

**MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
JANUARY 13, 2010**

I. CALL MEETING TO ORDER

The Marina Place Condominium Association Board of Directors Meeting was called to order at 6:01 p.m.

Board members Al Baker, David Brunk, Susan Snyder and Christa Mehard participated via teleconference.

Representing Basic Property Management were Gary Nicholds, Charles Johnson and Candy Ramage. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

David Brunk made a motion to approve the October 1, 2009 Board Meeting minutes as presented. Al Baker seconded and the motion carried.

III. FINANCIAL REPORT

Candy Ramage sent all Board members an email with a detailed explanation of the significant variances. In summary, the Association ended the year with net income of over \$19,500 for Operating and the Reserve balance increased by \$22,000. The current Reserve balance is \$73,110. Candy sent a copy of the 2010 Budget to all Board members by mail.

Christa Mehard questioned the variance in the snow removal line item. Candy said the overage was from the previous season and all snow removal accounts combined were actually \$3,287 under budget.

David Brunk made a motion to approve the Financial Report. Susan Snyder seconded and the motion carried.

IV. BASIC PROPERTY MANAGEMENT REPORT

A. Dishwasher Leak Repair

The repairs for Units 118, 128, 138 will be around \$15,000 including \$1,200 for restoration and \$13,136 for repairs. Charles Johnson said he had contacted Sears about a claim on the dishwasher. The claim was processed through Sedgewick and the manufacturer Whirlpool. Charles expects a response from Whirlpool regarding what they will pay within a few days. The contractor has started to work in Units 118 and 138 and has accepted figures from the insurance company. The owner of Unit 128 hired a contractor and the repairs have been completed.

The Board needs to make a decision about who will pay for it because the owner has requested reimbursement. The contractor is Colorado Mountain Maintenance.

B. Sink Plug Leak Repair

The total cost for repairs, water extraction and asbestos testing for Units 218, 228 and 238 will be around \$50,000. Charles Johnson projected the repairs alone would be over \$40,000. One invoice for \$5,900 has been received for water extraction and asbestos testing. There is another invoice pending for water mitigation/restoration that he has not yet received. Charles believes the insurance company will do everything possible to mitigate their exposure.

C. Unit 231 Leak Repair

Units 211, 221 and 231 were damaged by a leak caused by a frozen pipe. The repair costs will be around \$65,000.

Gary Nicholds recognized Charles Johnson for his many hours of hard work on the leak issues.

D. Steve Dorado said Fireman Fund Insurance Company was still working on the total costs for the recent water damage claims and should have final numbers by Monday. He said that Fireman Fund will review the claims to determine if negligence was a factor. He will also provide his analysis of any expected impacts to the Association's insurance premium as a result of the multiple claims. He recommended that the Board look at ways to mitigate some of the claims going forward.

Gary Nicholds said he spoke with the attorney Dan Wolf yesterday, who made the following comments and/or suggestions:

1. Increase the insurance deductible.
2. Start making some rules that allow the Board to charge negligent owners for deductibles at their discretion. Consider making changes to the Declarations to make it clearer as to what the Association will or will not pay for.

Gary Nicholds asked for Board authorization to review the insurance provisions, Rules and Regulations and Declarations with the attorney and to develop recommendations for changes to the Declarations. The attorney charges \$225/hour and it could require a couple of hours of work.

Gary Nicholds asked if the Board wanted to keep the small claim (\$15,000) in-house. Susan Snyder recommended waiting to make a decision until they have the numbers from Fireman Fund on Monday. David Brunk said he would like to know how much would be saved on the premium if the \$15,000 claim was paid

out of pocket. Gary said he would ask this question of Fireman Fund and get quotes for different levels of deductible. Once the information is received, the Board will make a decision by email.

Susan Snyder made a motion to employ Dan Wolf for 4 – 6 hours to work with the insurance agent, Gary Nicholds and Charles Johnson to evaluate the Declarations and to develop recommendations. Christa Mehard seconded. In discussion, David Brunk commented that this situation should be explained to the owners at the Annual Meeting in July. Owners should be reminded that they can purchase coverage for the areas that are not covered. An insurance agent could be asked to attend the meeting to explain the coverage. This will be part of the Owner Education topic at the Annual Meeting. The information should also be sent in writing to the owners who do not attend. Susan pointed out that owners would have to be given notice a specified number of days before the meeting if the Declarations are going to be changed. The motion carried. Regarding prior discussion (reference IV.C. above), Susan said she would like the attorney give an opinion regarding what would be required legally if the unit owner is unwilling to make the necessary repairs to address the alterations that have impacted the structural integrity of the roof.

V. OLD BUSINESS

A. Entrance 2 Piping in Driveway

Charles Johnson said \$13,000 in rebates had been received to date and there should be another check for an as yet undetermined amount.

B. Fire Sprinkler System and Glycol

Our current fire sprinkler system is a water system, not containing the antifreeze glycol, and thus runs the risk of freezing in some areas along external walls. Charles Johnson said Western States looked into converting the sprinkler system from a water system to a glycol system. The initial ballpark estimate to convert all three buildings was about \$8,000. The Lake Dillon Fire Department (LDFD) then specified additional requirements and the estimate increased to \$45,000 – 50,000 for just Western States' part plus \$10,000 – 15,000 for sheetrock removal and replacement.

A new law passed in 2007 prohibits the same hydraulic test system for water and glycol systems. Engineered drawings would be required for all three buildings. This would entail cutting out sheetrock so the system can be examined and mapped, hydraulic tests in all three buildings and then repairing all the sheetrock. Western States said they do two or three conversions per year and the LDFD is being unreasonable. A suggestion was made to approach Tom Hill, who is on the

Board of the LDFD. There is no State Fire Marshall. Gary Nicholds was asked to speak to the attorney to determine if there is anything the Association can do.

Another option might be to put glycol in the third floor system only. Louvered doors could be put on the first and second floor closets on the outside walls to allow heat to penetrate the closet space or owners could be required to leave the closet doors open in cold weather.

Al Baker asked Charles Johnson to talk to Don Parsons to see if he has any ideas.

C. *Reserve Study*

Last year a company was hired to do a Reserve Study for the Association but they were fired because they did not complete the project in a timely manner, and the Association received a full refund Gary Nicholds researched several other companies and recommended Associations Reserves out of Colorado Springs. The cost for a Reserve Study would be \$2,780 with an eight week turnaround. The Study would include maintenance recommendations. The website is www.reservestudy.com. The Board will review the sample studies on the website and vote by email. A Reserve Study was already approved and the owners were told one would be done. Susan Snyder made a motion to evaluate the website and to vote within one week. Christa Mehard seconded and the motion carried.

