

**ENCLAVE AT KEYSTONE ASSOCIATION
ANNUAL HOMEOWNER MEETING
JANUARY 30, 2016**

I. CALL THE MEETING TO ORDER

The Enclave at Keystone Association Annual Homeowner Meeting was called to order at 9:02 p.m. in the Enclave at Keystone Clubhouse.

Board Members Present Were:

Ron Morey, President, #32
Bob Chisholm, Treasurer, #4

Meredith Van Dyne, Vice-President, #16
Richard Nadolink, #11

Homeowners Present Were:

Jill Bergeson, #5
Don Van Dyne, #16
Lee Henry, #24
Patty Howell, #34
Mimi Clair, #38
Bill & Sharon O'Connell, #42

Jim Carahalios, #15
John Baker, #17 (via teleconference)
Margaret Morey, #32
Bill & Marianna Goslau, #36
Louis Van Houten, #41

Representing Basic Property Management were Gary Nicholds and Patti Vande Zande. Mike Nachtigal, On-site Manager, was present at the meeting. Margot Mayer of Summit Management Resources was recording secretary.

Ron Morey noted that the agenda was changed and the Board Election was moved to the beginning of the meeting.

II. PROOF OF NOTICE/QUORUM

With units represented in person or by proxy a quorum was confirmed.

III. BOARD ELECTION

The terms of Loie Thompson and Richard Nadolink expired. Richard Nadolink was standing for re-election. The other candidates were Sharon O'Connell and Lee Henry.

Gary Nicholds said there were two open Board seats with three-year terms. Since there were three candidates, the voting was done by secret ballot to ensure confidentiality.

After the ballots had been counted, Gary Nicholds announced that Richard Nadolink had been re-elected. There was a tie for the other Board seat. He said the options were to vote again, one candidate could volunteer not to serve or there could be an alternate Board member. The alternate member would have voting rights if a Board member is not present at a meeting. Lee Henry volunteered not to serve on the Board.

Ron Morey made a motion to elect Sharon O'Connell to the Board and Lee Henry as an alternate Board member. Meredith Van Dyne seconded and the motion carried.

IV. APPROVE PREVIOUS MEETING MINUTES

Meredith Van Dyne noted that Mike Nachtigal does not work for Basic Property Management and should be referenced as the On-site Manager.

A motion was made to approve the minutes of the September 5, 2015 Homeowner Meeting as amended. Bob Chisholm seconded and the motion carried.

V. FINANCIAL REPORT

Patti Vande Zande said the Association was in good shape financially. She congratulated the Board for recouping the loss from last year. She did not anticipate any major capital expenditures within the next couple of years. She recommended a small dues increase in 2017.

Ron Morey asked how much of an increase she would recommend. Patti Vande Zande answered that she would recommend an increase of no more than \$15/unit/month. Ron Morey said the Board would review the financials over the course of the year and make a decision regarding any potential dues increase at the September meeting.

There was discussion regarding how much the Association and individual owners pay for cable television and internet services. The Association pays \$1,600 for basic cable and individual owners pay varying amounts for additional services. A recommendation was made to obtain bulk rates. Marianna Goslau recommended surveying the membership. There were concerns that some owners may not want to participate and that a bulk rate usually requires inclusion of all units. Gary Nicholds will explore other options such as ResortInternet, Dish Network or Sundial Internet and provide a recommendation for the Board. He will also check the expiration date of the Comcast contract.

Bob Chisholm said the accountant would review the final numbers. The current Profit & Loss report does not include depreciation. Patti explained that Joline asked for this format for the Profit & Loss Statement. The Operating Revenue is displayed at the top with Expenses underneath and the Net Income/(Loss) of (\$28,868) at the bottom. Income from Dues Reserve will be moved into Reserves. Bill Goslau asked that verbiage be added explaining how to read the financial statement along with a note that capital expenditures will be paid out of Reserves. The Reserve Fund Balance was \$550,000.

Jim Carahalios asked why the Security System line item was so high. Mike Nachtigal explained that the cold temperature alarm system failed and a new system had to be installed. Bob Chisholm said the cost for the new system was around \$12,000 and includes the fire and security alarm.

VI. MANAGEMENT REPORT

This report was provided by Mike Nachtigal.

A. Unit Occupancy

Mike Nachtigal requested clarification of unit occupancy limits. At times, he has noticed more than ten cars and 20 people in one rental unit. He contacted the owner but the owner did not take action. He said it was his understanding that the Rules and Regulations specify a maximum occupancy of 10. Bill Goslau pointed out that the meeting minutes that were approved today state the maximum occupancy is 20. Gary Nicholds said that this number was a typo and it should be 10. He will send corrected minutes to the membership. A comment was made that Summit Cove Vacation Rentals advertises rentals with maximum occupancy of 10 – 12. Mike Nachtigal will contact Gary Nicholds about future violations so a warning letter can be sent to the unit owner. The letter will include the fining structure.

