

HIGHLINE CLUB OWNERS ASSOCIATION

MINUTES

Board of Directors Meeting, December 21, 2011

PRESENT:

- Board Members: Toni Larson, Mark Foster, Alan Bucholtz, John Winston
- Property Manager: Ricardo Lases, West Star Property Management
- Residents: Bruce and Rebecca Jensen, Nils Holtestaul, Pete Engelken, and Mary Repetto

CALL TO ORDER: The Highline Club Board of Directors meeting was called to order by Toni Larson on Wednesday, December 21st, 2011 at 6:30pm. The meeting was conducted at the Clubhouse located on the grounds of the Highline Club at 9200 Cherry Creek South Drive in Denver, Colorado. A quorum was established.

HOMEOWNERS FORUM:

Nils spoke for several minutes concerning the existence of improper vapor barriers installed in the walls of both bathrooms in Unit 27. These barriers can lead to gathering and subsequent condensation of excess moisture in the ceiling areas, with accompanying damage to the surrounding drywall. The Denver building inspector believes that this condition caused some of the water damage inside his unit. Similar conditions are likely to exist in other units within the Highline Club.

Nils also mentioned his exterior drain pipe extending from the 3rd floor balcony to the ground which opens into the bushes and is prone to being covered with snow during the winter months and freezing shut. Nils is not willing to invade interior walls to re-route the pipe. Toni proposed adding an extension to the drain pipe to push the drainage out past the bushes to the street. Ricardo agreed to obtain a quote to do this work.

APPROVAL OF MINUTES: Several changes to the November 9th, 2011, minutes were suggested. Toni noted that the reference to trying a proposed color for front doors should include the test painting of 3 doors (not 2) at units 2, 9, and 22. Alan suggested that paragraph 3 (Section 2) should read "two board moldings on the front concrete stairs" instead of "two boards of the front concrete stairs". Assuming these changes will be made, Mark Foster moved to approve the minutes, Winston seconded, and the motion was carried unanimously.

Toni also noted that we will need to appoint a temporary secretary to take minutes at the annual homeowners meeting in January. That person will also need to verify proxy votes.

COMMITTEE REPORTS

- **Landscaping Committee:** Rebecca reported that only the top two of the four plug-ins at the electrical outlet on the road island adjacent to the mail kiosk are functional, and that repairs are

in order. She also noted that the committee is under budget. Rebecca also reported that Phil Faulkner has been sending regular water usage reports, and that the most recent usage amounts appear to be normal. Toni noted that when the pool opens next spring, we will need to have it checked for possible leaks and John mentioned that this could be assessed via a pressure check.

- **Architectural Controls Committee:** No report given. However, Toni noted that installation of an AC compressor unit and a wall vent for a new, high efficiency furnace was approved for Unit 27. Nils also mentioned that high altitude noise reducers are available for such high efficiency furnaces and can be purchased for only about \$20.
- **Capital Improvements Committee (CIC):** Mary Repetto produced a 2 page report and attachment summarizing the committee's accomplishments to date. One big question the committee has been wrestling with is whether projects should be funded with capital or operating monies. The committee has identified four projects which should receive top priority as the Association prepares to address various deteriorating exterior elements in the community. These projects, in no particular order, include siding and trim, tennis courts, balconies, and stairs. Foster asked if the committee can give estimates of potential costs to convey to homeowners before the annual meeting. He also suggested getting samples of potential siding solutions to homeowners either before or at the meeting. Alan proposed combining John's "white paper" and the CIC report and distributing this for the annual meeting. Mary suggested providing homeowners with a one page summary of John's "White Paper," (without dollar figures) so that residents can have a heads up warning of issues facing the community over the next decade or so. Mary also suggested that we need an appraiser to tell us how deteriorating tennis courts affect potential buyers' impression of the overall condition of the community, and how they might negatively affect home values and prices. John mentioned that he thought the impression to potential buyers was obviously negative and that we didn't need an appraiser to tell us that. Returning to siding, Foster moved to ask Ricardo to get up to three architectural bids to evaluate alternative siding solutions and to ask for prices of doing the bids. The board would then vote electronically on whether or not to spend the money for bids. John seconded the motion, which passed unanimously. The board also asked Mary and the CIC to come up with more solid price estimates for various tennis courts options.

Toni moved to approve the appointment of Joe Lucento to the CIC. The motion was seconded by Mark and approved unanimously.

REVIEW OF CURRENT FINANCIALS: Mark raised several questions regarding multiple entries for up to two dozen charges for sewer charges on the same day. Ricardo stated that these are so listed for legal reasons. The issue was raised that two homeowners had phoned in requests for ice removal in front of their units. There was considerable discussion of the high costs that honoring individual requests would incur, and Rebecca suggested that we come up with an approved ice removal product that we can recommend that homeowners apply at their own expense. We have asked Ricardo not to honor individual requests or to call in JBK. Mark questioned spending \$58 a month for lock and key

storage. Rebecca noted that this is mainly for storage of decorations. Alan volunteered to store them in his unit, and after some discussion, the board voted unanimously to accept his offer.

