and Bylaws to address this problem. Possible solutions included permitting hardwood floors in bathroom and entryway only. If there is an existing hardwood floor an area rug needs to be put down.

A straw vote was taken and by a show of hands the majority of the owners were in favor of possibly implementing such restrictions, with two owners opposed.

E. Bylaws to Change Board Terms

There was discussion about changing how the Directors are voted from the membership. *In recent years; then board members have expressed a willingness to serve another year and were elected without additional nominees being offered.* The terms should be more than one year and should also be staggered. The minimum number of Directors is three and the maximum is five.

A Committee will evaluate the Declarations and Bylaws and present any possible revisions or suggestions on how to structure the election of Directors to the Board. Some Declaration and Bylaw changes must be effective by January 2006 to comply with recently enacted statutory requirements.

Henry Gardiner thanked Paul Scott for all his help and hard work on the Board for the past twenty-five years.

VIII. TREASURER'S REPORT

As of April 30, 2005 the Association was \$21,560 ahead of budget. Ernie Berliner explained there was still work in progress (Clubhouse #2, Building #3 elevator) with payments totaling \$45,029 due upon completion.

The Operating accounts were \$16,000 ahead of budget. There were no insurance claims, and savings in insurance were \$9,000. The Association changed insurance carriers and their billing is different. At the end of the year it should even out. Gas and Electric were \$6,000 over budget. The Reserve expenses were \$5,400 ahead of budget because a couple of projects have not yet been started. There was no problem with the sewer line this year.

The 2006 Budget reflects normal income, including the 5% dues increase, of \$410,946, and a Special Assessment of \$32,682 bringing it to a total income of \$443,628.

The projected 2006 operating expenses are \$311,776. The management fee was increased by \$3,500, cable by about 6.5%, and there was a savings in insurance of about \$2,600 from changing carriers. The Reserve Budget was projected for \$132,874, which results in a deficit of about \$1,000 between total expenditures and total income. Net current assets at the end of the 2006 fiscal year should be \$159,831.

IX. OLD BUSINESS

A. Owner's Workday

Patrick Kelly reported about fifteen people participated in the Association's owner workday. Mulch was added around trees, a rope was added for the railroad

ties, and flowers were planted. Patrick suggested scheduling another owner workday. More mulch needs to be added.

B. Trees

A Cut Above Forestry was contracted to remove three trees. One tree was dead, one was struck by lightning and was decaying from the inside, and one was infected with dwarf mistletoe. The contractor will be back to grind the stumps. One tree will be planted and two more trees are infected and need to be removed

C. Hot Water Heaters

All old water heaters need to be replaced. Any owners who still have the original water heaters should contact Charles Johnson immediately and schedule replacement. Any owner who has a new water heater installed should make arrangements to service and drain the water heater regularly, at least every other year. Owners will be responsible for any water damaged caused by their water heater resulting from negligence.

The Bylaws state that every owner must responsibly perform any repair work in their unit. If damage in another unit is result of a homeowner's negligence then the owner is responsible for all costs for the other unit's damage and any damage to the Association.

Charles Johnson will make a list of all units indicating if the water heater has been replaced or not. He will send documentation to each owner who needs to replace their water heater.

X. NEW BUSINESS

A. Shut Off Valves

Dan Ulmer explained that each unit has a shutoff valve but a large number of them do not completely shut off. BPM is in the process of drafting a notice to all owners about replacing this valve with a ball valve that would seal water off completely and much quicker. He will get two or three bids. Charles Johnson is making sure the valve is being changed any time a new hot water heater is installed.

Charles recommended changing all the valves in the building at once because the whole building has to be shut down. The Board will determine if this project is an Association or owner expense.

B. Dryer Vents

Henry Gardiner stated that the Board will make a determination if maintaining and servicing the dryer vents is an Association or individual owner expense.

C. Budget

An owner suggested numbering all pages on the financial report. Another suggestion was made to have the Board notify all owners if any unforeseen major expenses arise.