VI. NEW BUSINESS

A. *Handrails*

Charles Johnson received another bid of \$70,000 – \$80,000 for new handrails. He forwarded it today to all Board members. Gary Nicholds said if the Board decides to pay the \$15,000 claim to Fireman Fund in order to mitigate potential premium increases, they may want to postpone the handrail project or just do one or two buildings at a time to lessen the financial impact to this year's budget. Christa Mehard said she researched glass railings. She forwarded the information and estimated costs, excluding installation, to all Board members. Depending on the installation, the cost could be comparable to the metal pickets, but the Board would need to find a local installer. Al Baker expressed concern regarding maintenance associated with cleaning the glass. The board agreed to review the options submitted.

B. *Traffic Mirror for Building 4 Street End*

David Brunk suggested adding a traffic mirror for cars at the end of the building because there are often "near misses". Charles Johnson said he would put up a mirror.

VII. SET NEXT MEETING DATE

The next Board Meeting was set for Monday, March 15, 2010 at 6:00 p.m.

VIII. ADJOURNMENT

Susan Snyder made a motion to adjourn at 7:28 p.m. David Brunk seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Approval

**MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
MARCH 15, 2010
*via teleconference***

I. CALL MEETING TO ORDER

The Marina Place Condominium Association Board of Directors Meeting was called to order at 6:05 p.m.

Board members Al Baker, David Brunk, Susan Snyder, Al Watson and Christa Mehard participated via teleconference.

Representing Basic Property Management were Gary Nicholds, Charles Johnson and Candy Ramage. Association attorney Dan Wolf was present. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

David Brunk made a motion to approve the January 13, 2009 Board Meeting minutes as presented. Al Baker seconded and the motion carried.

III. FINANCIAL REPORT

Candy Ramage sent the financial to the Board last Thursday. Al Watson made a motion to approve the Financial Report. Al Baker seconded and the motion carried.

Christa Mehard asked if the new coupon issues had been resolved. Candy Ramage said they had all been ordered and most had been received.

IV. BASIC PROPERTY MANAGEMENT REPORT

A. Discussion of Declarations Changes to Bare Walls Policy

Dan Wolf said the Board had discussed amending the Declarations so a bare walls policy would be permitted. He has received some sample policies from Steve Dorato and he is at the point where he can start drafting a bare walls insurance Declarations provision. It would need to be put to a vote of the ownership and sent to all lenders for approval. He will need to amend the insurance provision to allow for more limited insurance. He will also need to amend the definition of "unit" because "unit" is currently defined to include "all fixtures and improvements therein contained" as well as Article 14 and a couple of definitions. Passage of the amendment will require approval by 67% of the members and 100% of all the holders of first mortgages. Per recent amendments to CCIOA, the lender approval can be done through a notice process that includes a mailing and posting of the amendment and unless the lender objects, the lender is deemed to have approved. He recommended having the members vote first because the lender approval element also involves obtaining copies of deeds of trust and mortgages from a title company, which is not expensive but takes some time. He

did not anticipate any pushback from the lenders. If a lender objects, it may be possible to pass the amendment with a court approval, but it would be more expensive and cumbersome.

A Board member asked if bare walls policies were the norm for Associations. Dan Wolf said in his experience, bare walls policies are the exception.

Al Baker questioned why the Declarations should be changed. He said his insurance thought the Association could have the insurance company of any owner who creates a problem pay for the repairs.

Dan Wolf addressed subrogation. Section 14.2 of the Declarations prohibits subrogation by requiring that all Association policies include a waiver of subrogation. The insurance agent should provide a comparison of potential costs savings if subrogation was allowed as compared to a bare walls policy. Dan said only certain sections of CCIOA apply to associations formed prior to 7/1/92. The non-subrogation clause does not apply to Marina Place because it was established prior to 7/1/92 but CCIOA still provides the standard in the industry and not having a subrogation waiver but would be inconsistent with CCIOA. Dan said the Board should look at the cost benefit of allowing subrogation and should consider if they want owners to be sued for subrogation.

Gary Nicholds commented that the insurance agent said a bare walls policy would make the property more insurable because the areas of responsibility would be clearly defined.

Dan Wolf estimated that the cost to change the Declarations would be about \$5,000. Christa Mehard said she could not vote until she has a better understanding of the cost benefit. Al Baker did not feel the Board could make a decision tonight based on the current facts. The Board agreed they should get a firm cost for a bare walls policy from the insurance agent as well as answers to several questions posed by Al Baker. Gary Nicholds said he would work on getting answers to the questions and get a hard number for a bare walls policy.

Dan Wolf said that the Board could adopt a rule addressing deductibles, which would be faster and less expensive than amending the Declarations. Dan said he could provide proposed wording for a rule which would allow the Board to assess the deductible to a negligent owner. The Board would have a certain amount of discretion. Susan Snyder was concerned about potential legal actions by owners who do not want to pay the deductible. Dan said as long as the Board acts responsibly and does their homework, courts are usually reluctant to overturn Board decisions.

Gary Nicholds commented that the Board may want to change the minimum temperature in the rules from 50 degrees to 55 or 60 degrees. The current fines are \$50/\$100/\$150 per occurrence. He suggested establishing separate categories for violations that can cause significant damage to units or the building. The Board discussed fining the owners in Unit 231 because their heat was set below the 50 degree minimum, resulting in broken pipes. The Board directed Gary to have Erin fine the owner.

Charles Johnson asked Dan Wolf if a rule could be established that in the event of a major damage incident, owners must either use the Association's preferred contractors for all work in the unit or the Association can write a check and the owner can handle all repairs with their own contractors. Dan said this was a power that the Board already possesses, but a rule could be added to provide guidance.

Dan Wolf will draft language for new rules for charging owners for the deductible and for temperature violations.

Further discussion was tabled until more information is obtained.

B. Comcast Proposal to Upgrade Cable

Al Watson said he met with a Comcast representative to try to negotiate a fee reduction but what Comcast provided was a new proposal for upgraded services at the same price. The proposal included a ten year service agreement and a five year renewal, as well as new wiring for the building at Comcast's expense valued at \$9,000. If there is new wiring, however, anyone with existing HD will lose it and will have to pay for a box to get the signal. Christa Mehard said the new rate was not discounted. Al Baker said he had complained about the wiring, low signal and the cost, which has been increasing 6% annually. Al Baker said DishTV could set up a system so individual owners could opt to get HD signal as desired but all owners would not be required to have it.

The Board has until April 15th to make a decision on the Comcast offer. Two Comcast technicians spent two days at the property testing the signal. They indicated that for new programming in the future such as 'on demand', the existing cabling would not allow access to those programs with a decent picture. The proposal of \$31.43/unit/month would include a digital box and digital service. HD would be an extra charge and a DVR would be an additional \$8/unit/month. Susan Snyder said she had received notification from Comcast that in the near future, televisions without a box will only receive channels 2 – 20.

Charles Johnson clarified that the package being offered included new upgraded wiring and one digital box per unit. Comcast will charge an additional fee of \$21.50 per room to hook up existing cable in other rooms.

Debby Curb from Comcast joined the call. The following questions were posed:

Q: How will the existing service change if the Association does not upgrade to digital service?

