

THE ENCLAVE AT KEYSTONE

Board of Directors / Annual Meeting

January 7, 2012

Board Members	Ralph Tufts	Unit 15	Meredith Van Dyne	Unit 16
	Blake Shutler	Unit 28		
Owners	Donald Van Dyne	Unit 16	Bob Chisholm	Unit 4
	Maryanne & Bill Goslau	Unit 36	Mimi Clair	Unit 38
	Ron & Margaret Morey	Unit 32	Patty Howell	Unit 34
	Lou Van Houten	Unit 41	Ed Storako	Unit 39
Others	Mike Nachtigal	Property Manager		
	Bob Polich	Mountain Systems, Inc.		

President Ralph Tufts called the meeting to order at 9:05 AM.

Minutes. *The minutes from the September 10, 2011 meeting were approved as written (Tufts/Van Dyne,3-0).*

Financial Report. The owners were provided via email a financial summary for the ten months ending in October. The financial summary for the eleven months ending in November was available at the meeting. Overall the expenses for 2011 are substantially under budget. Clubhouse maintenance exceeds budget from replacement due to maintenance of heating and pool equipment. The 2012 budget reflects a dues decrease of \$25 per month as the billing for water from the Snake River Water District will be directly to owners and not included within the assessments. The current cost of water to most units was approximately \$72 and the units have always been individually metered.

Manager's report. Site manager Mike Nachtigal presented the manager's report. Mike reported Unit 9 had some water infiltration from the garage foundation due to a spring for approximately six weeks this fall. Limited snow and weather conditions this fall resulted in numerous problems with springs in the Keystone area including the Highway 6 roadway. There was a problem with pack rats in several units. An exterminator was contacted, but no rats were ever found. Some vents on the back side were screened to close access points. An effective deterrent to rodents used by some owners was an electronic device with the trade name Riddex. The product could be found at Target for a cost of around \$15. Mike mentioned if during unit remodels if your heat registers are changed your plumber should install a bleeder valve to remove air from the closed heating system. Glycol installed in the unit heat system is a valuable protection against freezing. During the cold months, open garage doors can result in pipe freezing in a short period of time. Mike requested owners notify him when they will be gone from their units for extended periods of time so he can check unoccupied units more frequently and make sure the unit was ready when they arrived. The garage doors had been power washed and the ownership commented how good they looked.

Insurance. The master insurance policy for the Enclave includes the interior of the units. Each owner should have individual HO6 coverage for personal liability, contents, and some building

coverage. The building coverage may offer some duplication, but covers the \$5,000 deductible of the Association master policy. The existing master policy provides the best coverage, but could result in increased insurance costs to the Enclave if there were major claims.

Board of Directors Election. Votes from 29 units were received on the election of two positions on the Board of Directors. Ralph Tufts received 24 votes; Bob Chisholm 16 votes; and Bill Goulau 14 votes.

Forest Service Access. The issue of motorcycle trail usage in the Forest Service land above the Enclave was under consideration again. The motorcycle group SCORR had initiated the new review by the Forest Service and were soliciting State grants for the construction of new motorcycle trails. The Enclave and area residents remain opposed to the trails. The Summit County Commissioners had issued a statement in opposition to the trails. Detailed letters of opposition had been submitted by conservation groups. The Enclave Board will continue to monitor the Forest Service actions and would advise the ownership of any individual actions appropriate.

Garden Area Trees. The appearance of some unit garden areas and the protection of the building could be improved by the selective removal of some trees. The issue will be revisited in the spring and owners notified of any proposed removal.

Other. There was a discussion regarding the responsibility of the manager for association duties and how individual owner concerns should be presented. The ownership expressed their appreciation to Mike for his excellent job performance. The minor roof and stucco repairs had been completed.

Meeting schedule. The 2012 meeting schedule would be Saturdays at 9 AM on April 14th, July 14th, September 15th, and January 12, 2013.

