

MINUTES
TELLURIDE LODGE HOMEOWNERS ASSOCIATION
ANNUAL MEETING
JULY 29, 2017
TELLURIDE HIGH SCHOOL

Coffee and conversation from 8:30 to 9:00 a.m.

CALL TO ORDER: Board President Randy Reece called the Annual Meeting to order at 9:14 a.m.

Pursuant to the Amended Declarations, a representation of at least 30% of the total 112 “doors” at the Telluride Lodge (TL) is required to achieve a quorum for the annual Homeowners Association (HOA) meeting. The total of proxies received, and votes represented by those in attendance, made a grand total of 55 votes registered. This represents a number of votes in excess of that required for a quorum.

INTRODUCTIONS: Board President Randy Reece asked the Board and HOA Members present to introduce themselves. Karyn Marolf, General Manager, and Curtis Marble, Maintenance Manager, also were introduced.

The Annual HOA Meeting was attended by the following Board members.

Randy Reece, President

Ed Gassman, Vice President

Bill Langford, Communications Coordinator

Carl Luff, Treasurer will call via phone to give report

Matthew McEvoy

Hallie Simpson

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APPROVAL OF MINUTES: A Motion was made by Barb Shockey and seconded by Carol More to approve the July 23, 2016, Annual HOA Meeting Minutes. The Motion was unanimously approved by the Members.

BOARD OF DIRECTOR’S REPORT: Randy Reece addressed the Members with the Board of Director’s Report, with items including review of past year projects, past due accounts, and upcoming projects.

Review of Past Year:

Short-Term Rental Preferred Management Company (Silver Star): The Board chose Silver Star as the preferred short-term rental manager in 2012. Silver Star agreed to renew their contract for another year. Silver Star cleans the common areas (hallway and spa) in trade for being the preferred management company. Keith will be at the picnic if anyone wants to visit with them.

Pacific Street/Mohoney Upgrade: The Pacific Street sidewalk area is complete. Town really liked what TL did.

Picnic Area upgrade: Curtis is in the process of upgrading some of the picnic areas. The office picnic area will be his next project. Curtis plans on laying flag stone and adding a new table and propane grill.

Metal Skirting: Curtis is putting metal skirting in the areas that snow falls next to the building. This will be in place of siding on lower part of building. This will be budgeted out of the five-year plan yearly allocation.

Bike Storage: Curtis added several additional bike racks. Owners would like to see a bike shed constructed, but trying to find a location has been a challenge. Placing storage under the walkway is not an option. Hallie did a walk through and came up with two options that could be considered. The south end seems to be the end that is most used bike racks. The south end of the 500 building is one option. The other option is the south end of the 300 building. This is

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project is still up in the air. Barb Shockey would like to see a bike and storage shed out where the bobcat is parked. Biking has become a popular sport.

Motion by Barb Shockey to make bike storage a priority 2nd by Cori Johnson.

Hallway upgrade: Andrea Brenner would like to see the hall lighting upgraded to match the bronze door knobs. The 4 Benches were mentioned but it was agreed that they would become problematic. Christine would like to see a bench at the top of the stairs in the entry way. The members felt a storage/bike shed was a bigger priority.

Curtis will be changing the hot tub lock so that the code will be easier. It will be one code for everyone. Terry Shockey thanked Curtis for the fitness equipment that is in the spa.

Curtis will change the lock code on a as need basis. Karyn notifies the short- term rental companies when codes are changed.

The spa cover will be replaced as the old one is failing.

Parking: Parking is not a problem most of the time. Clarks has been parking his fork lift/pallets in one of TL's parking spaces. The Board will get with Clark on this issue. It is one car per door. Carol More suggested that the Board look into getting permits for Car Henge.

Past Due Accounts:

There were no foreclosures last year and no past dues as of date. The Board thanked Bill Langford for being the communication coordinator and making calls to past due owners.

Please contact Karyn if they are interested in direct bank withdrawal for HOA dues, she has the ability to do an ACH debit. The board implemented a collection plan per the new state statute for collecting on past due balances. A letter of notice is sent to the past due recipient with an option to be on a payment plan. The HOA is not allowed to initiate foreclosure until an account is six months' past-due but liens are filed after 60 days. A collection policy was sent to all the

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members via email but anyone did not get it please let Karyn know. The collection policy is keep owners from defaulting on paying their dues at the expense of the other owner

TREASURER’S REPORT – 2016/2017 OPERATING AND CAPITAL BUDGETS: Carl Luff, Treasurer, explained that TL is one entity but has two income statements/budgets: the annual operating budget and the capital budget. The operating budget includes the daily operating costs. About 25% of operating budget income (HOA dues) is allocated to the capital budget for capital expenses.

About 80% of the \$120,000 capital budget is allocated to maintenance items (e.g., painting and siding repairs, window replacement and landscaping). The other 30% is for projects on the 5-year plan. The current TL reserve is at \$292,189.00. The question owners always have is how to spend the capital. Carl feels that a complex the size of TL should keep a reserve of minimum \$200,000. A reserve of \$263,000 is about \$2400.00 per owner and is not excessive.

