

CASOLAR DEL NORTE HOMEOWNERS ASSOCIATION BOARD OF DIRECTORS MEETING October 20, 2013

A regularly scheduled Board of Directors meeting of the Board of Directors of Casolar Del Norte Homeowners Association was held via teleconference October 20, 2013. The following Board members participated in the meeting: Nancy Bigsby, Rod Wright, Marshall Turley, John Uhley and Kenny Friedman.

Commencement

The meeting was called to order at 10 AM. With 5 Board members participating, a quorum was established. All Board members confirmed that they had received proper notice of the meeting.

The minutes of the previous board meeting were unanimously approved.

Between meetings this week the board received a request from the Mertz's at 1121 Vail view Dr. for approval of a roof replacement. The request was unanimously approved by the board.

The board received a detailed invoice and request for reimbursement from the Kimmelmans for plumbing expenses incurred in the replacement of several water related valves. The first item itemized in the invoice was for the replacement of the homeowner's main water shutoff valve as well as for the addition or replacement of a pressure reduction valve (PRV) as required by the water company code. This represented hardware located inside of the home and was determined to be the "main water shutoff" valve which the HOA had agreed we would be responsible for maintenance of under the easement agreement associated with the irrigation system which feeds off of the water line just after this valve. Reimbursement for this portion of the submitted invoice (for the inside main

water shutoff valve and a PRV unit just after this valve inside the house) was therefore unanimously approved. A reimbursement check in the amount of \$360, the amount detailed in the invoice for this repair, has already been sent to the Kimmelmans. The other item on the invoice was associated with the repair or replacement of the “curb stop” valve, located outside of the house in the ground and existing before the homeowner’s main water shutoff valve. Every home must have one of these as required by the Eagle River water district, but this valve and its location are not part of the easement agreement between the HOA and the homeowner. Responsibility for this portion of the water system is not the HOAs (both in general for all homeowners as well as with respect to the easement agreement). As a result, reimbursement for the portion of the invoice associated with repair and replacement of the curb stop valve was unanimously denied by the Board.

Treasurer’s report

The treasurer reported that the budgeted amount of \$1677.55 was transferred from the operating account to the reserve account as discussed at the last Board meeting. In addition, per Board approval at the last Board meeting, the work done to fix various cracks and road repairs budgeted for the new fiscal year was instead completed in September (paid for with operating funds from last years budget that we were under budget on).

As a result the Treasurer shared that the Association ended the year with a balance sheet showing a total of \$64,079.98. The operating account had a balance of \$11,710.97 and the reserve fund had a balance of \$52,369.01.

The treasurer noted that after accounting for the road and crack repair work (a \$2388 expense) that we spent \$1,756.97 less than we took in through assessments. This was prior to transferring the \$1677.55 budgeted to transfer to reserve funds. It was noted that subsequent to this budgeted transfer, we finished the fiscal year approximately \$79 under budget.

The treasurer went on to report that for the new fiscal year all homeowners have paid their FY2013-2014 assessments. As a result the budgeted income of \$51,680.00 has been added to the operating account.

The Treasurer also reported that other than the \$16 county filing fee (to file a 2 page release of lien document) would be the only fee we would have to pass onto the Russell's. An invoice for the \$16 will be sent to Bridget Bell and Bill Russell and, once paid, this matter will be considered entirely closed. The county web site contains the "release of lean" document, confirming that the lean has been removed from the home of the Russell's.

TODGER ANDERSON'S TWO EMPTY LOTS

The board discussed Todger's current request to move the footprint of one of his empty lots in order to resolve the issue of a portion of his Lot and Casolar Drive encroaching upon one another. The Board expressed unanimous support of this solution but believes that prior to granting such a move that the Board must first be empowered to do so by a vote of the membership.