The meeting was adjourned at 9:36 AM.

Board only meeting was started at 9:47 AM.

Officers. Elected were Blake Shutler as President, Ralph Tufts as Vice President, Meredith Van Dyne as Vice President, Bob Chisholm as Treasurer, and Loie Thompson as Secretary.

Financial Review. The 2010 financial review of the Association was accepted by the Board and the management recommendation to monitor the cash account followed. *The board approved using Stuhr and Associates, LLC for the 2011 financial review and tax return. (Tufts/Chisholm,4-0).*

The meeting was adjourned at 10:05 AM.

THE ENCLAVE AT KEYSTONE

Board of Directors

April 14, 2012

Board Members	Bob Chisholm	Unit 4	Meredith Van Dyne	Unit 16
	Blake Shutler	Unit 28		
Owners	Donald Van Dyne	Unit 16	Patty Howell	Unit 34
	Bill Goslau	Unit 34	Lou Van Houten	Unit 41
	Hap Dobbs	Unit 2	Jean Pilon	Unit 7
Others	Mike Nachtigal	Property Manager		
	Bob Polich	Mountain Systems, Inc.		

President Blake Shutler called the meeting to order at 9:04 AM.

Minutes. *The minutes from the January 7, 2012 meeting were approved as written (Chisholm/Van Dyne,3-0).*

Financial Report. The owners were provided via email a financial summary for the two months ending in February and a preliminary March summary was available at the meeting. After all of the March expenses are accounted for it is projected the Association will be approximately \$3,000 better than budgeted for the 1st quarter.

Manager's report. Site manager Mike Nachtigal presented the manager's report. Mike reported a major part in the air exchange unit in the club house was replaced that corrected a problem that had been occurring for a long period of time. The unusually dry winter resulted in several drainage problems at the Enclave primarily caused by the limited insulating snow pack. The culvert under the roadway near Unit 37 had frozen resulting in a backup flow over the road. The water intrusion into the Unit 9 garage that originally occurred in October had reoccurred during the spring. The ditch behind Unit 41 also froze and overflowed. The problem affects the parking in the retail center and not the Enclave. Some of the snow removal costs are related to working on the drainage overflows. Following the meeting, the Board would tour the problem area around Unit 9 and a mitigation plan would be developed to implement this summer. It was noted that Bob Chisholm contributed an exercise bike to the clubhouse.

Forest Service Trails. There had been no known activity by the Forest Service or action groups regarding the motorcycle trails near the Enclave.

Garden Area Trees. The appearance of some unit garden areas and the protection of the building could be improved by the selective removal of some aspen trees. There would be a limited number of trees involved. The Board would tour the property later this spring and problem trees will be marked and the affected owners notified prior to having any trees removed.

Clubhouse Closure. Mike indicated the clubhouse would be closed for a week this spring for pool maintenance. He would notify the owners via email when the clubhouse would be closed.

Mike confirmed the clubhouse had more use this winter perhaps due to the poor snow conditions. There was a discussion regarding posting a sign restricting the use of the exercise equipment to adults and older children.

There was a comment regarding the glass installation trim on unit windows coming loose. One solution was to use a small amount of silicone caulk when reseating the trim. The wood burning fireplaces would be scheduled for cleaning this summer.

A sale of Unit 11 was closing next week. Overall the real estate sales in the County were flat. In Keystone the sales volume has increased, but not the prices.

There had not been any contact with the retail center owners regarding adding trees near Unit 43 on the land owned by the center.

There was a CDOT meeting scheduled for April 26th regarding the pedestrian crossing at Razor Drive. Additional information was available on the Keystone Citizens League website at www.keystonecitizens.org.

Meeting schedule. The next meeting will be July 14th @ 9 AM. The following meetings are scheduled for 2012 September 15th, and January 12, 2013.

The meeting was adjourned at 9:44 AM.

