

MINUTES OF THE MEETING OF THE BOARD OF MANAGERS
OF
CENTENNIAL HOMEOWNERS' ASSOCIATION
June 16, 1987

7:06 p.m. MEETING CALLED TO ORDER, BUSINESS WAS CONDUCTED AS
FOLLOWS:

DECK ISSUES:

David Panico presented his drawings and outlined the necessary construction requirements. Much discussion. Drawings are on file in office. JH and David will pursue finding qualified individuals to do the required professional work for our application.

Sunny Vann reported via phone the deck application procedure. Application fee is approx. \$2,000, it's a two step process (P&Z and BOCC) to amend the PUD and will take approx. 60 days. An application to enclose lower decks would require a separate application as it may affect the FAR. JH will get FAR figures from the Developers.

JAY HAMMOND REPORT ON INFO FROM TOM TEAL:

Reserve Fund: Tom Teal stated that after checking, it was discovered the Fund was \$17,000 short. He guaranteed the Developer would make deposit and provide Board with figures.

Windows: Tom Teal had been in contact with the product supplier. Developer is aware of problem and will report back with an answer regarding liability.

Sprinklers: Bert Przybylski said that \$280 had been paid by CAII for repair. Next year there will be less damage because of ground settling. He further stated that the repair costs were less than the cost of winterizing the system by removing sprinkler heads.

JAY HAMMOND RE: MANAGEMENT CONTRACT:

Cairn is now a corporation and have no problem employing its Aspen staff, but require Centennial to pay for work comp insurance. Further checking will be done by JH and MLS on the work comp issue.

PARKING PROBLEMS:

Delores Wright asked that vehicles not be allowed to park on the landscape areas that appear to be dead. Discussion. JH directed Bert to have cars removed. Bert will provide Board with an outline of a feasible parking.

BERT PRZYBYLSKI REPORT:

Drainage: There is 100 feet of conduit and a drainage ditch which are plugged as a result of heavy rains in early June. The location is above Free Silver Court. The ditch can be dug out by a backhoe at an approx. cost of \$600. The conduit will require flushing with forced water. Board approved the expense of the backhoe and asked Bert to find out if the Fire Department will come up to flush out the conduit. Bert further suggested that the Board consider reseeding the damaged area to avoid further erosion. Board will consider.

Venting Range Hoods: Hoods presently installed cannot be vented. DW will research hoods that can be vented and give information to Bert for further presentation to the Board. Discussion regarding dryer vents. MK motioned to allow Bert to OK the venting of dryers by owners. All voted yes. Motion Passed. Owners are to be reminded that all such alterations require approval of the Board or Management.

Landscape: Jim Curtis received Housing Authority to install large rocks on the property to prevent damage to certain areas. SF and CM stated dissatisfaction with the work being done by landscape contractor. Discussion. Bert will express concerns to landscape contractor, particularly the weeding. MS asked if Board could change the layout of the landscaping next year and Bert said yes. The change would be mowed areas vs. natural grass areas.

BUILDING STAINING:

Bert indicated his concern that the stain being provided by the Developer was inadequate for our needs. Discussion. JH and MK will pursue with Sam Brown the possibility of having it upgraded.

MINUTES OF PREVIOUS MEETING:

All Board Members have reviewed the minutes of the April 2, 1987 meeting and a vote was taken to ratify same. Minutes passed unanimously. The May 19, 1987 minutes will be voted on at next meeting.

NEXT REGULAR MEETING:

Set for July 22, 1987, 7:00 p.m. at 212 Free Silver
9:00 p.m. Meeting Adjourned

ATTENDING: Board Members: Michael Kinsley, Jay Hammond, Sandy Francis, Chip Munday, Marjorie Schultze. Management: Bert Przybylski. Guest Owners: Dee Wewer, Jan and David Panico, Connie Morrell, Delores Wright, Julie Forseille.