A motion was made to increase the maximum occupancy to 12 with stricter enforcement. Lee Henry requested the addition of parking enforcement to the motion. The motion was clarified to allow Mike Nachtigal's discretion regarding when to enforce this rule. The motion was seconded and carried.

Bill Goslau said vehicles without a sticker on their dashboard should be towed. Mike Nachtigal said that rentals are advertised with two parking spots in the garage and two spots outside for each unit. Vehicles are sometimes parked on the street during the winter, which can create a hazard for emergency vehicles. There is no signage prohibiting parking. Ron Morey reiterated that Mike would have discretion regarding enforcement of the parking rules.

Gary Nicholds will send a letter informing the membership that the maximum overnight occupancy was increased from 10 to 12 and a reminder of the fining structure.

B. Clubhouse

Mike Nachtigal suggested adding an exhaust fan in the Clubhouse to mitigate the humidity problem. He will obtain information about options and pricing.

C. Clubhouse Hot Tub

An owner said there used to be a timer on the hot tub. Mike Nachtigal explained that the hot tub contractor recommended running the hot tub continuously due to the low pressure.

D. Seal Coating/Parking

Three bids were obtained for crack filling and seal coating. The bid from A Peak was \$19,666, the bid from Double M was \$15,400 and the bid from Jet Black was \$14,400. Don Van Dyne asked if there was still an option for installing speed bumps. Mike Nachtigal was not in favor of installing speed bumps due to liability concerns

and the complications they create for plowing. The cost would be about \$1,000 per speed bump. Bill Goslau suggested installation of a 15 mph speed sign. Marianna Goslau recommended installing Fire Lane and No Parking signs where the road narrows. After discussion, it was agreed to add a 12 mph speed to the existing entrance sign.

Sharon O'Connell made a motion to change the speed limit from 20 mph to 12 mph. Bob Chisholm seconded and the motion carried.

E. Roofs

There is some ice build-up on the roofs. Mike Nachtigal will have the ice removed after the next storm.

VII. NEW BUSINESS

A. Trash Removal

Mike Nachtigal said that trash removal contract was switched to Waste Management based on the cost. There is an estimated 5% increase annually.

B. Doggie Bag Station

Bob Chisholm said that there was a shortage of bags. Mike Nachtigal said he filled up the station.

C. Basic Property Management

Gary Nicholds said he moved his office to 325 Lake Dillon Drive. The building is located in the Dillon Commons with parking behind the building.

D. Asphalt Seal Coat

The Board approved the bid from Jet Black. The work should be completed in June.

VIII. SET NEXT MEETING DATE

The next meeting will be held in May.

IX. ADJOURNMENT

A motion was made and seconded to adjourn the meeting at 10:32 a.m.

Approved By: _____ Date: _____
Board Member Signature

**ENCLAVE AT KEYSTONE ASSOCIATION
BOARD OF DIRECTORS MEETING
JUNE 25, 2016**

I. CALL THE MEETING TO ORDER

The Enclave at Keystone Association Board of Directors Meeting was called to order at 9:01 p.m. in the Enclave at Keystone Clubhouse.

Board Members Present Were:

Ron Morey, President, #32	Meredith Van Dyne, Vice-President, #16
Bob Chisholm, Treasurer, #4	Richard Nadolink, #11 (via teleconference)
Lee Henry, #24	Sharon O'Connell, #42

Homeowners Present Were:

Marnie Chisholm, #4	Geoff Kaeser, #10
James Carahalios, #15	John Baker, #17
Joe & Loie Thompson, #22	Margaret Morey, #32
Patty Howell, #34	Mimi Clair, #38
Bill O'Connell, #42	

Representing Basic Property Management were Gary Nicholds and Patti Vande Zande. Mike Nachtigal, on-site Manager, was present at the meeting. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

Bob Chisholm made a motion to approve the minutes of the January 30, 2016 Homeowner Meeting as presented. Sharon O'Connell seconded and the motion carried.

III. FINANCIAL REPORT

Bob Chisholm reported that the Association was in good shape financially with a strong Reserve balance.

Patti Vande Zande said the 2017 Budget will include a dues increase of \$25/month to \$560. The monthly Reserve contribution will be \$75/unit, equating to \$38,700/year total. The dues increase will be effective January 1, 2017.

The Reserve schedule mentions roof replacements in 2017. Mike Nachtigal said the roofs are not currently leaking and replacement could be pushed out at least one more year and possibly staggered. The roofs were last replaced in 1997 with 30-year shingles. The Clubhouse roof was replaced last year at a cost of \$42,000.