THE ENCLAVE AT KEYSTONE

Board of Directors

April 14, 2012

Board Members	Bob Chisholm	Unit 4	Meredith Van Dyne	Unit 16
	Blake Shutler	Unit 28		
Owners	Donald Van Dyne	Unit 16	Patty Howell	Unit 34
	Bill Goslau	Unit 34	Lou Van Houten	Unit 41
	Hap Dobbs	Unit 2	Jean Pilon	Unit 7
Others	Mike Nachtigal	Property Manager		
	Bob Polich	Mountain Systems, Inc.		

President Blake Shutler called the meeting to order at 9:04 AM.

Minutes. *The minutes from the January 7, 2012 meeting were approved as written (Chisholm/Van Dyne,3-0).*

Financial Report. The owners were provided via email a financial summary for the two months ending in February and a preliminary March summary was available at the meeting. After all of the March expenses are accounted for it is projected the Association will be approximately \$3,000 better than budgeted for the 1st quarter.

Manager's report. Site manager Mike Nachtigal presented the manager's report. Mike reported a major part in the air exchange unit in the club house was replaced that corrected a problem that had been occurring for a long period of time. The unusually dry winter resulted in several drainage problems at the Enclave primarily caused by the limited insulating snow pack. The culvert under the roadway near Unit 37 had frozen resulting in a backup flow over the road. The water intrusion into the Unit 9 garage that originally occurred in October had reoccurred during the spring. The ditch behind Unit 41 also froze and overflowed. The problem affects the parking in the retail center and not the Enclave. Some of the snow removal costs are related to working on the drainage overflows. Following the meeting, the Board would tour the problem area around Unit 9 and a mitigation plan would be developed to implement this summer. It was noted that Bob Chisholm contributed an exercise bike to the clubhouse.

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Mike confirmed the clubhouse had more use this winter perhaps due to the poor snow conditions. There was a discussion regarding posting a sign restricting the use of the exercise equipment to adults and older children.

There was a comment regarding the glass installation trim on unit windows coming loose. One solution was to use a small amount of silicone caulk when reseating the trim. The wood burning fireplaces would be scheduled for cleaning this summer.

A sale of Unit 11 was closing next week. Overall the real estate sales in the County were flat. In Keystone the sales volume has increased, but not the prices.

There had not been any contact with the retail center owners regarding adding trees near Unit 43 on the land owned by the center.

There was a CDOT meeting scheduled for April 26th regarding the pedestrian crossing at Razor Drive. Additional information was available on the Keystone Citizens League website at www.keystonecitizens.org.

Meeting schedule. The next meeting will be July 14th @ 9 AM. The following meetings are scheduled for 2012 September 15th, and January 12, 2013.

The meeting was adjourned at 9:44 AM.

THE ENCLAVE AT KEYSTONE

Board of Directors

July 14, 2012

Board Members	Bob Chisholm	Unit 4	Meredith Van Dyne	Unit 16
	Blake Shutler	Unit 28		
Owners	Don Van Dyne	Unit 16	Dick & Janet Nadolink	Unit 11
	Bill Goslau	Unit 36	Dave Allman	Unit 29
	Ron & Marge Morey	Unit 32	John & Jean Pilon	Unit 7
Others	Mike Nachtigal	Property Manager		
	Bob Polich	Mountain Systems, Inc.		

President Blake Shutler called the meeting to order at 9:07 AM.

Minutes. *The minutes from the April 7, 2012 meeting were approved as written (Chisholm/Van Dyne,3-0).*

Introductions. There was an introduction of the owners including new owners in Unit 11 and Unit 29 attending their first meeting.

Financial Report. The owners were provided via email a financial summary for the five months ending in May 2012 and a copy of the six months through June 2012 was provided at the meeting. The Association is approximately \$14,000 better than budgeted after six months. Savings were from reduced repairs and maintenance, and lower utility costs. The increase in pool maintenance was from the heat exchanger maintenance. Expenses were expected to increase during the remainder of the year, but were anticipated to end the year under budget. The replacement reserve budget was approximately \$500,000 with a major component for the roof replacement. The roofs were last replaced in 1997.