ITEMS TO HAVE SAM BROWN CHECK ON:

- 1/9/86 At Board meeting Michael asked Tom to have the sufficiency of the Reserve fund confirmed by a professional in that field (architects, property manager, or contractor). Attached is an outline of projections, but Tom could not explain the exact process for arriving at the figures, and did not state that it had been reviewed by a professional as Michael had asked. I know, from my recent meetings with property managers, that there is a specific formula or procedure that is followed for these projections and it is taught in college courses for that profession.
- 3/25/86 At Special meeting, Tom Teal took a show of hands to add Homestead Exemption to Bylaws. All yes and none opposed. He said official vote would be taken at next annual meeting. This was during the time when the officers were all employees of the Developer, so neither Michael or I took notes. This was never done to my knowledge.
- 11/25/86 At General Meeting, Tom Teal agreed, when questioned, to provide proof of what structural items were covered by the Association insurance and what items should be covered by owners. To my knowledge this was not done. I think once this issue is settled, we should notify all owners so that they are not overinsuring.
- 4/21/87 At Board meeting, we put in minutes that a final vote on the Reserve fund investment would be made at June meeting. This was not on the Agenda, I feel I dropped the ball on this one, I'll add it for the July meeting.

Reserve Fund

I think I found most of the \$17,000 shortage Tom told you about. In a 1985 letter recapping income and expenses, there was a special note stating Centennial-Aspen was required to pay 25% of the assessments for unsold units, then it states they paid over \$11,000. In a rough calculation, I figured that their top side at 25% would be over \$28,000. I realize the actual figure will probably be lower than that. Please let me see their calculation when you receive it.

Kim - let me know if you have some other items
that I may have missed. Thanks
mes.

OUTLINE OF RULES ADDED TO THE ASSOCIATION: 6-1-87

- 3/25/86 Special Meeting. The membership voted informally to have the Board impose some sort of fines for dog violations and late payment of dues.
- 5/16/86 Letter from Board of Managers delivered to all owners. (supported by Sec. 3.15 of Bylaws as valid) Stated there would be a \$25 fine for late payment of dues after the 7th of the month. Stated there would be a \$25 fine for violations of leash laws and not cleaning up after dogs. Stated owners of vehicles considered derelict had been notified by management to correct the situation or remove the vehicles. Further that this situation would not be tolerated and that impounding, fining, or towing would occur for noncompliance.
- 11/25/86 General Meeting. Membership made a general agreement to disallow any driving over sidewalks for any reason (moving in and out).
Membership made a general agreement to require chimney cleaning. Task was assigned to Covenants Committee. (This is a tricky one!)
- 5/19/87 Board Meeting. Formal vote to disallow any oversized vehicles in parking lots.

INSTRUCTIONS GIVEN TO MANAGEMENT BY BOARD:

- 1/9/87 Board Meeting. Due to owner concerns, Board instructed management to provide notice to owners prior to entering their unit, unless it was an emergency.
- 3/24/87 Board Meeting. Due to owner concerns, Board instructed management to more strictly enforce the rules on the books.

When? Notice
Noted paper by
Kim

June 17, 1987

To: Jay Hammond
From: Marjorie Schultze *MS*
Re: Research of Condominium Documents

I have reviewed the condo docs regarding some of the items discussed at last night's Board meeting. I will offer my interpretations in the form of notes. I strongly suggest that the Association through its Board request a written interpretation of unit ownership, insurance, and repair liability according to the intentions of the original Association and its counsel who drafted the documents. I have noted what may be some inconsistencies. The Bylaws state that if such conflict occurs, then the provisions of the Articles and the Declaration shall take priority over the Bylaws. At any rate, if we had our attorney study these documents and issue an opinion, it may take 6 to 8 hours of legal research. If we first have an outline from the drafting attorney, our attorney would only have to assure us that the documents do provide for those intentions, and we would not have to bear the cost of research.

1. Unit Ownership: On page 9 and 10, I feel the Declaration makes the boundaries very clear, however, it also states that the Map depicts the boundaries. I will stop by the office to look at the Map. Please take a look at the Dec and Map and let me know what you think. *For instance, windows are owned by the Association.*

2. Who Is Allowed to Add the Improvement Cost of Decks to their Resale Price: The Deed Restriction states in paragraph 3(c), "The Owner's actual cost of his pro rata share of capital improvements made to the common elements of the condominium and assessed to the Owner by the Unit Owners' Association..." The definition of common elements as used in the Restriction is "the General Common Elements and the Limited Common Elements." The Association need only to define the cost of the decks, as well as application fees, as an assessment to that owner and the owner can take the deck as an improvement. Do you agree?

