

HIGHLINE CLUB OWNERS ASSOCIATION

August 18, 2010 Board of Directors Meeting Minutes

PRESENT: Alan Bucholtz, Rob Cooney, Norm Kushner, Earl Pitzer, Hans Schulze - Board of Directors

Elissa Conger – Weststar Property Management, Property Manager

Ricardo Lases - Weststar Property Management, Property Manager

Leo Haas (unit 14), Pete & Carolyn Engelken (unit 39), Diana Stevens (unit 15), Jackie Havel (unit 13), Judy Waldo (unit 41), Rebecca Gregg (unit 3), Jerry and Janet Arndt (unit 19), Toni Larson (unit 9), John Clark (unit 54), Gail Sawko (unit 35), Mary Repetto (unit 30), Trish Brock (unit 2), Mark Mulvany (unit 16), Lora Northcutt (unit 27), Terence Searls (unit 18), Nancy Ibbotson (unit 1), Phil Orda (unit 51) - Homeowners

1. **CALL TO ORDER:** The Board of Directors meeting was called to order at 6:30 p.m. at the Highline Club Clubhouse at 9200 Cherry Creek Drive South, Denver, CO, 80231. A quorum was established.
2. **HOMEOWNERS FORUM:** Schulze expressed to present homeowners that they only have three (3) minutes to express their concerns. Toni Larson indicated that the keys to open the gate by unit 6 do not work. Terence Searls indicated that the keys do work. Toni Larson was requested to check with person that reported this issue as the keys should be working and to get back with management if that is not the case. Diana Stevens encouraged homeowners to attend the summer event; she also indicated that the sign up sheet was available since 08/17/10. Terrance Searls asked if there was a priority list for the repairs of the remaining steps/driveways as he mentioned that his driveway is in need of repair. The board indicated him to contact management requesting the repairs. Mary Repetto did not understand the capital project email that was sent to all the members. Gail Sawko asked if the paint/patching criteria has been completed. Her top balcony area needs to be painted. She was instructed to send an email to community manager indicating what she needs to do. Diana Stevens asked if the HOA has touch up paint, Rob Cooney mentioned that he has a gallon of trim/body paint that can be used. Mary Repetto needs to obtained siding; she would like specifics on this. She was instructed to let ACC Chairman Leo Haas know how much siding she needs. Mary Repetto mentioned that ACC created new forms and she would like to know why the new form is not being used. Form was submitted but was not approved. The form needs to be submitted to the board for approval. Jackie Havel wants to buy extra siding from HOA from J&P Roofing; Rebecca Greggs bought siding from HOA through J&P Roofing. Leo Haas reported that the paint/repairs work on building 1 was just done. Ricardo Lases was instructed to find out from Eagle Rock where to obtain siding and the cost of it and report back to Leo Haas. Leo Haas suggested a machine to make siding to match original. He indicated that it will be cost effective and it will be a long time resolution.
3. **APPROVAL OF JULY 21, 2010 BOARD MEETING MINUTES:** The meeting minutes were reviewed. Cooney made motion to approve the July 21, 2010 board meeting minutes as submitted. Schulze seconded. Motion carried unanimously. Bucholtz comment, reference in Committee reports – all unanimously one item passed by 10-2 vote. Kushner requested to incorporate unit numbers moving forward.
4. **COMMITTEE REPORTS:**
 - a. **LANDSCAPING COMMITTEE:** Rebecca Gregg said that all is well, no reports.

- b. **DOCUMENT REVIEW COMMITTEE:** Bucholtz reported that next meeting is schedule for August 23rd at 6:00 pm to continue with the process.
- c. **ARCHITECTURAL CONTROL COMMITTEE:** Diana Stevens, Mark Mulvany, Toni Larson and Leo Haas (chair) need reproses for submittals, Leo reported that they haven't formally meet. He also mentioned that they will keep a list of issues. Paint colors and numbers to be available on website, Kushner mentioned that the colors are currently not available. Leo Haas will follow up on work from previous committee. Mary Repetto will give this information to Leo Haas. Mark Mulvany mentioned that he remember that the original color of deck was different. Cooney made motion to approve three additional members to the ACC Committee, Pitzer seconded. Motion carried unanimously.