A: Eventually Comcast will only provide digital service. The existing service does not provide access to all available options due to the wiring. The proposal includes one digital box that provides access to pay-per-view, the on screen guide and other interactive features. Additional cable outlets in a unit will have a digital terminal adaptor, (DTA) which is a much smaller device, to allow all the same digital channels as the primary set to come through, but without the onscreen guide or access to movie channels. The DTA will not deliver premium channels in the 500's and neither box will provide HD programming in the 600's. A separate HD box, which is not part of the Association proposal, would be required for HD programming. Two DTA's will be included per unit at no charge and additional adaptors would be \$1.99/month each.

Q: When will Comcast switch to only digital service in Summit County?

A: This probably will not happen in Summit County in the next year. Once the switch occurs, televisions without a box will get channels 2 – 20.

Susan Snyder stated that the April deadline was unfair. Debby Curb explained that the deadline was for a decision on the \$9,000 wiring upgrade that would be installed at no charge by Comcast. If the offer is not accepted by the April deadline, the wiring funds will be offered to another property. The proposed contract includes a ten year service agreement and a five year bulk bill addendum with a rate lock until 2012.

Al Watson said the satellite companies were working on locations for two head end rooms for satellite equipment. There would be no charge for the equipment but the Association would have to sign a contract. Each unit would need to have a receiver but all rooms would get all channels.

There was general discussion about the pros and cons of cable versus a dish. Al Watson was in favor of remaining with Comcast. He felt there would be more mechanical issues with a dish. The advantage of using Comcast would be a price freeze for two years, the wiring upgrade and increased services.

Christa Mehard asked if most owners wanted cable or if there could be cost savings by eliminating it and allowing owners to contract individually. Charles

Johnson said all units had at least one television. He thought some owners would not want to pay extra for additional services like HD but that most owners wanted basic service.

Christa Mehard said she was concerned about decreased service with a dish during storms. Charles Johnson said the commercial dish was heated to eliminate issues with snow build up.

Christa Mehard was not in favor of signing a five year contract if the rate lock is only two years. Al Watson said he would approach Comcast about re-negotiating the length of the contract, reducing the annual increase to 2-3%, including three adaptors per unit if needed and changing the charge for additional hookups to \$21.50/unit instead of per room.

Charles Johnson noted there would be several thousands of dollars of electrical work that would have to be done for the head end closets for a dish.

C. *Sprinklers in Owners' Closets*

Gary Nicholds said he had contacted Steve Skulski from the Fire Department about inspecting the sprinkler systems in the closets. He told Gary that an anti-freeze drop loop would allow for glycol in an isolated line and would eliminate the onerous testing requirements. Gary is trying to schedule the inspection for next week. There would still be an issue with the water lines in the third floor ceilings. The ceiling temperature needs to be kept at 55 degrees to avoid freezing.

D. *Frozen Pipes in Owners' Closets*

Charles Johnson said there could still be unknown frozen pipes in owner closets that have not thawed yet because there are numerous closets on exterior walls with sprinklers that have been locked all winter. He installed vents in Units 411 and 415 where there had been problems in the past but this solution was not effective because there was no air flow. Installing a second vent at the top or bottom of each door might provide the needed airflow. Susan Snyder asked if a heat lamp could be installed. Charles said there was no power in the closets so two vents or full louvered doors would be less expensive. Requiring owners to use another closet for owner closet and leaving the doors open would be another solution but it would be difficult to enforce. Charles estimated it would cost at least \$8,000 for the materials to add two vents per door in each unit plus labor for a total of about \$28,000.

Alternatively, the sprinkler heads could be removed from the closets without violating the fire code. This would entail cutting the sheetrock in two places, removing the pipe and repairing the drywall. Charles was asked to get a cost to remove the sprinkler heads.

E. Weatherization of all Buildings

Charles Johnson said the beams holding up the walkways were only caulked on three sides so cold air is getting into the closets. In order to caulk the gap on the top side, one board would have to be removed along the length of the walkway. Charles said there were some Xcel rebates available for weatherization and individual owners would be eligible to receive the rebate since they pay their own heating bills. This could be done by dividing the cost of the weatherization and invoicing each owner for their share of the cost. The additional labor to remove the boards along the walkway would increase the cost to add this weatherization. This will be discussed further after additional information is obtained regarding the cost for the various options for the sprinkler heads in closets.

V. ADJOURNMENT

The meeting was recessed at 8:10 p.m. until Monday, March 22, 2010.

Approved By: _____
Board Member Approval

Date: _____

MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
MARCH 22, 2010
via teleconference

I. CALL MEETING TO ORDER

The meeting was reconvened on Monday, March 22, 2010 at 6:00 p.m.

Board members Al Baker, Susan Snyder and Christa Mehard participated via teleconference.

Representing Basic Property Management were Gary Nicholds and Charles Johnson. Erika Krainz transcribed the minutes from tape

II. OLD BUSINESS

A. Comcast Contract

The Board had further discussion on the cable television options but decided not to make a decision until they have a report on Al Watson's meeting with Debby Curb.

Al Baker voiced his preference for a satellite dish system, assuming the cabling is adequate. The dish provider offered 50 channels for the same price that is being paid now for cable. Charles Johnson said he would call the dish provider tomorrow and send the Board an email with the information. Al said he understood that only one room with electrical hook-up would be needed, there were no requirements for heating or air conditioning and there would not need to be a box in each unit. Susan Snyder asked Charles to determine exactly which locations would need to be wired for each building and what the guarantee would be for coverage and signal in every unit. Al said the only problem might be between Buildings 1 and 2. They need to get a cost estimate for setting up a second room if the town will not permit lines to be run across their property. Susan said she wanted to be sure the installation of the dish would not affect the roof and potentially cause leaks. Al said he had confirmed it would not.

There were four negotiation points that Al Watson was going to discuss with Comcast:

1. Decrease of the contract term.
2. Increase to the number of years without a rate increase.
3. Elimination of the \$21 charge for cable hook-up in additional rooms.
4. Increase the number of converters to three if needed.

B. Painting of Building 3

Exterior Solutions provided a bid of \$28,650 and another bid of \$43,175 was also received. Charles Johnson thought the \$28,650 bid was too low and the \$44,175

bid was too high. He will try to get another bid within the next week. The cost to paint Building 1 was \$26,000 but Building 3 is larger. There is also \$18,000 budgeted for siding replacement. Charles will try to get a price per linear foot instead of time and materials. He will email the Board once he has more information.

C. *Handrails*

Exterior Solutions provided a bid of \$91,951 for nice looking handrails for all buildings. They estimated there were 984 linear feet, 42" high on 102 balconies and 1,074 linear feet for rails on top of the existing wood walls. Al Baker asked if the side rails had to be done. Charles Johnson said all rails would probably have to be done at the same time for code compliance. Susan Snyder said the bid was to replace the open side and to add a rail above the solid wall. Charles said this would not look good because of the post. There will need to be rails on top of the wood walls because the wall is not in compliance with the 42" height requirement. Susan recommended tabling the railing discussion until the Board knows how much money is available for the project. She did not think there would be enough to do the project this year. The second bid was \$101,000.