3. Insurance: This is the most confusing item. The Bylaws, in Section 6.02, state that the Association will insure "the entire Condominium" (as defined in the Declaration it means "the entirety of all property at any time subjected to this Declaration."). To me this means the entire structure. However, the Bylaws further state that only original appliances and original bathroom and kitchen fixtures as installed by the Declarant shall be covered, as well as any replacements for those items installed by the Declarant. This means that once an owner replaces his or her original fixtures, they become

personal property. I do not think the insurance issue interferes with the intention of the unit ownership, I believe they meant the owner owns these items, but the insurance is a burden of the Association. I base that on the fact that ownership is defined in the Declaration and not in the Bylaws. (Priority is given to the Declaration over the Bylaws.) I realize that sounds like an elaborate arrangement, please let me know if you come to a different conclusion. The unit owner is required (Section 6.05) to insure only "personal property" and "improvements made by him."

In Section 7.01 the Board is to supervise the restoration of the buildings, floor coverings, kitchen or bathroom fixtures, and appliances initially installed by Declarant, and replacements thereof installed by Declarant. Again we see a slight confusion regarding ownership of a unit. The Declaration says the owner owns everything within his horizontal planes and vertical planes, that would include appliances, fixtures, wall coverings, floor coverings, stair structures, and for upper units, the floor between their first level and second level. The Bylaws state that those things should be insured by the Association, provided they were installed by the Declarant.

With all of the above in mind, Michael and I asked Tom Teal at early Board meetings to provide us with proof that the insurance was sufficient. He did verbally tell us that the insurance issue was researched and that it was sufficient. We have nothing, to my knowledge, in writing. Kim Miller has further assured me that all the necessary liability insurance as required by the Bylaws is being carried by the Association, and the policies are available at the office. I have not looked at any of the policies.

4. Repair: Section 5.05 of the Bylaws. Read this and see what you think! It looks like the Association is responsible for all repairs unless 80% of the Board tags them as "necessitated by the negligence, misuse, or neglect of a Unit Owner." Section 5.05(b) does instruct the owner to maintain the interior of his unit including its fixtures, his entry way, and decks.

Actually, if you take each issue, look at how it is described in the appropriate document, and check the definitions as used in those documents, you could say there isn't any contradiction. What you have is one document giving ownership to one individual and one document requiring the Association to insure those items. I do not believe this is a problem since the owner will have to pay one way or the other for the insurance, and we may find that one blanket policy is less expensive than individual policies.

cc: All Board Members (Please research these items and let's discuss solving these issues without the expense of the attorney, and informing the membership. Thanks)