ACC SUBMITTALS:

- i. **Unit 2 – Plant a tree in greenbelt:** The form filled out by homeowner was the incorrect form. Kushner mentioned that this should have been under the grounds Committee versus improvements. The form was given to Rebecca Gregg to contact homeowner and look at the irrigation/power lines, size of tree, warranty, etc. Kushner requested to check if the rear french drain will be affected. Also he asked if the HOA will assume responsibility. Typically he mentioned the HOA will be responsible for the tree after the first year.
- ii. **Unit 51 – Fireplace:** Leo Haas wants to make sure that the caps are similar the vent will be black and the cap is cover. Schulze made motion to approve the installation of the vent as submitted, Pitzer seconded. Motion carried unanimously.

5. REVIEW CURRENT FINANCIALS:

- a. The Board reviewed the financial statements for the period ending July 31, 2010. Schulze had questions and Ricardo Lases answered them prior the meeting. Bucholtz commented that the board is looking for sources of money to be used for building repairs/maintenance. Shrub care over budget. Bucholtz does not know what is available for reallocation. He mentioned that the Board needs to look into this. Schulze believes that the watering may be overdone. He asked to kept Ricardo Lases in the loop; Schulze asked Rebecca Gregg to get together with landscape company and management to get the present watering schedule and see how the Association can save the water costs. Kushner asked if someone can step up as a treasurer. Schulze would like to see a budget Committee; he requested management to send an email to all members to get volunteers. Mary Repetto and Lora Northcutt said that they will be part of the budget committee.

6. UNFINISHED BUSINESS:

- a. **Ice Damming:** Cooney expressed that the community has spend a lot of time on this issue; He believes that the right course of action is one of the two following options: (i) Lay membrane ice shield under shingles, remove shingles, have two 3' sections 6' from edge of outside wall, soffit to be covered as well. Or (ii) to install a heat tape/coil along edge of the gutters to create channels for water – heat plate, distributes better heat – heat tape will be a good addition, best alternative will be to put membrane on the roof. Schulze mentioned that ice damming is very expensive to cure with the work that the community has had; membrane to keep water out, downspouts without hitting sloped roofs, etc. Eastman/writer has done this in addition to membrane connections to downspout to flat roofs to the gutter (avoiding sloped roof) or within 1 to 2 feet. Cooney expressed that this needs to be done.

Pitzer said that ice guard is not code in Denver. Mark Mulvany said membrane may break down. Cooney proposed to come up with different alternatives. Leo Haas also mentioned that ice guard is not code in Denver; however is code with surrounding municipalities. Kushner said if we have a leak, after installing membrane, be ready with a back up plan in case this doesn't work.

Bucholtz expressed to all members present that the board will not accept comments. This is a limited item for Board discussion. If motion is made by the board, then members may comment. He also mentioned that the board needs to be prepared to react if the first snow storm causes a leak.

Cooney asked what the alternatives were. Reroof? What is the amount of dollars to be spent for those units with ice damming issues? Schulze said that the membrane on roofs have been installed twice, and no leaks since the second time. Pitzer mentioned that ice damming leaks versus other leaks, membrane is the most effective to fix the leak, is an inexpensive fix – a band aid- doesn't cure the problem. He believes that the problem is because of the lack of insulation, the membrane will not fix the problem, he said. Cooney believes that a reasonable remedy must be compromise; however the board can not warranty anything, due to weather, variable ventilation/insulation. It will be hard to create ventilation due to construction. Bucholtz said that owners are strongly urged to investigate about insulation.