Al Baker felt the change to a glass partition should be put to an owner vote. He thought some owners, including him, might object to the additional maintenance and cleaning of glass. The Board agreed to let the owners vote on the options. The board will determine whether it makes sense to address this at this year's annual meeting or at next year's meeting.

D. *Sprinkler Lines in Closets*

Gary Nicholds said he had exchanged phone messages all last week with Steve Skulski from the Fire Department and was not able to schedule an inspection.

Charles Johnson proposed 3 options for dealing with the sprinkler heads in the closets. Option one would be to consider adding freeze alarms. The alarm would need a phone line. This would require that these units have an active land line (phone service), which may be problematic as many units do not have phone service. The cost is \$158 each but it may be possible to get a bulk price. He recommended putting them in the third floor units initially since those units have had the most problems with freezing. Option 2 would be to investigate whether it is possible to install glycol in just the closet sprinkler heads. The third and probably best option would be to get rid of water lines in the closets. Due to the size of the closets, code does not require sprinkler heads in this area.

E. *Electrical Upgrades in Clubhouse 1*

The electrician provided a bid of \$8,800 and would be prepared to start the work after April 15th. The Clubhouse 1 doors also need replacement; they are falling off the hinges.

- F. *Sidewalk Repairs In front of Clubhouse 1 and in between Bldg 1 and 2.*
Sidewalk repair is budgeted for \$24,000. Charles Johnson did not have bids for the project. The board agreed to evaluate whether these repairs should be completed in 2010 based upon funding requirements for other projects.
- G. *Replace Ice Melt System Beside Building 1*
Charles Johnson said \$7,000 – 8,000 was received from Dupont from the lawsuit to go toward the ice melt system replacement. He had a bid of about that same amount to install all the plumbing and to add glycol. He estimated the cost to remove and replace the concrete would be \$10,000 – 12,000. The Association should receive one more check for an as yet undetermined amount.
- H. *Unit 228-238 Update*
Gary Nicholds has asked Rick Dickinson to issue a check for the amount owed to the owners of the damaged unit and requested that Rick work with the unit owners directly. Charles said there were more errors identified in the calculations for Units 228 - 238. The kitchen cabinets were listed as 11' of uppers but there are actually 16'. Al Baker said there had been numerous emails from the unit owner to Charles regarding petty damage to her unit. The Unit owner has been directed to contact her insurance company. Gary will contact Rick again within the next few days for an update and forward the information to the Board. Susan Snyder said the Unit owners in 238 should be charged for the study that was done to identify the structural issue with the roof. Charles said they had been billed but had not paid. Gary said they would also be fined \$50 for violating the minimum temperature rule.
- I. *Questions for Insurance Company*
Gary Nicholds said he had forwarded Al Baker's questions to the insurance company and he would try to schedule a meeting with them next week to discuss the answers. These questions were specifically requesting cost savings for changing the insurance to a bare walls policy.
- J. *Flood Repair*
The Building 1 stack repairs have been completed and all invoices have been paid. The repairs to the second stack damage will have the final inspections by the County in the next few days and there are still a few outstanding invoices for this project. The other units are not yet complete due to owner upgrades. Unit 238 received a final inspection today. It was not approved because they had not installed a carbon monoxide detector.

K. Changes to Rules

Changes to existing rules should be discussed at the next meeting.

III. ADJOURNMENT

The meeting was adjourned at 8:07 p.m.

Approved By: _____

Board Member Approval

Date: _____

MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
JUNE 28, 2010
via teleconference

I. CALL MEETING TO ORDER

The Marina Place Condominium Association Board of Directors Meeting was called to order at 6:00 p.m.

Board members present were Al Baker, Al Watson and David Brunk. Susan Snyder and Christa Mehard participated via teleconference.

Representing Basic Property Management were Gary Nicholds and Charles Johnson. Erika Krainz of Summit Management Resources was recording secretary.

II. OLD BUSINESS

A. 231 Unit Legal Issue

Gary Nicholds said he had conferred with the attorney regarding the 231 unit. The attorney will contact the owners later this week regarding a payment arrangement for the structural engineering survey.

B. Insurance

Dan Wolf provided a draft of an addition to the Rules and Regulations regarding owner responsibility for the insurance deductible. He said it could be specified that the determination of fault is at the Board's discretion. Alternatively, it could be specified that if there is damage originating in a unit and there is an insurance claim, the owner will be responsible for the deductible unless the Board decides to grant a waiver. The Board can also be silent on the issue. Having this policy would have saved the Association \$10,000 – 15,000 in deductibles this year.

Charles Johnson said the adjusters told him that some Associations split the deductible equally between the owners of all affected units regardless of fault.

Christa Mehard had four issues with the draft:

1. Section 2.a. – delete “failed to act” before “in a negligent manner”.
2. Section 2.a. – regarding responsibility for paying the deductible. If there are multiple parties responsible it should be spelled out how the deductible will be apportioned.
3. Section 2.b. – regarding challenge by an owner. She felt owners should have the right to challenge or appeal the Board decision.
4. Christa felt the Board should review the policy with the membership before approving it. Susan Snyder thought it would be too contentious. Some other Board members felt if the Board was authorized to enact this policy, it should be approved by the Board without an owner vote. It should clearly explain that not having this policy cost each owner \$156 this past year. In addition, claims can cause the insurance premium to go up and therefore increase dues.

Gary said the Association could switch to a bare walls policy, which would make the Association responsible only from the bare walls out. Owners would have to have insurance for all contents and fixtures. This type of policy would make the Association more attractive as an insurance risk. It would require a change to the Declarations and 67% approval of all owners and mortgagees. He did not yet know what the impact would be on the premium, but it should result in a significant reduction. Gary provided a template of the necessary wording change for the Declarations from another Association. The Board agreed they did not want to make a decision on this issue until they knew what the savings on the premium would be. Charles Johnson commented that a bare walls policy would also allow management to stay out of the middle of claims.

There was general discussion about increasing the level of fines for owners who routinely keep the temperature too low in their units. Al Baker proposed fine levels of \$500, \$1,000 and \$1,500.

C. Reserve Study

Al Watson asked all the Board members to send any questions they have about the Reserve Study to Gary Nicholds and Al will have them addressed by the Reserve Study consultant.

David Brunk noted the Board would have to develop a policy on the desired level of funding for the Replacement Fund. Al Baker said some of the cost estimates were inaccurate and he will work on revising them.

Al Watson said there was originally \$87,000 of scheduled expenses for next year. There is now an additional \$50,000. Charles Johnson explained that \$35,000 was budgeted in 2008 for roof replacement for 2010. In 2009 this amount was moved it to 2011 but Charles did not change the Reserve Study to reflect this revision. Al Watson said he wanted clarification as to whether or not the Study is accurate. Charles thought it was pretty accurate but some figures may be a bit inflated per Turner Morris.