Manager's report. Site manager Mike Nachtigal presented the manager's report. There are some dry areas in the lawn due to the limited moisture in May and June. Mike was working with his assistant Abel to upgrade the irrigation system by expanding the existing system into the dry areas. Mike indicated the cracks in the tennis court surface were not part of the refinishing warranty and would need to be maintained annually. There was a discussion regarding the increased cost of irrigation water through the Snake River Water District. It was estimated the cost for the lawn irrigation may increase around \$1,000 annually for the Enclave. Mike reminded owners the lock on their unit main entry is on a master key and any changes need to be coordinated to the master. The master key is utilized by the Fire Department in emergencies. Mike indicated the light post in front of Unit 7 had fallen down and he could not locate a replacement globe. The tall light posts are only on the 1-14 and 25-30 side. There was a discussion of a future replacement plan for code compliant exterior lighting. At this time the light that fell will not be replaced. There was a brief discussion of various tree diseases affecting aspen, spruce and other trees, and fire mitigation efforts near the Enclave. The Forest Service dead tree mitigation work was in progress to the east of the Enclave.

Mike provided a summary of the ground water intrusion affecting Unit 9 at various times since last October. Blake Shutler updated the proposed corrections to direct surface and ground water from the unit area. The depth of the work was a factor in the cost. The cost range to install a

cut off drain was from \$3,300 for four feet to \$7,000 for eight feet. Accessing the foundation footer drain would be more expensive and result in the removal of numerous trees. There was a discussion of the various options previously communicated to the Board via email. It was unknown if the problem was related to recent weather patterns and might not be a problem in the future. *A motion was approved to address the problem at this time using an eight foot cut off drain at a cost not to exceed \$7,000. (Chisholm/Van Dyne,3-0).*

Forest Service Motorcycle Trails. There has been some recent activity from the SCORR off road motorcycle group to install new trails on Forest Service land west of the Enclave. A noise test was conducted in late June. The proposed trails were near the Landfill and are not expected to impact the Enclave should they eventually be approved by the Forest Service. No trails were proposed near the Enclave at this time.

Insurance Renewal. The preliminary cost of the September 2012 insurance renewal from Farmers Insurance was \$33,000. Factors in the increase of \$9,000 include the recent Unit 25 claim and general industry increases. A special board meeting was held last year to compare insurance bids and coverage. The 2012 Farmers renewal cost is comparable to the 2011 bids from other providers. Other proposals have been requested.

Board of Directors. Director Ralph Tufts has resigned from the Board as he and Cathy had moved to Arizona and they are listing their Enclave unit. There was an acknowledgement from the Board and numerous comments from those attending expressing appreciation for the many years of service Ralph has provided for the Association. As a token of the appreciation, a plaque would be obtained for Ralph with a second plaque displayed in the clubhouse.

Garden Area Trees. There were approximately 10 aspen/cottonwood trees in the unit garden areas that could lead to building damage and were limiting the growth of the spruce trees. The trees would be flagged prior to any removal.

Other. There was an update on the CDOT action to improve the Highway 6 crosswalk. There was a discussion of the Keystone Owners Association. Membership was \$225 for the association.

Meeting schedule. The next meeting will be September 15th at 9 AM. The following meeting is scheduled for January 12, 2013.

The meeting was adjourned at 10:24 AM.

Following the meeting a Board only meeting was held. Unit 39 owner Ed Storako was selected to fill the Board of Directors vacancy. There was a discussion regarding the Association involvement with outside organizations. It was felt the Board and Association were solely for Enclave interests and involvement in outside organizations should be up to individual owners. The excellent work of property manager Mike Nachigal was acknowledged. The manager salary would remain the same and an \$8,000 bonus payable September 1st was approved.