Bucholtz made motion to extend the 6' overhang to those units that have experienced leaks from ice damming and have membrane installed. If owners want an extension the Association can negotiate the dollar amount to be spent. Proposed downspout work to be done as well to direct water away at HOA expense. Cooney seconded. Pitzer asked what units will be considered. He said that unit 1 seems to have the ice damming problem right in the middle of the roof. Schulze amend to incorporate more than 6' for unit 1. Cooney seconded. Cooney amend to incorporate soffit as well, additional 3' section to cover. Soffit in the event involved to close to 9' in units with ice damming leaks. Schulze seconded. Pitzer, if we do that much, should we do the whole roof? Schulze requested to obtain estimate costs between 6' and 12'. To obtain quotes from 2 companies for ice guard membrane for: (a) Overhang plus 6', (b) overhang plus 12', (c) overhang plus all the way up. Cooney amend to add the creation of specification for the cost to extend to 12' or whole roof, if the underlayment has been damaged it will have to be repaired. Schulze seconded. Schulze amended to specify units 48-49, 54, 13-14, 15-16, and 1(-common roofs). Cooney seconded.

Pitzer do not think that the problem is with the roof, problem is ice damming because insufficient insulation. He can't find a way to justify without the participation of owners. He does not believe that the HOA should take responsibility. Schulze said that the approximately cost will be \$2K per units, \$12,000 for membrane; several units have membranes at no cost, the downspouts couldn't handle the rain, larger gutters were necessary as well. These were replaced at the cost of the HOA. Pitzer asked where the money will come from, Budget? Reserves? Schulze responded, there will not be a Special Assessment; it would come out of budget, but it will be over budget. Kushner said to make decision based on information, governing documents and community at large. Cooney mentioned that something needs to be done, look at overall cost and interest. Kushner mentioned that the fence repairs may be important. Pitzer asked for legal opinion about ice damming. Schulze said that legal opinion was given by previous attorney about roofs and said that the HOA was responsible for the roofs. Cooney said that there are conflicting opinions. Bucholtz discussed several communications related to ice damming, including the review opinion from OCHR. Interior repairs from roof leaks were the HOA responsibility in the past. Prior attorney prepared chart indicating HOA responsible for roof, HOA responsible for exterior surfaces; owner responsible for

maintenance/repair/replacement in the interior. Ice damming responsibility for maintenance/repair/replacement is the HOA responsibility.

Bucholtz reviewed recent history of ice damming opinions and noted, among other things, that when the prior board was not happy with the opinions of prior counsel, they changed law firms, rather than accept the advice. He also noted that present counsel's opinion was not originally submitted to the owners, although the board authorized distribution in December of 2009. He pointed out that the attorney letter finally sent to owners had been modified, in part, as the result of an e-mail sent by a prior board member after his term expired. Pitzer said that he did not want to argue attorney's opinion.

RECAP: motion: Membrane extended 6' plus soffits and more than 6' on unit 1 on ice damming units 1, 48, 49, 13, 14, 15, 16, and 54. Downspouts added to those roofs as well; amend to incorporate repairing underlayment, add specs, and obtain cost for membrane beyond 6' plus soffit.

Mary Repetto said that the absence of adding insulation was part of the cause of ice damming on repaired roofs. She suggested investing money in membranes. She thinks that the board should draw a line and owners should be required to insulate. Gail Sawko mentioned that there should be a joint approach. Bucholtz said all affected owners are strongly encouraged to install insulation. Diana Stevens said that no one looked at her insulation. Leo Haas mentioned that the insulation contributes as is ventilation. Ventilation is a priority over insulation. Leo said that the ventilation in garages is adequate. Rick Moss looked at the installation in attic to ventilate roofs on north side. Lora Northcutt talked about ice dam socks. She said that socks will create a channel for the water to run. She requested putting ice dam socks on roofs; they are inexpensive and don't require additional maintenance.