David Brunk said the Board should refine the numbers by working with Turner Morris and the Reserve Study consultant. He felt they should formulate a plan to fund the Study 100%. Other Board members did not agree because the current owners would be funding for ten years in the future and some owners may sell in meantime. David noted that they would actually be catching up for the lack of past funding. To achieve the level of funding specified in the Study (\$819,000) would necessitate a \$7,500/owner Special Assessment. Al Watson clarified that the Study assumed the initial funding was to catch up for the past and also assumed ongoing regular contributions for future projects.

Christa Mehard thought there were some funds being “left on the table” in terms of potential income. She felt the Replacement Fund monies should be invested in an interest bearing account. She proposed spending more time flushing out additional savings in the budget, increasing the return on the current funds and trying to find some funding in the current dues while at the same time cleaning up the Reserve Study to make sure the numbers are accurate.

Susan Snyder noted that the Annual Meeting was coming up in less than one month and she did not think the Association could make it through another year without some level of dues increase.

Al Baker did not want to make a decision on an increase until they had a clearer picture of the current position of the Association.

There was a 5% dues increase and 15% increase to the Replacement Fund contribution two years ago. Al Watson said there had been about \$150,000 per year taken from the Replacement Fund for projects so the balance has not been growing.

Al Watson said he would review all figures by July 9th and the Board can then reconvene to make a decision on the level of increase needed.

III. ADJOURNMENT

A motion was made to adjourn at 7:30 p.m. The motion was seconded carried.

Approved By: _____ Date: _____
Board Member Approval

**MARINA PLACE CONDOMINIUM ASSOCIATION
ANNUAL MEETING
JULY 17, 2010**

I. TOWN OF DILLON UPDATE

Devin Granbery from the town of Dillon provided an update on Dillon activities.

1. The Town went into this budget year with 10% reduction in expenditures. The budget is flat for 2011.
2. The street improvement program continues.
3. There are more events this summer than ever before. There are concerts both Friday and Saturday evenings.
4. The bocce ball courts have been completed. The Town will help establish a league with weekly games.
5. Installed three new picnic shelters at Marina Park.
6. The Town is moving forward with improvements to the Marina per the Master Plan. Marina revenue is down 20 – 30% from last year.

There are drainage problems in the street in front of Marina Place and there have been issues with ice formation. As a result, the on street parking has been removed. He will look into restoring it for the summer months. The Town is considering some ordinances to simplify the parking regulations so they are consistent for winter and summer months. He encouraged the owners to communicate with the Town regarding any concerns.

An owner asked about the Dillon Dam security and closures. Devin responded that the Town was not paying for any of the security. The dam is owned by Denver Water and they have indicated that the security presence will not be eliminated any time soon. A proposal is being considered for guard shacks and roundabouts with gates. The design he has seen would be an improvement to the current appearance.

II. CALL THE MEETING TO ORDER

The Marina Place Condominium Association Annual Meeting was called to order at 9:30 a.m. in the Dillon Community Church.

Board Members Present Were:

Al Watson, President, #236
David Brunk, Secretary, #422

Al Baker, Treasurer, #427

Owners Present Were:

Eileen Bolton, #426
Joe Ballweg, #432
Raymond & Rosemarie Begin, #115
Pamela Brunk, #422
Dave Doman & Virginia Carlson, #113
Pamela English, #231
Lee & Tiffany George, #117
John Goldstein, #435

Judy Baker, #427
Sue Bays, #338
Sandy Bradfield, #232
Joel & Louise Carter, #319
Deanna Barrios, #314
John & Carole France, #324
John Gillen, #412
John & Paula Googins, #323

Phyllis Grimm, #134
Pat Sturdivant, #112
Joe Frantz & Laura Foster, #227
Donnis Moore, #215
Bill Gandy, #237
James Northrop, #322
Jay & Joy Ostaffe, #123
Tobie Rosenberg, #334

Sue & Doug Hurst, #213
Lauri Larson, #214
Mary Lawson, #234
Rex Murdock, #417
John Nice, #216
Blair & Deirdre Ohler, #416
David Patterson & Linda Niven, #333
Dan Stillwagon, #211

Steve DeRaddo of Neils Garing Insurance were guests at the meeting.

Representing Basic Property Management were Gary Nicholds, Charles Johnson and Candy Ramage. Erika Krainz of Summit Management Resources was recording secretary.

III. PROOF OF NOTICE/QUORUM

With 33 units represented in person and 31 by proxy a quorum was reached.

IV. APPROVE PREVIOUS MEETING MINUTES

A motion was made to approve the July 11, 2009 Annual Meeting minutes as presented. The motion was seconded and carried.

V. INSURANCE REPORT

Steve DeRaddo of Neil Garing Insurance reviewed the Association's insurance coverage and provided a packet with a summary. The policy provides coverage for the property as "originally conveyed" by the Declarant, or for the same like kind and quality. The policy includes \$23.5 million of blanket coverage for any individual or all four buildings. The most recent replacement value appraisal came in about \$1 million lower. The umbrella coverage is through Zurich with competitive pricing and provides excessive coverage over the \$1 million D&O coverage up to \$6 million. The D&O policy is with Travelers Insurance and there is also fidelity coverage to protect the Association funds from theft.

Steve DeRaddo explained the concept of "bare walls" coverage. There have been three significant claims at Marina Place in the past nine months totalling \$172,181. The current carrier is pushing for a bare walls policy and some new carriers who have been approached will not provide insurance at all unless the Association switches to a bare walls policy.

The quote from Fireman's Fund with a blanket limit of \$18 million for bare walls coverage was \$25,473. The value is higher than the evaluated property value by about \$3 million. The current policy runs through April 2011 and it is anticipated the premium will increase significantly at renewal.

David Brunk commented that the burden for risk management will be moved to the owners if the change to a bare walls policy is made as discussed.

Gary Nicholds noted that the Declarations would have to be amended to allow a bare walls policy, which would require a 67% vote of approval of the membership. If the Association does not switch to a bare walls policy in the near future, the existing type of policy will be considerably more expensive, if it is even available, due to the claims history over the past nine months.

Steve DeRaddo said proof of insurance by owners could be required on an annual basis if the Association goes to a bare walls policy to protect all owners.

An owner proposed that the Insurance Committee send out an explanation of the different types of coverage and post the information on the website. A committee of Lauri Larson, David Brunk and Ray Begin volunteered to work on this issue.

It was noted that all owners had to pay a portion of the \$20,000 in deductibles for these claims. Owners need to pay attention to the rules, such as keeping the heat at a minimum of 55 degrees in units to prevent burst pipes. David Brunk said the Board has instructed Charles Johnson to strictly enforce the Association rules in order to manage the risk.

VI. TREASURER'S REPORT

Al Watson said the Association was in good shape financially. There were enough funds to cover the insurance expenses due to other savings in operations. The Association may end the year with a small surplus.

The cable company paid for an upgrade to the wiring in the units so they are ready for HD. The Board was also able to negotiate a two year contract price freeze.

