

CASOLAR DEL NORTE HOMEOWNERS ASSOCIATION

ANNUAL MEETING

November 27, 2009

The annual meeting of the Casolar Del Norte Homeowners Association was duly held November 27, 2009 at 4:00PM MST at the home of Tracey Allan at 1150A Casolar Drive. In attendance were: Tracey Allan, Paul & Nancy Bigsby, Brendan McCarthy, Jack & Dianne Shearer, Fred Merz, Todger Anderson, and John & Cathy McWilliams. Participating via telephone were: John Uhley, Charles Reyner, and Alex Rockwell.

The meeting was called to order at 4:06 PM.

1st order of business - The minutes of last annual meeting of November 2008 were presented and approved unanimously with a first motion to approve from Nancy seconded by Tracey.

2nd - Election of board for the upcoming year. With no write in candidates received, nor any nominations of from the floor the 2009 board of directors were the nominees for the 2010 HOA Board. Onsite at the meeting, Todger, Fred and Brendan voted for the nominated slate of previous board members. Proxy votes were tallied and the board members were determined to be Tracey Allan, Nancy Bigsby, Brendan McCarthy, John Uhley, and Charles Reyner. The election of officers will occur in the first meeting of the 2010 board immediately to follow the annual meeting.

3rd - Treasurer's report. John Uhley gave a summary of the financial affairs of the HOA and had a few items to point out. He stated that the HOA was \$1,169 in the red on last year's budget, and this overage was mainly due to the monies paid for a required topographical study of Casolar Phase 1. For the upcoming year, dues will remain the same. And all dues had been paid by all homeowner's for the upcoming fiscal year. Tracey moved to ratify the budget for the upcoming year, which was second by Diane and unanimously approved.

4th - Voting on waiving the annual audit. A vote to waive the annual audit of association financial records in accordance with HOA governing documents was undertaken. Todger asked what bank accounts were held by the HOA, at what bank, and who the signatures were? John Uhley answered that we had an operating account with First Bank and a second account with Alpine Bank and that himself and Nancy were the signatures. Furthermore he noted 2 signatures were required on HOA checks. A motion to approve the waiving of the annual audit was made by Tracey and second by Fred, passing unanimously.

5th - Rescheduling annual meetings to August. John took up a discussion of the timing of the annual HOA meeting noting that the governing documents call out for an annual meeting in September, although the meeting was apparently moved to November to fit vacation schedules of many homeowners. However, he stated changing the meeting date to late summer would bring in dues when they are needed, in time to start the fiscal year. This change will preclude spending money for the new fiscal year before the budget for that year has been approved and so seems a logical change. Tracey noted that it seemed the HOA had been operating for some time against the by-laws by spending HOA funds on a budget that

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had not yet been approved by the body, and while so far it has not been a problem, a situation could arise where money was spent that had not yet been approved and such a situation was called into question. Diane asked if there had been a set date for a late summer meeting yet, to which Nancy answered no. Fred noted that the current schedule has been in place for 20 years and worked well for that time period. He stated it coincided well with vacation schedules and had really it made it possible for him to be a long time meeting attendee and participant. Tracey moved to change the annual meeting to August for the 2010 meeting only, the exact date to be determined. Todger suggested it be made for Labor Day weekend. A little discussion found that to be a good date to aim for. The motion was seconded by Paul. Fred cast a 'no' vote on the matter. All other votes were affirmative and the motion passed with the next annual HOA meeting to be scheduled for a time near Labor Day.

6th – Topographical survey. The topographical survey of Casolar Phase 1 has been finished and filed with the Town of Vail. The platting work is ongoing currently. With the topo map accepted by the Town of Vail, building permits will no longer be blocked by the Town of Vail due to a lack of a topo on file with the Town. Diane questioned whether the Casolar units on Red Sandstone drive (upper tier) had been included in the topo map? To which Tracey answered that such a topo map did exist, however the town did not require any updated topo work for Casolar Phase 2. A re-platting of Casolar Phase 2 does remain to be considered but has not been approved by the homeowners as a cost expenditure right now. John added that a quote for the re-plat of Casolar Phase 2 has been requested and getting this completed is an objective of the Board, subject to costs and approval by the homeowners. Alex Rockwell asked what the time frame for completion re-plat of Phase I would be? Nancy answered that was currently uncertain but possibly the summer of 2010. Alex added that he just wanted to know when will all the dealings with the Town of Vail, surveying, and platting would be completed. Paul offered that the newly completed topo established that Casolar Phase 1 is a non-conforming neighborhood, i.e. that Casolar Phase 1 is overbuilt already per the town's current rules, and that since we are now known via the topo as non-conforming the town knows what rules to apply to homes in Casolar Phase 1. John McWilliams asked if a perpetual easement would be given for all the homes that are known to be currently built outside of the plated building envelope? Nancy replied that a legal opinion is being sought to find the most efficient solution to the problem. Tracey added that it was the goal of the HOA Board to solve issues arising from portions of existing homes built on HOA common land which is outside of currently recorded building envelopes. She continued that the method used to solve this problem needs to be carefully considered and many parties will have to be involved, and the Board is working towards an effective and efficient solution.