D. Website

There was discussion about the benefits of creating a website for the Association where minutes, the Declarations and Bylaws and newsletters could be posted. Bob Rosenberg offered to create the website for a nominal cost as long as the Association pays the expenses for hosting the website. A straw vote was taken and by a show of hands the majority of the owners were in favor of pursuing the concept of creating an Association website.

E. DSL/Cable Modem

Each owner can subscribe individually to high speed internet access.

F. Converting Wood Fireplaces to Gas Fireplaces

There was discussion about converting the wood fireplaces to gas fireplaces. The cost for the Association to install gas lines for the buildings was about \$80,000 and the additional cost for each homeowner, including the gas fireplace, would be approximately \$3,000. It was noted that it would be more energy effective to have gas fireplaces and that the Town has more and more restrictions on wood fireplaces, as do insurance carriers. Dan Ulmer explained that gas heat is much cheaper and a gas fireplace produces enough BTU's to heat a unit. Each unit would have its own gas meter and thermostat.

An owner suggested having an engineering study done. Another owner pointed out that first floor units are colder than units on the upper floors and require more heating.

A straw vote was taken and an equal number of owners were in favor of or opposed to gas fireplaces. No owner offered to pursue this matter so the Board decided not to investigate this idea at this point.

XI. RATIFY THE ACTIONS OF THE BOARD

Charles Shoff made a motion to ratify the actions of the Board from the previous fiscal year. Al Baker seconded and the motion carried unanimously.

XII. DUES INCREASE AND ONE TIME SPECIAL ASSESSMENT

Dues will be raised 5% starting August 1, 2005. A Special Assessment of one month of dues for each unit needs to be paid no later than October 1, 2005.

Henry Gardiner said there were not any planned major capital projects in the near future. Ernie Berliner said there was actually nothing major planned in the next three years, but there would be capital projects after that point coming up.

Kristin Howland made a motion to vote separately on the dues increase and the Special Assessment. Regina Bischofs seconded. The motion did not carry with seven votes in favor and the majority opposed.

An owner noted that this was only the second Special Assessment within the past nine years and he felt that the Board has been very conservative with the Reserve Fund.

Paul Scott made a motion to increase the dues 5% starting August 1, 2005, and to approve a one time Special Assessment of one month of dues to be paid by October 1, 2005. Al Baker seconded and the motion carried with three votes opposed.

A letter will be sent to all owners. The dues increase and the Special Assessment will be billed separately. It will not be necessary to fill out a new form for the electronic money transfer.

XIII. ELECTION OF MANAGERS

All Board members expressed their willingness to serve another term. Cecile Berliner made a motion to nominate Al Baker. Al Watson seconded.

The Board meets four times a year and there is one annual homeowner meeting. There was a suggestion to amend the nomination and to elect Al Baker to the Board as an intern position, but there is no such provision in the Bylaws so voting proceeded as usual.

By ballot vote all five existing Board members, Henry Gardiner, Paul Scott, Susan Snyder, Ernie Berliner, and Patrick Kelly were elected.

XIV. ADJOURNMENT

With no further business, the meeting was adjourned at 12:53 p.m.

Approved By: _____
Board Member Signature

Date: _____

Marina Place Condominium Association
Board of Managers Meeting
October 8, 2005
Silverthorne, CO

Board members in attendance: Henry Gardiner, President; Ernie Berliner, Treasurer; Paul Scott; Patrick Kelly.

Excused: Susan Snyder

Homeowners present: Al Watson 236, Al Baker 427.

