

# **Arapahoe Ridge Homeowners Association**

Board of Directors Meeting

June 12, 2006

MINUTES

## **I. CALL TO ORDER**

The regular meeting of the Board of Directors was called to order at 7:00 p.m. at 1750 Powell Street. Board members in attendance were Monica Kash, Jerry Faulkenburg, Bill Barnett, Diana Walley and Christine Ferguson. Community Association Manager Gwen Rohrer was present representing Hammersmith Management.

## **II. SPECIAL GUEST**

Waste Connections - Jeff Tucker and Jenny Kuth were in attendance from Waste Connections. The Board asked them to attend in an effort to clarify the trash contract and any confusion from homeowners related to individual item pick-up. Several homeowners have complained that they were charged for additional pick-up items. Waste Connections did not charge an additional fee in the past. Jeff indicated that a notification letter was sent to the Association regarding the fees, effective April 1. Hammersmith Management indicated that a letter was not received and Jeff confirmed that there was no follow-up to the letter. The Board discussed the importance of communication between the Association and their contractors. Jeff agreed to cover a portion of the cost involved in mailing a newsletter to the community, which notifies homeowners of the new charges.

## **III. OPEN FORUM**

Homeowners Troy and Carolyn Gardella were in attendance to discuss their delinquent account with the Board. They indicated that when they used the clubhouse in August of 2004 they were informed that the cleaning was not done properly due to the large amount of trash in the disposal area. They were shown pictures of the disposal area, which was filled with beer bottles/boxes. They did not have any beer bottles at their function and had even approached the lifeguards regarding the garbage cans in the pool area since the disposal area by the clubhouse was full. They are very confident that someone came in that evening/night and disposed of their trash since that area is not secured. There was even a party outside of the clubhouse on the same day. Their deposit of \$150 was not returned and their account was then charged an additional \$75. At that point, our account should have had a \$105 credit balance. They contacted the individual in charge of the clubhouse rental and the management company to get this resolved. Shortly thereafter, the management company was changed to Four Star. They then began speaking with Michelle and Denise at Four Star to get this resolved. Michelle agreed that the charges should be removed. They over paid by another \$15 for an erroneous late fee. Shortly thereafter, the management company was changed to Hammersmith. Coming into the management with Hammersmith, their account should have had a \$120 credit balance. All this time there were late fees being charged to their account. They have not had a key to the pool since 2004 and have not been able to rent the clubhouse for 2 years. The Gardella's requested that the late fees be removed from their account and the deposit and cleaning charge be returned.

#### **IV. COMMITTEE REPORTS**

Pool Committee – Shaun O'Reilly, Committee chair, was in attendance. Shaun informed the Board that additional pool furniture should be purchased. A motion was made and seconded for an expenditure allowance not to exceed \$500. The motion carried unanimously. Shaun asked the Board if it would be appropriate to reimburse her for mileage expenses related to the pick up and delivery of the pool items. The Board indicated that it was acceptable.

#### **V. APPROVAL OF MINUTES**

The Board reviewed the minutes of the May Board of Directors meeting. A motion was made and seconded to approve the minutes from the May 8, 2006 Board of Directors meeting with the following amendments. Remove item C under New Business. Under Financial Statements add, Board member Bill Barnett expressed concerns over the long-term investments in the Edward Jones brokerage account and questioned the advisability in continuing to invest in CD's for a period greater than 24-months. Barnett requested that no new funds be placed with Edward Jones until a review of the Investment Policy with Edward Jones is analyzed. The motion carried unanimously.

#### **VI. FINANCIALS**

A. Financial Statements – The financial statements for the period ending May 31, 2006 were reviewed. As of month end, the US Bank operating account had a balance of \$137,267.95. The total assets for the community were \$729,065.16.

Bill Barnett made a motion to close the CD at Colorado Business Bank and open a 16-month CD at Colorado Community Bank with an interest rate of 5.20%. The motion was seconded and carried unanimously.

Bill would like to review the financial position of the Association with the Board. Due to a shortage of time, the financial review will be added to the agenda for the July Board meeting.

B. Aging Report – Delinquencies reflect a month-end balance of \$7,718.05.

C. Review Invoices/Sign Checks – Invoices were reviewed and checks signed.

#### **VII. NEW BUSINESS**

A. Sun & Shade Bid – The Board reviewed a proposal from Sun & Shade to complete perennial planting at the entrance monument signs. Monica indicated that several years ago the Association paid a landscape architect to produce a landscaping plan that includes the entrance monuments and recommended that the Board review the plans before moving forward with the planting. All Board members were in agreement. Monica agreed to bring the plans to the July Board meeting.