7th – Landscaping initiatives. Scotty has in the past personally paid for large landscaping improvements and upkeep on commonly owned HOA property. He has indicated he no longer will maintain such landscaping. In this instance, The Board deemed the landscaped areas of such value to the HOA that they could not be abandoned and are now part of HOA landscaping maintenance. Fred asked what landscaping work and maintenance was being provided by the HOA near his home and the others along Vail View Dr? Nancy stated it was minimal, amounting to mowing along road. Brendan added that it really was not much, as no plantings or irrigation had ever been provided by the HOA in the area. Fred commented that it would be nice to have something done around his home and someone just generally taking care of obvious landscaping issues like 7' tall weeds in the driveway. John replied that the HOA landscaper is available for such direction and we can talk to him about adding such

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service for next season. Diane noted that she was very happy with her new improved and cared for lawn, and appreciated HOA landscaping initiative in her area.

8th – Snowplowing. The job was put out to bid this year with 3 bids received. After bid reviews, The Board elected to retain Scott Halstead for the same price as last year. His service record, being personally available and responsible, were important factors in the decision.

9th - Pierce Residence. Fred asked what was happening with Pierce property? To which Nancy replied that work would be slowing down work for the winter season, but that clean-up, and removal of construction materials and temporary facilities, had occurred around the property. Fred asked of Charles if the landscaping and drainage issues he had been previously concerned about had been solved at this point? Charles replied that he didn't believe any closure had come to this situation yet. He added the drainage system looked to be the same as it appeared last spring and he still had concerns. Brendan commented that spring melt-off this year will probably be the indicator of whether a design issue remains to be solved or if the system is effective as is.

10th – Todger Anderson undeveloped lots in Casolar Phase 1. Todger brought up a new subject concerning the undeveloped single family lot and undeveloped duplex lot he owned. He stated that fallout from the Casolar Phase 1 topographical study determining a non-conforming condition was that this has caused the town to decide that neither his single family nor duplex lot can be built upon. Todger added that Eagle County had applied a \$1M+ valuation to this unbuildable land and he will now have to hire someone to help solve this problem. Tom Braun will represent him in negotiations with the town. Furthermore, Todger stated he believes the association has some responsibility for this negotiation expense. Todger presented that he thought HOA would be best served by the combination of the duplex lot and single family lot into 1 lot upon which a single family residence could be built. He asked if the HOA and Board had a preference in which direction he went development potential of his 2 current lots, adding that it would be his preference to combine lots and then sell. Todger claims he cannot build on his lots because Casolar Phase 1 has been found non-conforming by the town's definitions. John Uhley asked wasn't it normal process that a property owner would first approach the Board with this request and then subsequently take the Board's decision to the town for their approval? Todger replied that he just wanted to sell the land and he didn't really care if that happened as a sale of 2 lots or 1 combined lot, but thought he would approach the Board to see if the HOA had any preference. John McWilliams added that Todger might have a look into his title insurance regarding this discrepancy between valuation and lots that are now not buildable. Charles asked why the HOA would be "on the hook" (using Todger's words for this) for any of this expense? Todger was unable to explain why the association had would bear any liability for this issue other than to say "it's very complex". Charles responded "well, we didn't do anything" to cause this problem. Todger agreed that none of the current Board or Association had done anything to cause him any injury, but that it was a mess that he just wanted to solve. John Uhley reiterated that assuming whatever plans Todger might provide to the Board for approval were "okay" (and that the Board approved them) that any problem Todger might have seemed to him to be between Todger and the Town. He further surmised the town must have a process (perhaps some type of variance request) in place to start towards a solution to this problem and that should probably be the first avenue explored by Todger. Todger agreed to keep The Board informed regarding this situation. Jack

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sympathized with Todger's new problem and stated he would like to help him out in finding a solution.

11th – McWilliams residence water issues. John McWilliams brought up that there was a small spring in existence above his home which had never brought about any past problems, but he is now having problems with water penetrating his foundation. It seemed to him that the problem arose right around the same time as the construction on the Pierce residence. Tracey asked if the spring had been disrupted somehow? John answered that the Pierce construction had poured new concrete foundation walls and pads outside of the previous building envelope. Brendan asked how John thought he might prove how underground waterflow had been altered by the Pierce construction and added that he thought that spring emanated from a location below the elevation of the Pierce construction. John stated a geotechnical engineer may be able to put some facts to the situation.

12th – Alex Rockwell gas line request. Alex stated he would like to bring a gas line to his home and wanted to see if any other homeowner's may be interested in bringing gas service to their home at the same time to reduce the costs of such work for all. John Uhley offer to send a message to the HOA body putting that question forth.

13th - Adjournment. The meeting was adjourned at 5:20pm.