BPM: Dan Ulmer, Lanelle Barnett, Charles Johnson

1. Called to order by Gardiner at 10:02 AM.
2. Minutes of 7/16/2005 Board meeting were corrected to reflect a change in the language for the Dillon Town Update; correct the date Pam English submitted her resignation “effective 7/1/2005;” to note that Patrick Kelly was appointed to fill Pam’s remaining term on the Board. The annual meeting minutes of the same date were also corrected as follows: modify the financial section to replace the “balance” in the third sentence with “cover;” revised first sentence to read, “Henry Gardiner explained that the Association had some major capital expenses for projects as a result the Board decided to levy a special assessment . The Special Assessment is to fund the one-time expenses for upgrading and repairing Club House #2. The Board also decided to raise monthly dues by 5% to meet inflation effects on the operating budget.” And finally to correct the spelling of Mrs. Johnson’s first name to “Charlette.” On motion by Scott and second by Kelly to approve the 7/16/2005 Board meeting minutes and the Annual Meeting minutes as corrected was passed unanimously.
3. Welcome to Homeowners was extended by Gardiner.
4. Resident Manager’s Report – Charles presented a list of projects completed since last Board meeting. A list of maintenance requests and comments from owners was also reviewed. No new work request forms were introduced.
 - a. Two concrete decks with structural cracks were covered with “Trex” at a cost of \$3,000 on August 22 without communication to the President or Treasurer. Though BPM had been directed to perform the repairs, this lead to the question and discussion of undertaking cost without Board approval (BPM made the decision to use Trex). The dollar amount of projects above which Board Approval and the “project process” are required for non-budgeted items was discussed. A motion to set the limit at \$1,500 before requiring Board approval, except in emergency situations was made by Patrick Kelly and seconded by Ernie Berliner. The motion passed unanimously.

- b. Charles identified various future problems such as the penthouse roof siding and window replacement as potential for 2006; building #4 elevator sump pump likely needs attention by next spring.
- c. Charles also discussed the list of projects he completed at no extra charge to the Association. Dan estimated that these projects saved the association \$16,000.

The Board accepted the resident manager's report as presented with acknowledgement of the superior job done by the Resident Manager.

- 5. Treasurer's Report – Ernie Berliner presented the current condition of revenues and expenses. Accepted as presented on motion by Kelly and second by Scott passed unanimously.
- 6. Old Business
 - a. Main water supply shut off valves within the units need attention – after discussion it was decided that the Association will be responsible for the cost of repair or replacement of this common problem for the protection of all owners. BPM was directed to move forward with a bid for the project estimated at \$3,400.
 - b. Website – BPM recommended having an Internet presence and explained some of the benefits. Owners at large were very positive about this concept at the annual meeting. Gardiner moved to approve the website. Scott seconded and the motion passed unanimously. Gardiner to explore the possibilities with web master recommended by BPM.
 - c. Colorado Revision per SB 100 (2005) – Paul Scott presented the results of his exploration of this revision to the CO statutes which affects all home owner associations. Paul recommended amendments to our Rules and Regulations. These were distributed and reviewed by the Board (see attached). Some revisions to our Rules and Regulations or Bylaws must be accomplished by 12/31/2005. BPM will continue to explore required changes through its professional associations and attorney contacts. Proposed changes will be circulated via email and adopted prior to January 2006.
 - d. Floor coverings in units above ground level – Gardiner recalled that the annual meeting attendees broadly favored a policy designed to reduce the amount of noise between units where floors are not covered in carpet. Motion Paul Scott, second Ernie Berliner: Amend Rules to require in units above the first floor that all non carpeted areas other than bath, kitchen, and foyer must be covered by one or more area rugs to inhibit the passage of sounds. Passed unanimously.

- e. Non-Owner Occupancy Notice Requirement – Following comments received at the Annual Owners’ Meeting regarding authorized unit access, the Board decided to formalize a requirement to notify the Resident Manager of non-owner unit occupancy. Motion Paul Scott, second Gardiner: Amend Bylaws Sec 7.5 (k) as amended by adding the following: Regarding any unit to be rented and occupied by a non-owner, the owner or rental agent is required to inform the management company: a) the unit number b) the dates of rental c) number of occupants d) the identity and contact of the responsible adult for that unit. Passed opposed by one.
- f. Servicing of built-in dryer vents in Phase 2 – Following a discussion of who should be responsible for the maintenance of the original built-in dryer vents in Phase 2, the board determined that the Association will cover the costs and authorized BPM to proceed with any needed repairs and reimburse any owners who have undertaken such repairs.
- g. Now that the Association has open correspondence with responsible parties for the Mason unit, the physical status of the hot water heater will be assessed by BPM and a request for repairs or replacement, if needed, will be made to the owner’s agent.
- h. Bike Path Status – The widening of the municipal bike path between Phase 1 and 2 is nearing completion by the Town of Dillon. The Town has informed BPM that the Town will take responsibility for the replacement or repair of any irrigation equipment disturbed by the construction. BPM to follow-up. The Board directed BPM to place discrete “Private Property” signs at both entrances to MP property on the lake end of the path where our foot path between phases intersects the bike path.