The Board reviewed a proposal from Sun & Shade to remove the existing mulch in the pool area and replace with gorilla hair redwood mulch. A motion was made and seconded to approve the proposal below. The motion carried unanimously. The Board indicated that the work must be completed prior to the pool opening in the morning. In addition, if the work extends into multiple days, no equipment shall be left at the pool.

1. Remove the existing mulch on the west side of the pool, repair the weed fabric, and replace the existing mulch with gorilla hair redwood mulch (it does not blow away). Materials: fabric (150.00), 26 yards redwood mulch (1400.00), labor (1000.00)

Total:.....\$2550.00

2. Remove the existing mulch on the east side of the pool, repair the weed fabric, and replace the existing mulch with gorilla hair redwood mulch. Materials: fabric (110.00), 20 yards redwood mulch (1150.00) labor (800.00)

Total:.....\$1960.00

B. Appeal to Board of Directors of Finding of Noncompliance – In accordance with section 4.16 of the Covenants, homeowner Mike Dunninger provided written notice of appeal to the Board of Directors for the denial of his application for a free-standing basketball hoop in the front yard. The Design Review Committee denied the application May 23, 2006. The Board reviewed the application extensively. The Association's legal council was in attendance and also reviewed the application. Legal council informed the Board that the provision in the covenants that this application refers to, 3.30 Basketball Hoops, allows for the free-standing hoop. There are three (3) different situations the hoop could fall under with the provision and it only has to met one of the situations, hence the "or". The hoop does met the first situation, i. the basketball backboard is installed on a separate free-standing post or pole and is set perpendicular to the street.

Legal council informed the Board that when an appeal is made on a denied application, the sole responsibility of the Board is to determine if the proposed improvement is in compliance or noncompliance with the legal documents. It was determined that this application is in compliance with the legal documents. A motion was made and seconded to approve the application. The motion carried unanimously.

C. Troy and Carolyn Gardella - After extensive discussion surrounding the circumstances of the Gardella's account, a motion was made by Jerry to waive all late fees and credit the account both the \$150 deposit and the \$75 charge for cleaning. Christine amended the motion to credit the account \$225 (\$101.18 balance forward & \$100 attorney fees) and not waive the late fees assessed to the account, as the late fees were charged as a direct result of a missed assessment payment in October. The motion was seconded. Jerry and Bill were in opposition. The motion carried 3-2.

D. Volleyball Court – The Board received a request from a resident to purchase a durable set of boundary lines for an approximate cost of \$60. A motion was made and seconded to purchase the boundary lines. The motion carried unanimously. Diana agreed to contact the resident and ask that they submit a receipt for reimbursement upon purchase. In addition, the resident asked for permission to use the spigot outside the clubhouse to water down the court. The Board agreed that it would not be in the best interest of the Association to allow use of the spigot.

E. Clubhouse Rental – The Board was notified by several residents in the community that the homeowners who rented the clubhouse on the evening of May 26, 2006 were inconsiderate and did not clean up when they left. In fact, shrimp and patio furniture was thrown into the pool. Pool Committee Chair Shaun O'Reilly spent much of the next morning cleaning the pool area, as it was pool-opening day. A motion was made and seconded to charge the residents a \$75 cleaning charge. The charge will be assessed to their account and a notification letter mailed. The Association will pay the \$75 charge to Shaun for her time and effort spent cleaning the pool area. The motion carried unanimously.

F. Executive Session – Melissa Garcia of HindmanSanchez was in attendance. The Board entered into executive session at 9:35 p.m. to discuss the lawsuit filed against Arapahoe Ridge by Scott Salzman. The Board exited executive session at 10:20 p.m.

G. Design Guidelines – A motion was made and seconded to have HindmanSanchez draft design guidelines for the community. They will use the existing guidelines and incorporate sections that are vague in description from the Covenants. The motion carried unanimously. Upon completion of the draft, the Board and Design Review Committee will meet to review the guidelines.

#### **VIII. BOARD MEMBER RESIGNATION AND APPOINTMENT**

Board Member Jerry Faulkenburg notified the Board that he is officially resigning from the Board of Directors effective immediately.

In accordance with the bylaws of the Association a motion was made and seconded to appoint Jack Fitzpatrick to the vacant position of Member at Large. The motion carried unanimously. Jack's position will be due for election at the next Annual Membership Election of the Association.

#### **IX. ADJOURNMENT**

The meeting was adjourned at 10:30 p.m. The next meeting has been scheduled for July 10, 2006 at 7:00 pm at the Arapahoe Ridge Clubhouse.