

HIGHLINE CLUB OWNERS ASSOCIATION

June 16, 2010 Board of Directors Meeting Minutes

PRESENT: Alan Bucholtz, Jack Gehrke, Norm Kushner, Earl Pitzer, Hans Schulze - Board of Directors

Elissa Conger – Weststar Property Management, Property Manager

Leo Haas, Suzanne Swafford, Dawn Eastman, Pete Engelken, Diana Stevens, Jackie Havel, Dexter Writer, Judy Waldo, Phil Faulkner, Rebecca Gregg, Bonnie Shore, Ray & Sharon Mohr, Jerry Arndt, Toni Larson, Bonnie Pitzer, Adele Linneman, Anet Winston, Joyce Kontas, Rob Cooney, Bill Imbach - Homeowners

1. **CALL TO ORDER:** The Board of Directors meeting was called to order at 6:32 p.m. at the Highline Club Clubhouse at 9200 Cherry Creek Drive South, Denver, CO, 80231. A quorum was established. Pitzer asked to be recognized by the Chair and proceed to read aloud the Conduct of Meeting Policy as it pertains to board meetings.
2. **HOMEOWNERS FORUM:** Judy Waldo asked the Board for permission to tape record the meeting; the Board consented to having the meeting tape recorded by Judy Waldo. Dexter Writer stated his objections to the recall petition for the removal of Gehrke from the Board of Directors because he felt it did not state any cause and he feels the community should be given more information. Diana Stevens noted that there were two sections of split rail fence that have come down behind Units 56-60. Suzanne Swafford commented on the lattice around the pool fence that was noted as being rotted out on the property inspection report. The manager reported that the pool lattice and the wall have been discussed with the vendor who is bidding on the exterior building touchups.
3. **APPROVAL OF MAY 19, 2010 BOARD MEETING MINUTES:** A typo in the May 19, 2010 board meeting minutes under Homeowner Forum was noted, demanded was changed to demand. Suzanne Swafford felt that portions of the minutes were inaccurate and volunteered to take the minutes at future meetings; she indicated that there were several negatively reported items and she did not agree with how some items were stated. Suzanne Swafford stated that the Association's insurance does not cover slander and libel and she felt that the Board should distribute the minutes to owners for corrections prior to their approval. Kushner noted concerns in the minutes regarding comments on legal counsel and a date/resolution date for the roof repairs. Bucholtz made a motion to postpone the approval of the May 19, 2010 meeting minutes to the July Board meeting to allow any owner who wishes to submit comments to the manager to incorporate into another draft of the May 19, 2010 Board meeting minutes for the Board to review; Schulze seconded. Pitzer expressed concerns regarding getting comments from owners every month as the Board reviews and approves the minutes. Bucholtz wants owners to submit comments to the manager. Kushner noted that preparation of the minutes is a daunting task and that no one on the Board volunteered to be the secretary. Diana Stevens commented that there were legitimate challenges to the minutes and specifically disagrees with the homeowner forum section of the minutes that states homeowners were negligent or non-compliant concerning irrigation lines in privacy areas. Diana Stevens felt there were statements in the minutes that were not made in the meeting. Motion was defeated with two (2) votes in favor and three (3) votes against. Schulze and Bucholtz voted in favor of the motion; Gehrke, Pitzer and Kushner voted against the motion. Pitzer made a motion that under Section 3 of the minutes in the first full sentence on the 2nd page the sentence the word "stop" should be removed and replaced with "raise her hand and wait to be recognized before speaking"; Bucholtz seconded. Motion carried unanimously. Pitzer moved to approve the May 19, 2010 board meeting minutes with a correction to the typo under Section 3 page 1 changing "demanded" to "demand" and under Section 3 page 2 removing the word "stop" and replacing it with "raise her hand and wait to be recognized before speaking". Leo Haas stated that owners did not request that the Association

pay for the costs of moving the irrigation lines that currently run through privacy areas. Bucholtz noted that he did bring up the idea of the Association paying for these costs depending upon the information the Board receives in the proposal. Suzanne Swafford noted that she took detailed notes at the last meeting and expressed concern regarding why the Board would not want to address any inaccuracies. Gehrke noted that the board meeting minutes can be changed up to a year after they have been approved. Suzanne Swafford suggested that the minutes be drafted one week after the meeting and draft copies distributed to the owners in accordance with recommendations from the Community Association Institute. Motion passed with four (4) votes in favor and one (1) against. Gehrke, Kushner, Pitzer and Bucholtz voted in favor and Schulze voted against.