The Board meeting was adjourned at 11:12 AM.

THE ENCLAVE AT KEYSTONE

Board of Directors
September 15, 2012

Board Members	Bob Chisholm	Unit 4	Meredith Van Dyne	Unit 16
	Blake Shutler	Unit 28	Loie Thompson	Unit 22
	Ed Storako	Unit 39		
Owners	Don Van Dyne	Unit 16	Ron & Marge Morey	Unit 32
	Joe Thompson	Unit 22	Dave Allman	Unit 29
Others	Mike Nachtigal	Property Manager		
	Bob Polich	Mountain Systems, Inc.		

President Blake Shutler called the meeting to order at 9:03 AM.

Minutes. *The minutes from the July 14, 2012 meeting were approved as written (Chisholm/Van Dyne,5-0).*

Financial Report. The owners were provided via email a financial summary for the eight months ending in August 2012 and a copy of the 2011 Financial Review prepared by the CPA. Year to date, the Association is approximately \$24,000 better than budgeted. Some of the savings is from reduced building maintenance. The year-end projected savings is \$14,000 that reflects the pending drainage mitigation work. The cost of insurance starting in September has also increased by \$9,000 annually. A preliminary budget for 2013 was included with the financial summary. Increased costs were offset in the 2013 budget by a reduction of building repairs based on spending for the last few years. A replacement reserve fund was included with the financial reports provided. The projected schedule for the roof replacement is 2017. There was a discussion on various roof replacement options to be investigated in the future. Based on existing reserves and recent operating costs, the direction provided at the meeting was to retain the existing assessments for 2013.

Manager's report. Site manager Mike Nachtigal presented the manager's report. Mike expected to close the pool area for a week in October to refinish the hot tub, change the sand in the filters, and check the pool surface finish. Chimney cleaning for wood burning fireplaces is scheduled for next week. A short in the wiring for the exterior lights in front of Units 34 to 43 has caused the lights to go out. The problem is being investigated. The irrigation system will be blown out next week. The riding lawn mower is 10 years old and should be replaced with a commercial model. The clubhouse west exterior stair case stringer needs replacement and the work is anticipated to be done in the next few weeks. There was a discussion of the drainage problems last year from icing caused by the unusual winter conditions and the corrections in place to mitigate the problem.

Insurance. The insurance was renewed on September 1st with the existing carrier, Farmers Insurance. The insurance cost increased from \$25,000 to \$34,000. The increase was from cost increases in the industry, recent forest fire activity in Colorado, and the 2011 claim. Comparison bids were obtained and were all higher. The insurance is based on a property valuation of \$28 million. A proposal was obtained to update the insurance valuation appraisal

of the Enclave. *A motion was approved to obtain an updated appraisal from Ebert Appraisal for a cost not to exceed \$5,000. (Storako/Chisholm,5-0).* There was a discussion of the 2011 claim originating from frozen pipes. In 2011, the Association upgraded the low temperature alarm system to include two sensors in each unit. The homeowner is responsible for the maintenance of the boiler system in each unit, but the master insurance policy is a factor in the repairs to a unit that a faulty boiler may have caused. The Board would continue the discussion regarding how to best encourage the ownership to keep their unit heating system in proper repair at a future meeting.

Other. The drainage work was expected to begin in the next few weeks. Ed Storako has a pending sale on his unit that would result in his leaving the board creating a vacancy. Two board positions are up for election at the January meeting. The Board would conduct a walk through following the meeting to mark trees affecting the buildings for removal this fall. Unit owners that would have trees removed would be contacted. There was a discussion of some stone fascia repairs necessary on a few units. Real estate sales in the Keystone area improved in 2012, but currently had slowed down. Unit 17 had recently sold and was being refurbished. Units #14 and #5 were listed for sale.

Meeting schedule. The next meeting is scheduled for January 12, 2013.

The meeting was adjourned at 9:48 AM.