The Board also discussed the proposed change of density request which would enable Todger (or a future owner of Lots 4 and 5) to develop two single family dwelling units (one on each lot) whose combined square footage would match the total square footage intended for the originally planned three dwelling units (a single family on one lot and a duplex on the other). It was discussed that support of the change of density from three dwelling units into two slightly larger dwelling units, which would be of benefit to the owner of the respective Lots, should be contingent upon coming up with a method to ensure that the Association would not see a reduction in the future assessments that would have otherwise occurred under the original planned development of three dwelling units on these two Lots. In specific, the original density planned for these two Lots is currently one single

family lot (1 vote, 1 normal assessment) and one duplex lot (2 votes total, 2 normal assessments, one for each dwelling unit in the duplex). With the requested change of density calling for the development of two single family dwelling units, to keep the Association “whole” would require that once built each of these single family dwelling units be charged 1.5 X normal assessments and each would receiving 1.5 votes (in recognition that each dwelling unit would be using half of the never-to-be-built third dwelling units square footage). While this is not a perfect solution, it does provide Todger with his desired outcome while still fairly maintaining the expected future assessments that the Association would otherwise have realized under the original development plan. In order to accomplish this (specifically the splitting of the ½ of a vote between what would become two dwelling units from the originally planned three dwelling units) authorization for an amendment to the governing documents which properly documents this must first be taken care of by a vote of the membership. The Board expressed its unanimous support of this solution.

It is expected that access to these two lots will be from Casolar drive, as was originally planned.

Prior to being able to grant formal approval on these items the Board believes that it must first be empowered by a vote of the homeowners. Approval of at least 67% of the homeowners to empower the Board the authority to sign off on the move of the Lot and approval of at least 51% of the homeowners to empower the Board to update the governing documents to reflect both the current and future vote/assessment arrangement for Lots 4 and 5 will be required. It is up to Todger to follow up with homeowners to encourage them to vote in his favor. Kenny and John will work on getting together paperwork and a ballot to call a special meeting to allow the homeowners to vote with the intent to hold this meeting just prior to the next board meeting on November 17th to determine the results of the votes.

First meeting of common area maintenance committee

A meeting was held with Kenny Friedman, Marshall Turley, Dianne Shearer, Bridget Bell, Kellie Sponberg, and Nancy Bigsby, and there is interest in changing the name of the spur to the right at the start of Casolar Drive that some now call "Vail View Drive Spur", as the fire dept. was confusing Vail View Drive with the Spur, also called Vail View Drive. Bridget will follow up on this and report back to the committee or Board on what she finds.

In planning the landscaping, it was agreed that the effect of snowplowing must be considered.

The group walked the entire area, and Bridget Bell is preparing a summary of the suggestions made for Sandstone, Vail View Dr. Spur, and Casolar Dr. by the group. The Board will prioritize the implementation of the suggested improvements and a plan will be implemented over a period of time as our budget allows. Included in this project will be a report describing the overall project from a landscaping design company, which we will hire to take into account our list of suggestions and to prepare a professional master plan for our neighborhood. Either excess operating funds from prior years or the approved budgeted amount for landscaping improvements will fund this initial effort. Once we have an estimate of the ongoing cost of the project, which is expected to span several years, the Board will factor this into future budget planning to determine whether or not a small increase in dues will be necessary.

During our walk around the property, we noticed that one of the homes as seen looking up from Casolar Drive is in need of some maintenance and paint, and is somewhat of an eyesore. We will contact the owners and see if we can get them to bring the house up to the standards of its neighbors.

NEW BUSINESS

Updating our official documents

A discussion of beginning the budgeted project to create a revised and updated version of our governing documents (brought up to current standards and removing old and no longer relevant sections) occurred. Nancy Bigsby shared that Paul Bigsby was willing to chair a committee to start working on this project. The Board agreed to this suggestion and appointed Paul Bigsby as the head of this committee. The Board also appointed Nancy to contact our attorney to work with them on this project.

Review of Casolar HOA Books

The Treasurer pointed out that although the membership had voted to waive an annual audit for the 2012-2013 fiscal year that there had been some discussion of a quick review by any interested homeowners of the bank statements and register for the 2012-2013 fiscal year. At this time no homeowner has followed up with such a request to any of the Board members, so the Board tabled the matter.

The next meeting of the Board was tentatively set for November 17th at 10 AM at Kenny Friedman's. The meeting was then adjourned at 11:00 AM.

Sincerely

Marshall Turley, secretary