The Reserve Fund is healthy and the balance is projected to increase by \$15,000 – 20,000 by the end of the year. The Association spends about \$150,000 annually on projects such as the roofs and driveways. A professional Reserve Study was conducted this year to assist with fiscal planning, and an increase may be needed to the Reserve Fund monthly contribution in order to meet projected expenses.

The Board has been investigating alternate railings possibilities for designs with narrower spacing. Initial investigation of 3 different alternatives was evaluated with an estimated cost to replace all the railings around \$150,000. There was discussion by various owners regarding view obstructions by alternate balcony designs as well as the aesthetic aspect if replacement balcony designs are not uniform across the entire complex. An owner suggested selecting one railing treatment so that there is uniformity for all owners who want to put up some protection. John Gillen and Deanna Barrios volunteered to serve on a Railing Committee.

Deanna Barrios made a motion to approve the 2011 Budget. Eileen Bolton seconded and the motion carried.

VII. MANAGER'S REPORT

Charles Johnson reported that several units had water damage originating from frozen sprinkler pipes, dishwasher malfunction, a bar sink and frozen water lines. Temperatures in December were extremely cold and there was little snow to provide insulation. He reminded owners that unit thermostats must be set at a minimum of 55 degrees. The doors to the exterior wall closets must be left open and the closets cannot be used as the owner's closet. He is looking at adding two sets of louvers on the affected doors to improve circulation. Western States will be providing an estimate to convert to a glycol fire suppression system and it will likely be very expensive due to the Fire Department requirement for an engineer. There are no drawings for the existing fire suppression system for the buildings. It may be possible to remove the pipes in those closets but it would be a lot of work. Owners with malfunctioning or non-functioning thermostats should replace them.

Pam English said the reason for some of the pipes freezing was the lack of insulation along the outside wall. Charles agreed that this should be addressed at some time in the future. She asked why the thermostats were replaced. Charles said all original thermostats were replaced per the direction given at the last Annual Meeting because some had failed.

As part of the contract negotiations, Comcast agreed to run all new wiring to all units at their expense. A digital box was installed in every living room. Within a year Comcast will convert to all digital signal. Owners will then be given two more digital boxes per unit. Additional boxes beyond the included three will be available at individual owner expense (\$3.00/month). There are laminated cards in each unit with the physical address of each building for owners who need to call Comcast.

Charles gave a recycling "show and tell" of accepted recycling items:

1. Any clean paper (without food residue). No paper with wax on it such as milk cartons.
2. Plastics 1 – 7. No soda bottle lids.
3. Aluminum foil.
4. Glass bottles but no broken glass or dishes.
5. Cardboard boxes must be broken down.

Property Manager's comments:

1. Charles will keep an inventory of door locks for owners who need to replace their locks. All locks must be keyed to the master system.
2. Charles reminded owners that guests and renters are not allowed to have pets in the units. Only owners are allowed to have pets.
3. Painted Building 3.
4. Replaced some siding on Building 3.
5. Replaced ice melt system on Building 1 at a cost of about \$30,000. About \$10,000 was received from Dupont for the faulty ice melt piping lawsuit.
6. The asphalt around Building 4 will be sealcoated and cracks will be filled in all areas.
7. Looking to replace concrete around Buildings 1 and 2.

8. Parking along the retaining wall is allowed on a short term basis but not overnight and not during the winter.

VIII. OLD BUSINESS

A. *Chipping Paint*

An owner said the paint by his deck was chipping. Charles Johnson said that problem did exist in some other units, and in general any exposed flat surface will need repainting every year due to the weather and UV.

B. *Pigeons*

Charles Johnson said there still some pigeons around the property. He said he was actually having more problems with two other types of birds.

IX. NEW BUSINESS

A. *Reserve Study*

David Brunk said two years ago the Board worked with Charles Johnson to develop a Reserve Study. The dues were increased 20% to fund the items identified. Since that time, the Board became aware of the availability of professional Reserve Studies. Association Reserves LLC out of Colorado Springs was hired to provide a professional Reserve Study. They estimated that out of the collectively owned property, the owners had consumed over \$800,000 of the value to date. The Reserve balance is not currently large enough to replace those items; fully funding the Reserve would cost about \$8,000 per unit, but it would not have to be done all at once. The Board has determined that some of the line items included in the Study are actually covered under operational expenses. Other items may or may not need to be done as scheduled. The Board will be reviewing the Study and will communicate to the owners how they can be better funded when the issues come up. A well-funded Reserve increases property values. A summary of the Study can be posted on the website once it has been revised by the Board. According to the Study, the Association is currently at 7 – 8% funded. If the level of funding is not increased in the near term, there is greater potential for significant Special Assessments in the future to fund major projects. The cost for the Study was \$3,000. The annual contribution to Reserves is about \$163,000 but the Association usually spend about \$150,000 on projects per year.

B. *Window Replacement*

An owner said her windows needed replacement. She noted that not all windows were uniform on all buildings. She would also like to replace her patio doors and thought it might be possible to get a bulk price for other interested owners. Al Baker suggested contacting all owners and developing a list of those that are interested. Gary Nicholds said he would have an email and/or letter sent to all owners regarding this project. Al Baker and Al Watson are the Architectural Control Committee and owners were reminded that there must be a uniform exterior appearance. The frame around the

window is an Association expense. An owner requested that interior doors be added to the list.

X. ELECTION OF DIRECTORS

The owners recognized Al Watson for his service on the Board.

Candidates included Al Baker, Susan Snyder, David Brunk, Christa Mehard, Blair Ohler and Gregory Nestor. Al Watson read biographical information for Christa Mehard and Gary Nicholds read information for Susan Snyder and Gregory Nestor. The other candidates in attendance spoke on their own behalf.

Ballots were tallied and Al Baker, Susan Snyder, David Brunk, Christa Mehard and Blair Ohler were elected.

XI. SET NEXT MEETING DATE

The next Annual Meeting was set for July 16, 2011 at 9:00 a.m. in the Dillon Community Church.

UPDATE: The Annual Meeting date was set for July 16 as noted above. The Annual Meeting date will be changed to **July 9th, 2011 at 9:00 in the Dillon Community Church**. This date change was required because of scheduling conflicts on July 16th.

XII. ADJOURNMENT

The meeting was adjourned at 12:30 p.m.

Approved By: _____ Date: _____
Board Member Approval

MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
SEPTEMBER 20, 2010
via teleconference

I. CALL MEETING TO ORDER

The Marina Place Condominium Association was called to order at 6:00 p.m.

Board members present were Al Baker, Dave Brunk and Blair Ohler. Susan Snyder participated via teleconference.

Representing Basic Property Management were Gary Nicholds and Candy Ramage. Charles Johnson participated via teleconference.

II. RESERVE STUDY DISCUSSION

A lengthy discussion was held with Carmine DeLisio from Association Reserves. Carmine participated via teleconference. The purpose of the discussion was to review the reserve study that had been delivered earlier and to answer the various questions. Most questions revolved around how best to fund Marina Place reserves based on the information and recommendations in the study. Feelings range from assessing owners an amount to fully fund the reserves to doing something less severe and growing the reserves over time. It was decided to discuss this issue later in the meeting.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Blair Ohler made the motion to approve the June 18, 2010 board minutes. David Brunk seconded the motion. The motion passed unanimously.