Bucholtz restated the pending motion, amended as follows: the membrane (or water shield) is to be installed over soffits and 6 feet of roof beyond soffits on units 13, 14, 15, 16, 48, 54 and as recommended on unit 1. Downspouts will be added to those roofs as well. Damaged underlayment will be repaired. Specifications will be developed and the cost of extending the membrane installation beyond the 6 foot line will be obtained. The work described will be at the HOA expense.

Bucholtz, Cooney and Schulze voted in favor. Pitzer and Kushner voted against. The motion carried by 3 to 2 majority.

- b. **Handrail Proposal – Missing Handrails:** Leo Haas indicated that handrails are not required in the center of large steps. Management to get bids for the installation of the railing. Schulze made motion to accept round handrail. Schulze, Cooney and Bucholtz voted in favor. Three in favor. Pitzer abstained. Kushner Opposed.
- c. **Spa Room Renovation Proposals:** Schulze made motion to table this item until we get roof bids. Management to contact Vacant Interiors to deliver carpet to Cooney's. Schulze, Cooney and Bucholtz voted in favor. Three in favor. Pitzer abstained. Kushner Opposed.
- d. **Pool Gate Proposal:** Renewal Restoration mentioned that they to have to bring gate up to code once they touch it. This request came from a homeowner's email as an incident happened in another community. Cooney mentioned that the Association does not need to spend any more money and that look at overall expenses. Cooney made motion to table this item until next year in May. Schulze, Cooney and Bucholtz voted in favor. Three in favor. Pitzer abstained. Kushner Opposed.

- e. **Units 40, 41, 44 and 52 – Roof leak/caulking proposal:** Management expressed to board that Arapahoe Roofing may not be interested as they are not returning our phone calls. Turner may be interested, management to obtain bid from Turner. Kushner is confident that same fix would alleviate leaking.
- f. **Pet Request – Number of Pets:** Bucholtz made motion to grandfather existing pets. The board grants permission to all owners who already have more than two pets unless or until the number of pets reduced to two at which time the current rules will apply. Pitzer seconded. Motion carried unanimously.

7. NEW BUSINESS

- a. **Unit 56 & 57 – Stair Repair Proposal:** Schulze refer these repairs to Leo Haas and ACC Committee to look at units and find out which ones are in need of repair and which ones deferred maintenance, including unit 18. Kushner said that his steps can be taken off the list.
- b. **Lattice Proposal:** Bucholtz made motion to table this item as it isn't a critical project. Pitzer felt that a lot of owners feel this is a critical project. Schulze, Cooney and Bucholtz voted in favor. Three in favor. Pitzer abstained. Kushner Opposed.
- c. **Audit and Tax Preparation Proposal for 2010:** Cooney made motion to accept the proposal for audit and tax preparation for 2010. Schulze seconded. Motion carried unanimously.
- d. **Capital Improvements Survey:** Schulze said that the response was great from the owners and the board received great feedback. Management was requested to send a summary to all members.

8. MANAGER'S REPORT: The Board reviewed the manager's report.

- a. **Action Item List:** Unit 35 talked to JBK about Juniper. Homeowner suggested planting new Juniper. Brown Brothers is willing to repair damages. Gail Sawko said that the Juniper shouldn't have been cut for growth to come back. They can't take a section out. Discussed installing a stone wall similar to walls in the community. Get with Brown Brothers to meet with everyone. If Brown Brothers install wall stone to block the damaged Junipers, the wall should not be higher or lower than bushes. The two available options are to (a) replace bushes and start over again or (b) put wall in and leave bushes. Management to hold check until all the unresolved items by Brown Brothers get taken care of.

9. CORRESPONDENCE: No additional items were discussed.

10. EXECUTIVE SESSION: The Board went into executive session at 9:10 p.m. to discuss a settlement offer in an on-going legal matter and delinquencies. The Board came out of executive session at 9:20 p.m.

11. The board requested management to send an email to all members to obtain copies of leases of rental units.

12. ADJOURNMENT: There being no further business the meeting was adjourned at 9:22 p.m.