4. COMMITTEE REPORTS:

- a. **LANDSCAPING COMMITTEE:** Rebecca Gregg presented information concerning the Landscaping Committee's activities since the last Board meeting. A total of \$223.73 has been spent for the remaining pool flowers, etc. The Landscaping Committee requested additional monies for bark mulch, additional sun tolerant plants for the island and holiday decorations. The Landscaping Committee noted that Units 23 & 33 need to have the bark refreshed and that trees have died behind Units 13 & 14 and Units 16 & 17. If an owner has planted anything in the border than that border becomes an altered border and is the owner's responsibility to maintain. Kushner noted that it is his intention to take his border back to an unaltered state (Unit 33) at his own personal expense by putting in new border and replacing/refreshing the bark mulch with the approved mulch. The Landscaping Committee noted that Unit 58 has furniture in the common area. Gehrke suggested the Landscaping Committee take an inventory of the holiday decorations being stored in the storage unit offset; this will need to be coordinated with the manager. Bucholtz made a motion to approve an additional \$800.00 above the already approved \$1,200.00 for the Landscaping Committee; Kushner seconded. Motion carried unanimously.
- b. **DOCUMENT REVIEW COMMITTEE:** Bucholtz presented information concerning the initial informal meeting of volunteers to serve on the Document Review Committee. Bucholtz made a motion to recognize the following members of the Document Review Committee: Jack Gehrke, Hans Schulze, Judy Waldo, Rob Cooney, Leo Haas, Pete Engelken, Phil Faulkner, Bonnie Pitzer, Jerry Arndt, Toni Larson, Suzanne Swafford, Mark Mulvany and Alan Bucholtz (Chairperson); Pitzer seconded. Motion carried unanimously. Bucholtz expects to have a draft proposal in the next 7-10 days for the Document Review Committee to begin working from. The next working session is scheduled for July 12th at 6:00 p.m. Each working session shall not last any longer than 2 ½ hours and any owner in attendance that is not on the Document Review Committee will not be recognized to speak at those sessions unless the Committee votes otherwise as well as no formal minutes will be kept from those working sessions.
- c. **ACC SUBMITTALS:**
 - i. **Unit 13 – Gutters Alterations:** Discussion was held regarding the owner's request for clarification regarding the long-term maintenance of the gutter. The Board agreed that once the gutter has been moved, inspected and approved by the Board it will be maintained, cleaned, reattached, etc. like any other gutter in the Association. Kushner made a motion to ratify the approval with conditions; Schulze seconded. Motion carried unanimously.
 - ii. **Unit 48 – Patio Door Replacements:** Discussion was held regarding the owner's request for a ninety (90) day timeframe for completion of the project versus the original thirty (30) days noted in the approval conditions. The Board agreed to extend the completion deadline to ninety (90) days. Schulze made a

motion to ratify the approval with conditions; Kushner seconded. Motion carried unanimously.

5. REVIEW CURRENT FINANCIALS:

- a. The Board reviewed the financial statements for the period ending May 31, 2010. Discussion was held regarding the lighting expenses. Pitzer made a motion to accept the financial statements for the period ending May 31, 2010 pending audit; Kushner seconded. Motion carried unanimously.