Lee Henry made a motion to raise dues in the 2017 Budget to \$560/unit/month. Meredith Van Dyne seconded and the motion carried.

Patti Howell asked if there were plans to repair the cracks in the tennis court surface this year. Eric Nicholds has the materials for repairing cracks and will provide it to Mike Nachtigal. A

comment was made that the court is not used very much and that it could be either removed or converted to a pickleball or basketball court. James Carahalios asked if a decision to remove the tennis court would require an owner vote. Lee Henry thought the Board had the authority to make such decisions. Ron Morey said the owners would be notified. Gary Nicholds recommended that this topic be included on the Annual Meeting agenda for discussion. The Association Articles, Declarations or Bylaws may specify how such decisions must be made. It was noted that removal would be a significant expense.

Trim painting is scheduled for this year. Mike Nachtigal plans to hire an employee for this project this summer. Some of the stone veneer needs repair and Gary Nicholds can provide a contractor reference.

Crack sealing is in progress and should be completed on Monday. Seal coating will follow. The paving contractor will leave one lane open for access. Mike Nachtigal will notify owners of the schedule. The cost will be \$14,400.

IV. PROPERTY MANAGEMENT REPORT

This report was provided by Mike Nachtigal.

A. Outdoor Lighting

Units 15 – 24, 30 – 37, 38 – 43 have front lights on wooden posts that are rotting. Mike Nachtigal has researched potential replacement fixtures. Another alternative would be to remove these lights and add some type of streetlight. Gary Nicholds noted that any new lighting might have to be dark-sky compliant. James Carahalios did not think the lights were necessary. Lee Henry suggested removing them and capping the wires so new lights can be added later if desired. Mike Nachtigal will remove one light as a test to determine the scope of work it entails before removing all of them.

B. Unit Sales

Unit 13 and Unit 10 both sold recently for \$620,000. These units had not been upgraded. Last year sales prices were around \$525,000.

C. Rental Issues

There are currently about seven rental units. The most frequent problems associated with the rental units are noise, pets (which are not permitted for renters), multiple vehicles and improper parking. Overnight parking on the street is not permitted. Mike Nachtigal encouraged owners to contact him immediately about any issues so he can follow up with the rental management company or owner.

V. OLD BUSINESS

A. Rules and Regulations

The Rules and Regulations need to be updated and the owners were reminded that there are fines for repeat violations. The Board changed the maximum occupancy to 12 and implemented procedures for violations. The first in handling violations is to send

notification to the unit owner. The second violation results in a fine of \$100 and the third violation results in a fine of \$500. Violations can include noise, parking or occupancy. Owners are responsible for the renters in their unit. James Carahalios asked how violations are documented. Gary Nicholds said ideally a member of the management team witnesses violations or checks on any complaints, but if there are noise issues in the middle of the night, the Sheriff should be called. Quiet hours start at 9:00 p.m. Gary Nicholds will update the letter that lists the fines for distribution to the owners.

VI. NEW BUSINESS

A. Cable/Internet

Gary Nicholds explained that there are two separate contracts with Comcast, one for the wiring that they installed, which expires in 2020 and one for cable service, which has expired. He contacted two other providers and neither one was interested in providing service since they would not be able to use the Comcast wiring and would have to rewire the entire complex. The Association is currently paying a bulk rate of \$34.96/unit/month for cable from Comcast. Comcast is proposing a new five-year contract for \$35/unit/month including HD and one box per unit. Gary will talk to the Comcast representative about melding the two contracts so they expire simultaneously in 2020. Comcast could also provide internet as part of the bundle for \$25/unit/month. All owners present were in favor of increasing dues by another \$25/month for bulk Comcast internet. Gary Nicholds will contact the Comcast representative to confirm the terms of the offer.

Alternatively, Sundial is offering a rate of \$14/unit/month for internet, but they would require an up front prepayment of \$7,392 for the first year of service. They would provide an access point in every unit and each owner would have a secure network. Another other option would be a rate or \$23/unit/month (\$12,000 for one year) with no up front prepayment. All units would be required to participate and there would need to be a dues increase to fund it. Gary Nicholds will provide additional information regarding the Sundial proposal for Board review.

Bob Chisholm motion to accept the Comcast proposal for a five-year contract for cable only. Meredith Van Dyne seconded and the motion carried.

VII. SET NEXT MEETING DATE

The next meeting will be held on a Saturday at the end of January 2017.

VIII. ADJOURNMENT

A motion was made to adjourn the meeting at 10:31 a.m.

Approved By: _____ Date: _____
Board Member Signature