IV. ELECTION OF OFFICERS

The board discussed the need for members to try and be present at all meetings. There was also discussion about members fulfilling the roles of the offices to which they were elected. Nominations for and election of officers was conducted with the following results.

Al Baker	President
Susan Snyder	Vice President
Christa Mehard	Treasurer
Blair Ohler	Secretary

V. FINANCIAL REPORT

Candy Ramage presented the financial report that had previously been emailed to all board members. She again briefly reviewed her comments that accompanied the report. Candy commented that the financials are looking better than last year. Charles stated that he will need about \$5,000 for crack sealing and asphalt repair. Susan Snyder moved to accept the

financials as presented. Blair Ohler seconded the motion. The motion passed unanimously.

VI. PROPERTY MANAGER'S REPORT

Charles Johnson reported on the following:

- Fireplace inspections have been completed.
- Clubhouse #1 has been closed for painting the pool. Clubhouse #2 is still open.
- There is a reoccurring problem with the boiler in clubhouse #1. Albert Amerin will remove the old boiler and install a new heat exchanger on the existing boiler that heats the clubhouse. The heat exchanger and boiler will be more than adequate to heat the clubhouse and hot tub. The cost will be about \$2,800.
- Concrete work on the steps between buildings 1 & 2 and in front of clubhouse #2 is being planned. Permits have been applied for with the Town of Dillon. Charles stated that because of holdups, he may have to wait until spring to complete the work.
- The crack seal and seal coat will be put off until next Monday. Trash pick-up may cause a problem. It will be OK for people to use municipal parking lots for the day or so that Marina Place drives are sealed and coated.
- Charles commented that he is trying to set up a distribution group of owners so he can better communicate with them regarding things going on at Marina Place.

VII. BASIC PROPERTY MANAGEMENT REPORT

Gary Nicholds commented that he had had very few calls for clarification on changing the insurance provision of the declarations to bare walls. There was a question on whether or not to go ahead with getting first mortgagee approval on the declarations change. After a brief discussion, it was decided to wait until the owners' ballots had been returned before going forward. Since the insurance renewal date was not until April 1st there was no reason to rush. Gary mentioned that if the declarations are changed to bare walls, the annual premium could be reduced by as much as \$8,767.

Gary mentioned that the contract with BPM had actually expired September 30, 2009. The renewal had just slipped through the cracks. Gary stated that Dan Wolf said that since both BPM and the board had operated in a collegial manner to carry out their respective responsibilities, the contract had in essence been extended. However, it should be confirmed in writing. There was a brief discussion about having the contract revised to have it automatically renew at the end of the expiration period. Susan Snyder suggested that the contract renewal date coincide

with the HOA fiscal year which is January 1st. Gary was asked to provide new contract wording regarding renewals. In order to cover BPM, Gary asked for an extension from October 1, 2009 to December 31, 2010. BPM will continue to operate per the contract with the approval of the board.

VIII. OLD BUSINESS

There was no old business to discuss.

IX. NEW BUSINESS

The annual meetings were discussed. There was a question about who volunteered to be on the committee with John Gillen and Diana Barrios to study deck railings. There was discussion over what can be done, if anything, to mitigate risks posed by current railings. Can acceptable solutions or guidelines be found? Susan Snyder asked if the draft minutes can be pulled from the website so they could be corrected. Gary Nicholds felt they could since they had not been approved. He will check with Dan Wolf. Once a word version of the minutes is provided to Susan, she will modify the minutes to have them read correctly.

Fire suppression is an agenda item for the next meeting. Steve Skulski with the Lake Dillon Fire department will be contacted in preparation.

Interest in replacing patio doors was expressed at the annual meeting. Gary will send out a letter soliciting owner interest in door replacement. If enough people are interested, a volume price discount may be obtained.

David Brunk, Ray Begin, and Laurie Larson volunteered to be on the insurance committee. Gary will work with them to send out information to the ownership regarding the voting to change the declarations to bare walls.

The next annual meeting will be Saturday July 9, 2011 at the Dillon Community Church.

X. OTHER BUSINESS

There was another brief discussion on the reserve study. The discussion concerned how much of the reserve should we fund and how should it be achieved, i.e. special assessment, dues increase, etc. It was decided that the board did not have enough information to make an informed decision. Candy was asked to send out income data on how much money goes to the operational budget and how much goes to reserve. Once this is received,

Gary will set up a conference call to discuss the various options for funding the reserves.

XI. Next Meeting Date

The next meeting will be **Monday, December 6, 2010.**

XII. ADJOURNMENT

The meeting was adjourned at 7:55 PM.

MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
NOVEMBER 1, 2010
via teleconference

I. CALL MEETING TO ORDER

The Marina Place Condominium Association Board of Directors Meeting was called to order at 6:00 p.m.

Board members participating were Al Baker, Blair Ohler, David Brunk, Susan Snyder and Christa Mehard.

Representing Basic Property Management were Gary Nicholds, Candy Ramage and Charles Johnson. Erika Krainz of Summit Management Resources was recording secretary.

II. OLD BUSINESS

A. Reserve Funding

In response to the reserve study which was completed for the Marina Place Condominium Association by Association Reserves of Colorado, LLC, the board members met to discuss options for building sufficient reserve funding in order to cover anticipated capital expenditures. Dave Brunk had suggested the possibility of a \$7,000 Special Assessment to build the reserve fund. In response to the board's request at the previous board meeting, Candy Ramage had prepared an alternative funding plan (shared in a spreadsheet with the board) to meet the anticipated capital expenditures projected by the reserve study. The alternate plan builds the reserve to sufficiently cover expected costs according to the timeline in the study through gradual dues increases with no special assessment at this time. Candy presented the alternate plan to the board members, providing a detailed explanation of the following:

1. The red highlighted items, previously included in the reserve study projections, are included in the Operating Budget and do not need to be included as Reserve projects.
2. The spreadsheet does not include any Special Assessments.
3. The spreadsheet assumes a 3.5% increase annually on the Reserve dues only.
4. In 2013 and 2014 the reserve balance is relatively low but in 2039 there will be \$1.3 million in the bank, which is more than is needed based on the current reserve study, so it may not be necessary to increase by 3.5% every year. We will need to reassess as we move forward and as capital expenditures are made over the coming years.
5. The spreadsheet conservatively assumes no interest earned on the reserve balance, although the reserve does currently earn 0.7% interest in a money market account.

Christa Mehard recognized Candy Ramage for her work on this project.