7. New Business

- a. Renewal of BPM Management Contract – Aspects of the new contract were discussed and will be negotiated over the next weeks.
- b. An Owner’s complaints of repeated smoking and late night conversation on an adjacent deck diminishing the owner’s MP experience were reviewed by the Board. Gardiner reported that the owner declined his invitation to attend this Board Meeting. The Board also discussed the actions taken to date by the Resident Manager, BPM, and the Board with the rental agent and the tenants. A detailed review of the Bylaws revealed no authority for the enforcement action requested by the owner against the tenants or the owner of the rental unit. Gardiner will write an email response to the complainant with the Board’s finding.
- c. Charlette’s work Schedule to be expanded to 20 hours per week in the summer and 15 hours per week in the winter. The value and cost to the

Association were discussed and the separate statement of work Dan and Ernie developed was accepted. A motion to incorporate the schedule at a gross rate of \$17 per hour that would cover all the costs to BPM (wages, taxes, workers comp insurance, etc.) was made by Berliner and seconded by Kelley. Carried unanimously.

- d. The Board adopted the following Investment Policy for Reserve Fund Investments effective immediately. “The Board recognizes the need to have timely access to reserve funds to pay for planned and anticipated expenditures and for occasional unanticipated expenditures. Reserve funds will be invested in financial instruments available to the general public, seeking to maximize investment return to the extent possible considering the need for liquidity. Usually investment will be made in interest bearing accounts, certificates of deposit, and/or money market mutual funds.”
 - e. Proposed changes to Bylaw, House Rules, Declaration when made will be
 - i. recorded with the appropriate clerk of Summit County
 - ii. forwarded to owners immediately
 - f. The Board directed BPM to coordinate the dates and venue for the next quarterly Board meeting as far in advance as possible to allow for at least a 30 day notice period and post card to owners.
 - g. The Board requests a professional to record the minutes of future meetings.
8. Motion made to adjourn by Kelly and second by Scott, carried and the meeting was adjourned at 2:32 PM.

Amendments to Marina Place Condominium Association Bylaws, adopted October 8, 2005, effective January 1, 2006

1. All voting regarding election of directors and issues voted upon by the members shall be in accordance with the provisions of CRS 38-33.3-310 and 217 as amended 2005.
 2. All collections of costs and attorney fees regarding failure to pay monthly or special assessments shall comply with the provisions of CRS 38-33.3-123 as amended 2005.
 3. Alternative dispute resolution is encouraged regarding any controversy between the association and any owner pursuant to the provisions of CRS 38-33.3-124 as amended 2005
 4. At or before the annual meeting of association owners, the association shall make available information pursuant to the provisions of CRS 38-33.3-209.4 and 303(4) as amended 2005. Notice of the annual meeting shall comply with the provisions of CRS 38-33.3-308
 5. Education of association owners regarding rules and bylaws shall be provided at the annual meeting of association owners pursuant to the provisions of CRS 38-33.3-209.7 as amended 2005.
 6. Records of the association proceeding shall be made, maintained and made available pursuant to the provisions of CRS 38-33.3-317 as amended 2005.
 7. It is intended that the functions of the association and its Board of Directors shall comply with the provisions of CRS 38-33.3 as amended 2005, as may be applicable, and no provision of the association bylaws shall be applied to the contrary.
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