6. UNFINISHED BUSINESS:

- a. **Ice Damming – Additional Information:** No additional reports received; proposals from About Saving Heat and proposals/article from Bestway Insulation were received. Gehrke requested additional information on the specifics of ice damming from the vendors; wants to find out from vendors if they will or will not be providing additional reports. Discussion was held regarding roof leaks along the beams that have affected a number of units in the Association. Water testing has been completed on multiple units and some caulking work is being completed on Unit 48 by June 18th so it can be re-water tested on June 21st.
- b. **2010 Reserve Projects-Concrete:** Discussion regarding the 2009 concrete work that was approved by the previous Board of Directors but needs to be scheduled as well as the proposed work for 2010 was held. The total of the 2009 concrete projects and the 2010 concrete work per the Brown Brothers proposal is \$36,060.00. The projects include Units 22-25, 35, 41-42, 47, 48, 56-58 and 53-55. Bucholtz requested to defer the proposed concrete replacements at Units 53-55 until a later date as well as noting concerns regarding the exception in the Brown Brothers proposal related to overexcavation of unsuitable or soft subgrade materials. Schulze agreed that if Units 53-55 did not want their driveways replaced it would save reserve funds for other projects. Pitzer made a motion to approve the concrete proposal as presented by Brown Brothers to include all 2009 and 2010 projects for \$36,060.00; Kushner seconded. Bucholtz indicated that he would abstain from this vote because it includes his unit and concerns regarding overages from the exclusion of overexcavation of unsuitable or soft subgrade material. Jerry Arndt commented that typically driveways settle not uniformly due to greater depth issues and that typically in past projects very little soil needs replaced and recommended that the Board investigate whether or not concrete or soil will be used to fill any gaps. Jerry Arndt expressed that concrete contractors will not include overexcavation as it significantly increases the cost. Suzanne Swafford questioned the inclusion of only 13 infrared patches. Gehrke indicated that the proposal does need to be amended to include 26 infrared patches for a total cost of \$1,300.00. Dawn Eastman noted that she had sent an earlier email to the Board of Directors regarding her concerns over the replacement of the driveways with a flat finished concrete versus the stamped concrete. Dawn Eastman indicated that she felt very strongly about this issue and was willing to pay additional costs to have her driveway replaced with stamped concrete rather than the flat finished concrete. Dawn Eastman noted that there was no difference in strength and that the flat finished concrete devalues the property and defeats the aesthetics of the community. Bucholtz agreed that stamped concrete creates an aesthetic for the community but upon joining the Board he surveyed the concrete in the community and noted that 50%-60% of the concrete is flat finished. Bucholtz expressed reluctance to change a consistent policy used by previous Board's. Dawn Eastman requested that the Board replace her unit's front steps with a Trex product for free if her unit's driveway is replaced with flat finished concrete. Dawn Eastman noted that cracks in the flat finished concrete don't look as nice as cracks in the stamped concrete. Dawn Eastman indicated that the stamped concrete was a selling point when she moved to the community. Pitzer questioned how the current Board could justify changing from flat

finished concrete to stamped concrete when other owners in the community have had to accept the flat finished concrete. Dawn Eastman reiterated how important the stamped concrete look was and that she would like her driveway replaced with stamped concrete versus the flat finished concrete. Kushner indicated his support of Bucholtz's earlier points and Gehrke noted that the Board has tried to do whole buildings together as much as possible. Gehrke noted that regarding the step repairs made seven (7) to nine (9) years ago was not done well and that wood is popping up/off. Gehrke indicated that if owners want they can turn in an ACC application front steps and driveways. Gehrke noted that the ACC application still has to be approved by the Board and would be at the owner's cost. Suzanne Swafford wanted noted in the minutes that it is Gehrke's personal opinion that the Trex deck work done seven (7) to nine (9) years ago is not satisfactory. Gehrke indicated that he is willing to meet with Suzanne Swafford and inspect the decks in the community. Gehrke noted that Unit 44 is sinking and that steps that use the Trex like materials need to be constructed in a certain way. Gehrke also noted that Unit 17 and 19 were constructed properly. Gehrke made a motion to amend the earlier motion by Pitzer to include a total of 13 infrared patches for a total of \$1,300.00, and additional \$650.00 above the proposed price of \$13,060.00; Schulze seconded. Motion passed with four (4) votes in favor and one (1) abstention. Gehrke, Schulze, Pitzer and Kushner voted in favor. Bucholtz abstained due to his unit being included in the proposal and his concerns regarding the additional charges for overexcavation of unsuitable or soft subgrade material.