Susan Snyder felt the portion of the total monthly dues payments allocated to the Reserves should be increased. She noted the reserve balance would take a big hit next year due to high cost projects anticipated in 2011. She thought it might be prudent to increase dues 5% overall and to increase the percentage being applied to Reserve to 33%. Increasing the dues at this point would provide a cushion in case there are unplanned expenditures against the Operating Account and would also begin to build the Reserve account a little earlier for the larger projects. Christa Mehard said she would review the operating budget in detail with Candy Ramage with an eye for potential savings that the board might consider. Savings in the operating budget, if found, could offset some of the need for dues increases in coming years.

With regard to other potential budgetary impacts, Gary Nicholds noted that if the Association does not switch to a bare walls policy, the insurance premium could go up \$50,000 – 60,000 next year with a \$15,000 deductible, and further the Association could possibly be uninsurable. There were 31 owners who did not turn in their ballots and as a result the necessary number needed to pass this declaration was not attained. The board agreed to send out another letter and new ballot to all unit owners to revote on this issue. A bare walls policy could reduce the premium by about \$7,000.

Susan Snyder made a motion to approve a 5% increase to the 2011 Budget with 33% allocated to Reserves and 67% to Operating. Christa Mehard seconded and the motion carried unanimously.

Dave Brunk suggested drafting a letter to the owners explaining that the Board has met and approved the 2011 Budget once it has been approved. Candy Ramage and Christa Mehard should be recognized for identifying a solution that will not require a Special Assessment at this time. It should also be noted that the Board decided not to increase the Reserve contribution by 30% through a special assessment as recommended by Association Reserves of Colorado. Gary Nicholds and Candy Ramage will draft the letter for Board review to be sent out to the homeowners explaining the further detailed analysis of the reserve study and the due increase approved by the board.

B. Reserve Study

There was general discussion about posting the Reserve Study on the website. Susan Snyder was concerned about posting it on an unprotected webpage. Dave Brunk said a statement could be posted on the website notifying owners that the Study is available upon request. This information should also be included in the letter.

C. Insurance Coverage Requirement

Christa Mehard asked David Brunk and Gary Nicholds if the statement in the bare walls policy, which was shared with the membership for their vote, implied that the

association was taking responsibility for ensuring owners have appropriate insurance. Gary Nicholds agreed to double check with the attorney to ensure that responsibility is placed with the owners for maintaining the appropriate insurance coverage.

One mailing will be sent for the ballot and re-voting for the insurance issue and a separate one will be sent regarding the dues increase.

III. ADJOURNMENT

A motion was made to adjourn at 7:05 p.m. The motion was seconded and carried.

Approved By: _____ Date: 12/6/2010
Board Member Approval

MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
DECEMBER 6, 2010
via teleconference

I. CALL MEETING TO ORDER

The Marina Place Condominium Association Board of Directors Meeting was called to order at 6:10 p.m.

Board members participating were Al Baker, David Brunk, Susan Snyder and Christa Mehard.

Representing Basic Property Management were Gary Nicholds, Candy Ramage and Charles Johnson. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

Christa Mehard noted some revisions to the November 1, 2010 minutes. David Brunk made a motion to approve the September 20, 2010 and November 1, 2010 Board Meeting minutes as amended. The motion was seconded and carried.

III. FINANCIAL REPORT

Candy Ramage said as of October 31, 2010 the Association had almost \$196,000 in cash compared to \$71,000 at this time last year. The Accounts Payable balance was also lower than last year. There are two delinquent owners but overall many owners have paid dues in advance.

Operating P&L reflected that overall the Association was about \$2,000 over budget with \$2,800 in actual net income versus \$4,800 budgeted net income.

Reserve projects this past year included painting, and work on the snowmelt system and siding. Reserve income including interest was \$136,555. The current Reserve balance was \$59,748, which was \$34,000 ahead of the projection. There were savings of \$6,000 each on the siding and painting projects.

There was general discussion about the rate being paid for natural gas. Gary Nicholds said the Association had not locked the rate based on the advice from the gas representative.

Susan Snyder made a motion to approve the Financial Report as presented. David Brunk seconded and the motion carried.

Christa Mehard commented that she had been looking at areas for potential cost savings. She wants to review the water and sewer charges. She suggested the Board consider closing one Clubhouse during mud season (for a potential \$3,200 savings). The Board agreed to consider closing one Clubhouse in April/May and the other in October/November. Christa and Susan Snyder will review the expenditures and present their findings to the Board for a final decision.

Candy Ramage said she sent the Board an email about the dues allocation. She reviewed the square footage for all units on the Summit County website; they do not match the schedule included in the Declarations, for which there is no backup explaining the calculations. She thought the website information was correct. Candy was directed to hold off on the 2011 dues increase until the units can be measured and the percentages confirmed.

IV. PROPERTY MANAGER'S REPORT

A. Sprinkler System Update

Charles Johnson met with David Colter, the inspector for the Fire Department, to review the issues with the sprinklers in the owner closets. David Colter did not recommend converting to a glycol system because it has been outlawed for residential applications. The options are to remove the plumbing from the closets, which would entail removal and replacement of sheetrock or to change out all the closet doors with full louvered doors and remove the sprinkler heads.

B. Owner Closets

Charles Johnson said until there is a workable solution for the sprinkler heads in the exterior wall closets, the closet doors need to be kept open. He suggested informing owners that unless they are willing to leave the closet doors open, they must install louvered doors at their own expense. Susan Snyder asked Gary Nicholds to get a bulk price for the doors.

C. Clubhouse Door Replacement

Charles Johnson said the damaged doors in Clubhouse 1 were budgeted for replacement. The work was completed under budget and Charles has done a final inspection.

V. BASIC PROPERTY MANAGEMENT REPORT

A. Voting Update for changes to Bare Walls Insurance

Another ballot was sent out for owner approval due to the high percentage of no votes. The Board agreed to contact owners who had not returned their ballots. 64 votes are needed to change the declarations to a bare walls insurance policy. Gary Nicholds will send a list of owner names and phone numbers for Board members to call.

B. Management Contract

Gary Nicholds said the management contract expired in 2009. The attorney recommended memorializing the renewal. Susan Snyder had recommended extending the contract so it would renew in the same cycle as the budget. Gary provided suggested language that could be added to the contract to provide for automatic renewal. Susan said she would like to review the original contract before signing the new one. Gary will send a copy to all Board members. The Board will

review the contract and sign a renewal by March 1, 2011. In the meantime, the contract will run month to month.

C. *Patio Door Replacements*

At the July Annual Meeting, several owners expressed interest in replacing their patio doors. Gary Nicholds agreed to collect names of those interested and provide information about recommended contractors. Gary reported that four owners had responded with interest. He will provide these owners with the information for recommended contractors.

VI. OLD BUSINESS

A. *Letter to Owners*

Gary Nicholds had been asked to write a letter to owners about the 5% dues increase and the Reserve Study review. Gary said he thought the letter had been written. It will be sent out before the end of the year.

VII. SET NEXT MEETING DATE

The next Board Meeting was scheduled for Monday, January 24, 2011 at 6:00 p.m.

VIII. ADJOURNMENT

A motion was made to adjourn at 7:15 p.m. The motion was seconded carried.

Approved By: _____

Board Member Approval

Date: _____