Alan moved to accept the financials. John seconded the motion and it was approved unanimously.

NEW BUSINESS

- **Roof Repair/Collector Box, Unit 2:** Trish Brock (unit #2) sent pictures showing puddling of water on triangular portion of her roof. After extended discussion concerning the routine collection and evaporation of water on flat roofs, the board unanimously voted to take no action. John proposed that the collector box adjacent to this roof be replaced with a larger capacity box. The proposal was unanimously approved.
- **Third Level Deck Membrane Replacement/Metal cap and gutter installation, Unit 3:** Regarding potential damage to third floor balcony membrane caused by ice forming outside of damaged drain pipes in unit # 3, and following lengthy discussion of J & P's proposal for installing a new Gaco-deck membrane in the same unit including metal caps on surrounding walls and sharing a portion of these costs, John moved acceptance of the J & P bid. Alan seconded, and the motion passed unanimously.
- **Policies/Procedures for Vendors/Contractors:** The Board discussed a proposal to require all Vendors/Contractors to possess the proper license(s) and insurance as a qualification to perform work within the Highline Club. Discussion was centered on the need to protect the association from the problems we have confronted with vendors possessing no licenses and/or not pulling city permits. John suggested we needed to be more specific regarding the types of insurance coverage required. The Board asked Ricardo to advise us on any additions or changes. John so moved, Mark seconded. Alan abstained, and the motion for the proposal passed.
- **Siding Consultant:** No additional discussion since it was already agreed during the presentation of the CIC committee report that bids from architectural firms to evaluate siding options would be obtained by Ricardo
- **Insurance Policy-Waiver of Subjugation:** Ricardo reviewed such policy for other Communities and advised that the Waiver of Subjugation contained in our Insurance policy is considered standard and acceptable practice.
- **Additional Items from the Board:** Toni mentions that the outside wing wall attached to Unit 10 is leaning precariously, and needs attention. John agrees to look at the situation and advise Ricardo regarding contractor bids.

UNFINISHED BUSINESS

- **Concrete Stair Repairs-Unit 25:** The Board declined to discuss the issue of responsibility for repairing the stairs, noting only that future repairs would not commence until the weather moderated in the spring.
- **Wing Wall Separating Units 1 & 2:** The Board tables this issue, noting only that we are in receipt of two contractor bids to repair the wing wall, and that we will wait to proceed until the weather moderates in the spring.

- ***Stair Project Report:*** Ricardo is in receipt of a letter from Eagle Rock Construction, LLC stating that work has been suspended on Units 18, 19, and 22 until the stairs are free of snow and ice and temperatures moderate into the high 40's. Eagle Rock will keep Ricardo informed when more work is scheduled.
- ***Discussion of Proposed Revised Declarations-Special Meeting:*** There ensued a lengthy discussion about the revised Declarations. Everyone agreed that Section 9, which addresses the division of Association and homeowner responsibility for repair/maintenance/and replacement of exterior elements of our buildings, is likely to create the most controversy. Alan moved that the Board approve the amended Declarations in their current form, except for Article 9, and that we present these changes for Community approval. Mark seconded the motion, and the Board unanimously approved the revised declarations with the exception of Section 9. Prior to subjecting the revised Declarations to Owner approval, the Board agreed to convene a special meeting on Wednesday, February 8, 2011, to present to the community the redlined copy of the Declarations. (copy sent to all owners prior to this meeting) There will be two separate discussions; one about just Article 9 and the other to cover all remaining parts of the Declarations. The Board will note all comments and suggestions, but will not hold a vote at this meeting. Following this meeting, the Board will make any further changes it deems necessary, and then send the final revised Declarations out to all Owners for approval.
- ***Additional Items from the Board:*** The Board asked Ricardo to seek out and request bids from qualified architectural firms to evaluate siding options, and advise regarding any additional vendor/contractor requirements.

MANAGERS REPORT: Board members reviewed the Managers Report and offered no additional comments.

CORRESPONDENCE: Ricardo recently sent out notices to Units 1, 21, 25, 30, 38, and 50 asking that the owners rectify a variety of minor "offenses". There was no further discussion of these issues.

EXECUTIVE SESSION: The removal and replacement of the concrete stairs at Unit 25 was the topic of discussion. There was debate about who was responsible for fixing damages sustained to the Unit's interior garage wall adjacent to the exterior stairs, and the Board is still in need of legal clarification regarding where the Association's responsibility lies. Regardless of responsibility, the Board moved to table all repair/replacement issues until next spring, 2012.

ADJOURNMENT: With no further business, Toni adjourned the meeting at 9 PM