- c. **Additional Items from the Board:** Discussion regarding the letter from Bonnie Shore (Unit 8) and the 3rd floor balcony membrane proposal was held. Bonnie Shore noted that there is not ongoing leaking at this time but that several years ago when repairs were made to the 2nd floor balcony they were not done correctly. Bonnie Shore noted that the areas were not flashed straight, siding was broken and that the repairs on the 2nd and 3rd floor balconies are patchwork and not aesthetically pleasing. Kushner made a motion to have JP Roofing evaluate and get a proposal for all of the repairs that need to be done to the 2nd & 3rd floor balconies as well as the siding wall on the 2nd floor balcony for the Board to consider in an expedited manner; Pitzer seconded. Motion carried unanimously. Discussion was held regarding the gutter/collector box priority report from JP Roofing and the delays in receiving the report. Gehrke noted that he and other Board members who would like to could go up and make a priority list. Discussion was held regarding the tree limb that needs trimmed back at Units 48-49. Bucholtz indicated he thought the work had been done but it hasn't and Swingle needs to provide a proposal for the work. Discussion was held regarding the removal of the dead tree behind Unit 13 and the recommendation from Swingle Tree to remove one of the aspen behind Unit 23 that is infected. Swingle Tree recommends removing one of the aspen behind Unit 23 that is diseased as it will hinder the growth of the other aspen. Schulze made a motion to approve the removal of one of the aspen behind Unit 23 based on Swingle's recommendations with no replacement of the tree at this time. Bucholtz made a motion to amend the motion to include the replacement of the tree behind Unit 23; no second was made. Kushner seconded the original motion made by Schulze. Motion passed with four (4) votes in favor and one (1) against. Gehrke, Pitzer, Kushner and Schulze voted in favor. Bucholtz voted against due to the tree not being replaced but does favor the removal. Discussion was held regarding the spa room renovations and the schedule for the arrival of the carpet at the end of June. The approved vendor for the renovations is no longer in business; Gehrke indicated that there may be another contractor available and he would have additional information in the next week.

7. NEW BUSINESS

- a. **Special Meeting Petition:** Gehrke noted that the Bylaws posted on the website are missing one page; management confirmed that the website has been updated and a complete set of Bylaws is posted. Pitzer noted that he would like the Association's legal

counsel to attend the special meeting regarding the recall of Gehrke. Schulze indicated that he disagreed and did not think the Association's attorney needed to attend the meeting due to the expense. Discussion regarding who would preside over the meeting was held. Schulze made a motion to appoint Pitzer as Vice President to preside over the special meeting on June 23, 2010. No second to the motion was made. Bucholtz requested suggestions from the Board on who should preside. Schulze asked Gehrke if his personal attorney would be present at the meeting; Gehrke indicated wouldn't know until the meeting is held. Bucholtz commented that while he has experience conducting these types of meetings he does not want to jeopardize the impartiality necessary for the Document Review Committee; he is more concerned with the work of the Document Review Committee than the special meeting to recall Gehrke. Discussion was held regarding the process of the meeting and the recommendations from the manager and the Association's legal counsel regarding how to conduct the meeting. The Board noted that a sign-up sheet for members to speak either for or against the recall should be included. Again, Schulze made a motion to appoint Pitzer as Vice President to preside over the special meeting on June 23, 2010; Pitzer seconded. Motion did not pass with two (2) votes in favor, one (1) vote against and two (2) abstentions. Gehrke and Schulze voted in favor, Kushner voted against, Bucholtz and Pitzer abstained. Discussion regarding the quorum requirement and meaning of majority for a Board vote was held. Schulze made a motion to appoint Pitzer as Vice President to preside over the special meeting on June 23, 2010; Pitzer seconded. Again, Schulze made a motion to appoint Pitzer as Vice President to preside over the special meeting on June 23, 2010; Pitzer seconded. Motion passed three (3) votes in favor, one (1) vote against and one (1) abstention. Schulze, Pitzer and Gehrke voted in favor, Kushner voted against and Bucholtz abstained. Judy Waldo suggested that a time limit for speakers on both sides of the issue be established. Schulze made a motion to limit all speakers on both sides of the issue to three (3) minutes to speak; Bucholtz seconded. Rob Cooney recommended the Board use a sign up sheet to note who will be speaking with the three (3) minute time limit. Diana Stevens noted that in the one other previous recall the motion was made at an annual meeting and no one spoke. Bucholtz indicated that he felt the same protocol didn't apply as it was an annual meeting. Kushner indicated that the petition's letter for a special meeting for the recall of Gehrke was not accurate and that he felt due to no information regarding why the recall was being proposed people needed to speak equally. Kushner noted that it was his personal opinion that the recall was a witch hunt and not right. Suzanne Swafford commented that the Board meeting was not the proper forum for a discussion of the why the special meeting was called; the Board is discussing the special meeting to determine who presides and the procedures of the meeting. Motion passed with four (4) votes in favor and one (1) abstention. Gehrke, Kushner, Schulze and Bucholtz voted in favor, Pitzer abstained.