November 24, 1986

REPLACEMENT PROJECTIONS FOR CENTENNIAL-ASPEN HOMEOWNERS

year	opening balance	stain (all prices inflating at 4%/year)	lots	roof	5% interest	contrib plus 3.5%
2	12,000				600	16,000
3	28,600		5,460		1,157	16,560
4	40,857				2,043	17,140
5	60,039	10,000	5,897		2,207	17,739
6	64,089				3,204	18,360
7	85,654		6,369		3,964	19,003
8	102,253				5,113	19,668
9	127,034	11,700	6,878		5,492	20,356
10	134,304				6,715	21,069
11	162,088		7,428		8,104	21,806
12	184,571				9,229	22,570
13	216,369	13,689	8,023		9,733	23,360
14	227,750				11,387	24,177
15	263,314		8,664		12,732	25,023
16	292,406				14,620	25,899
17	332,925	16,016	9,357		15,378	26,806
18	349,735				17,487	27,744
19	394,965				19,748	28,715
20	443,428		189,638		12,690	29,720
21	296,200	18,739			13,873	30,760
22	322,094				16,105	31,837
23	370,035		11,884		17,908	32,951
24	409,010				20,450	34,104
25	463,564	21,924	12,835		21,440	35,298
26	485,543				24,277	36,533
27	546,354		13,861		26,625	37,812
28	596,929				29,846	39,135
29	665,911	25,652	14,970		31,264	40,505
30	697,058				34,853	41,923
31	773,834		16,168	486,000	13,583	43,390
32	328,639				16,432	44,909
33	389,980	30,012	17,461		17,125	46,481
34	406,111				20,306	48,107
35	474,524		18,858		22,783	49,791
36	528,240				26,412	51,534
37	606,186	35,115	20,367		27,535	53,337
38	631,577				31,579	55,204
39	718,360				35,918	57,136
40	811,415		415,307		19,805	59,136
41	475,050	41,084			21,698	61,206
42	516,870				25,843	63,348
43	606,061		25,866		29,010	65,565
44	674,770				33,739	67,860
45	776,369	48,068	27,935		35,018	70,235
46	805,619				40,281	72,693
47	918,593		30,170		44,421	75,238
48	1,008,082				50,404	77,871
49	1,136,357	56,240	32,584		52,377	80,597

50	1,180,506				59,025	83,417
51	1,322,949		35,191		64,388	86,337
52	1,438,483				71,924	89,359
53	1,599,766	65,801	38,006		74,798	92,486
54	1,663,244				83,162	95,723
55	1,842,129		41,046		90,054	99,074
56	1,990,211				99,511	102,541
57	2,192,263	76,987	44,330		103,547	106,130
58	2,280,623				114,031	109,845
59	2,504,499				125,225	113,689
60	2,743,414		909,522		91,695	117,669
61	2,043,255	90,075		1,574,640	18,927	121,787
62	519,254				25,963	126,049

STAIN assumes restaining every four years, materials and labor
LOTS assumes seal-coating every other year, complete replacement
every twenty years
ROOFS assumes complete replacement every thirty years

M E M O R A N D U M

TO: TOM TEAL

FROM: BERT PRZYBYLSKI

DATE: JUNE 17, 1987

RE: SILTING AND SUBSEQUENT FLOODING OF FREE SILVER COURT AND
TEAL COURT

Tom, here are the photos of the drainage ditch and the plugged conduit alongside the trail at Free Silver Ct. #1 shows the discharge side of the conduit and my feeble attempt at digging it out by hand. We have approximately 2-3' of silt throughout the entire area. #2 is close up of same. #3 shows better how deep the silt and muck actually is. #4 is the inlet side of the conduit, and shows how water ran over the trail and continued onto the west end drain at Teal Ct.. #5 shows debris, etc.. #6 shows how full of silt the open ditch is (empty is about 3-4' deep). #7 shows the extent of silt at the junction of the rock swale leading up Smuggler Mt.. #8 & #9 shows the extent of undercutting and erosion leading up the rock swale and further beyond to about 400-500 yards.

Last night I met with the Board of Managers at their scheduled June meeting to explain the problem. At their direction I have been authorized to spend up to \$600.00 to excavate the open ditch areas with a backhoe. With this we will also try to flush out the plugged conduit using linked PVC pipe and a garden hose. If this does not work, then the Board will have to discuss the cost of excavating the conduit, etc..

The general consensus among the Board was that this was caused by an unusually hard rain, and so was not the fault of poor design, installation, etc.. There were a lot of problems all over town after this storm.

If you have any further questions please contact me.

AGENDA: BOARD OF MANAGERS MEETING
JUNE 16, 1987
7 P.M. ---129 FREE SILVER COURT

- I. Minutes of last meeting (May 19, 1987)
- II. Old/New Business
- III. Report from Jay Hammond--on call with Tom Teal
 - Replacement Reserve Fund - Investment of Fund as per Don King
 - Windows
 - Sprinkler head repair costs - pd.
- IV. Report from Bert
 - Drainage problems on Free Silver Court
 - Venting range exhausts ?
 - Landscaping questions
 - Sprinkler heads
- V. Report from Jay Hammond on Cairn Contract
 - Paul Ogle
- VI. Next meeting place, date and time

Kim note in next newsletter that preliminary drawings of deck concept will be available in office for inspection.