- b. **2010 Insurance Renewal Proposal:** The manager indicated that Debbie at Willis HRH confirmed that Traveler's did not include a separate wind/hail deductible in the proposal – the wind/hail deductible is \$2,500 per occurrence and that the increase in premium was due to the amount of claims for wind/hail damage this past year in Colorado. Bucholtz commented that proposal does not include lower and higher deductibles; wanted to see difference in costs and what the incremental impact was on the premium. The insurance currently expires on July 1, 2010. Board indicated they wanted quotes from other companies as well. Matter tabled until additional information regarding insurance can be obtained.
- c. **Exterior Touch Up Proposal:** Discussion was held regarding the time & materials proposal from Eagle Rock Construction and the monies set aside in the budget to cover costs. Kushner made a motion to approve the proposal as submitted; Pitzer seconded. Bucholtz noted that Unit 55 does not need any work at this time. Toni Larson noted that the previous painting contractor may have had a provision in the contract that provided

for 2-3 days of exterior touch ups in subsequent years that could be used for some of the work. Motion passed unanimously.

- d. **Handrail Proposal:** Kushner made a motion to accept the proposal from Golden Railings for the fabrication of a handrail for the area north of Unit 27; Pitzer seconded. Phil Faulkner noted that the proposal is for a round not square handrail. Discussion was held regarding the design of previous handrails; the motion was not voted on. Proposal tabled until additional information and costs for a square handrail can be obtained.
 - e. **Additional Items from the Board:** Gehrke presented information regarding the break out of the current legal fees. Gehrke stated that \$3,500 was for the insurance meeting, \$750 for the annual meeting, \$304 for Diana Stevens' claim, \$406 for ice damming, \$239 for an ongoing lawsuit, \$312 for plat/condo information, \$936 for executive session/board meetings and \$216 for Suzanne Swafford's request for copies of board packets with the remained being retainer fees.
8. **MANAGER'S REPORT:** The Board reviewed the manager's report. The Board discussed an owner's request regarding a summer picnic/event committee and determined that this was not part of the Association's responsibility; the owner shall be informed that they can organize themselves. Discussion regarding Suzanne Swafford's email regarding pool gates that lock on the inside as well as outside was held. The manager will hold off on painting the gate at this time until pool codes and information can be obtained regarding requirements for pool gate locks.
 9. **CORRESPONDENCE:** No additional items were discussed.
 10. **EXECUTIVE SESSION:** The Board went into executive session at 9:01 p.m. to discuss a legal settlement offer in an on-going legal matter. The Board came out of executive session at 9:08 p.m.
 11. **ADDITIONAL ITEM FROM THE BOARD:** Gehrke stated that in the previous board meetings Diana Stevens indicated that the June 17, 2009 board meeting minutes promised the replacement of the tree behind Unit 16 & 17 as the Association's expense. Gehrke read from the June 17, 2009 meeting minutes that state "#17 Richard Pfeffer inquired about the status of tree behind Units 16/17 and its condition and replacement. Homeowner would like some say in type of tree chosen for replacement...Removal of tree north of units 16/17 –Swingle recommendation. Motion to approve by Havel seconded by Kushner. Passed unanimously."
 12. **ADJOURNMENT:** There being no further business the meeting was adjourned at 9:10 p.m.