Q Money from closings, operating or reserves

July 22 @ 7pm
212 Free Silver

MINUTES OF THE MEETING OF THE BOARD OF MANAGERS
OF
CENTENNIAL HOMEOWNERS' ASSOCIATION
May 19, 1987

6:36 p.m. MEETING CALLED TO ORDER, BUSINESS WAS CONDUCTED AS
FOLLOWS:

DECK ISSUES:

MK outlined his findings re having drawings for decks done. Don Ball will be unable to do any drawings due to his schedule. MK informed the board that owner David Panico may be able to do the drawings, he will pursue that issue.

BR made a presentation of his findings re: decks. He told the Board that each building was constructed differently, so decks would also have to be constructed different for each building. The difference would be in the way they were footed or supported. Also, due to the slope of the upper roofs, the decks may only be partially covered in order to stay within building code requirements. The design of the decks would remain the same on all buildings. He estimates the cost to be around \$2,500 per deck. Sunny Vann volunteered to find out the exact process for getting County approval. He will report at next meeting.

ATTENDING OWNER TOPICS:

Sunny Vann asked what could be done about the windows in his unit and throughout the complex that have broken vapor seals. Discussion. MK motioned to have the Association's attorney review the warranty to see what the Association's position is and, if it is advised, have JH contact Centennial Aspen to begin to resolve the issue. All voted yes. Motion passed.

LIGHTS:

The Board reviewed the bid to install lights at each mail area. Discussion. It was agreed that the money was not in the budget and that the Board will put this item in for budgeting for 1988.

CONCERNS FROM PREVIOUS MEETING:

Kim Miller presented a letter of explanation from Centennial Aspen regarding the replacement reserve fund, stain, and landscape warranty. Discussion regarding the explanations. On the reserve fund, JH will call Centennial-Aspen to find out what should have been done for 1985, since there was no contribution. At MK request, JH will ask if the Association has a choice in the color of the stain.

JH motioned to have Board approve the screen door located at 210 Free Silver Ct. for any owner to purchase and install on their unit entrance, and that any other door would be subject to review and approval by the Board, as required in the Bylaws. All voted yes. Motioned passed. KM will send information to each owner on where the door can be purchased and at what price. All owners will also be reminded that they cannot alter the outer appearance of their unit in anyway, without approval of the Board of Managers, according to the Bylaws.

Placing rocks along Spruce Street will cost approximately \$320. Jim Curtis will be asking the County to pay for the entire amount, or at least part. JH motioned to have management authorized to spend up to \$200 to share in the cost if the County will not make full payment. All voted yes. Motion passed.

The damage to the sprinkler heads is not covered, and the burden of payment for repair falls on the Association. A cost estimate is forthcoming.

JAY HAMMOND RE: MANAGEMENT CONTRACT:

JH reported that the attorney cited one major problem, it is uncommon and a potential problem for us to contract with a separate agency as managers and also be totally liable for employment of their hired individuals. JH will write letter to Cairn and ask them if it will be acceptable to write a contract making them the employers and not the Association. JH also reported that the attorney suggested we draft our requirements to Cairn and ask them to respond. JH will report at next meeting.

PARKING PROBLEMS:

SV brought to the Boards attention the addition of a large motor home parked in the Free Silver Lot. Discussion. MK motioned to add a rule stating that no oversized vehicles be allowed to park in any of the Association parking lots, and that oversized was to be defined as not fitting into one regulation parking space. Three votes yes. JH voted no. Motion passed.

NEXT REGULAR MEETING:

Set for June 16, 1987, 7:00 p.m. at 129 Free Silver

7:59 p.m. Meeting Adjourned

ATTENDING: Board Members: Michael Kinsley, Jay Hammond, Sandy Francis, Marjorie Schultze. Management: Kim Miller. Covenants Committee: Bill Reader. Guest Owners: Sunny Vann, Dee Wewer, Alice Parker, Jan and David Panico.