There has been a due increase since 2011 and at the last year’s meeting it was discussed that TL plan on 3% dues increase for 2016/2017 budget. A dues increase of 3% is about \$12,000.00. Terry Shockey felt it was a good idea to make a number of small increases rather one large one. Susanne Smith would like to know where the money was going to be spent. Matt let Susanne know that the money was to build the fund to do the 5-year plan projects (bike/equipment shed, metal siding, and hallway lighting upgrades). Joel asked how much money does TL feel we need in the savings. What are we doing with are reserves. Again, this money is for the 5-year plan (capital improvements). The last estimate for an equipment shed was around \$100,000. Curtis let the members know that TL is an old building the sewer and water lines are older and you never know when an infrastructure issue could arise. This year 28% of operating income will be moved to capital expense account and this covers the painting/siding repairs, other maintenance expense and 5-year plan. The Board has the authority to spend up to \$20,000 without authorization of the members. The question of the legal fees expense was in question and it is the boards duty to protect the association when needed. The current legal expenditure is a receivable.

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Motion by Betty Bechtel to approve the 2016/2017 budget as presented with the 3% increase with a request to the board with the next budget cycle to present a plan for the future, seconded by Joel Lee. Motion was approved by the Members. Opposed by Andy unit 531 ad Susanne unit 421.

Barb Shockey asked if the members where going to be informed of the current legal issue from the board as a letter was sent to all the members from unit 527. Randy informed the members that the board was not able speak on this matter at this meeting as TL's legal council is not present. Unit 527 brought their attorney Mike Lynch unknown to the TL board and therefore the association did not have their legal counsel attend. The board explained to the members that there is a legal action (no lawsuit). The board attorney is not present and therefore the Board will be unable to speak on this matter with legal counsel from the other side present.

Brett Guarrero and Mike Lynch my answer questions outside of this meeting.

Motion by Andy Weber add to the agenda to discuss Unit 527 legal construction issue with their attorney gone from the room. 2nd by Cori Johnson. Motion did not carry.

Keith Hampton -Silver Star- preferred rental company for Telluride Lodge stopped by to interduces his self to any new members. Rentals are up 20%. Keith will be at the picnic if anyone has any questions. Gloria Luff let the members know she would highly recommend Silver Star. They are a great company to work with.

(The Board and Members took a short break at 10:30 a.m.)

Andy suggested that we discuss new business prior to election of officers as it may affect the way owners vote as unit 527 construction issues is an agenda item under new business.

Motion by Andy Weber to move agenda item election of board members to after discussion of new business 2nd by Susanne Smith. Motion failed.

ELECTION OF BOARD MEMBERS:

There are three board positions that have expired -Mary Jo Guarrero, Carl Luff and Hallie Simpson. Hallie is unable to attend but is willing to run for another 2- year term. M.J. is unable to run at this time. Joel Lee nominated the reelection of both Carl and Hallie. A nomination for Bob Saunders.

Motion by Joel Lee to vote acceptance by acclamation. 2nd by Carol More. A vote was taken, and motion

Bill Langford wanted to thank M.J. Guarrero as she was responsible for the Hallway project and did such a great time and wished she could serve longer.

NEW BUSINESS:

- 1. Smoking policy:** Joel has been in TL for nine weeks and out of those 9 weeks there only 5 days he did not smell Marijuana. Joel past out a smoke free guideline draft. The Colorado clean air act prohibits smoking in public places. The back side of the guidelines is the TL declarations language on smells that effect other residents. Joel asked Keith Hampton what his prospective was on nonsmoking. Keith said that all the units he rents are smoke free. There are no questions that Telluride has marijuana tourism. Joel would like to vote on a resolution that TL owners instruct the TL Board to implantiing a non-smoking policy with penalties for violations. Joel would to implement by Nov. 24, 2016. Under amendment 64 the HOA has the authority to prohibit growing of marijuana on the property. This draft policy would prohibit smoking in side of units and anywhere on grounds. Barb agreed that rentals should be smoke free if they choose but they felt the current policy was to strict. Barb did not what anyone telling them what they could do inside of their unit. Owner 417 recently had an issue where the bottom unit under hers were smoking on the deck. The smoke was going up into her unit through the windows. This is a problem even when the residents smoke inside of the unit as it seems

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to seep in to the upper unit. There have been several owners smelling marijuana in the halls and their units. Joel mentioned that the fact that this is a condominium complex makes this issue far more complex as owners share walls and common space. The personal liabilities infringe on the neighbors. Bill asked the questions what is a noxious order? What is a noxious order will vary from person to person.

Motion by Joel Lee to have the Board come up with a smoke free policy on the entire Telluride Lodge property 2nd by Carrie Koenig. (14 opposed and 10 approved) Motion failed

Ed suggestion that TL pass a policy to fine owners to abuse the smoking act. A letter was sent to the 416 addressing the issue. It was felt that a policy is need that includes fines if not followed. It was suggested that the growing of marijuana be addressed.

A Motion by Andy Weber to have the Board appoint a committee to draw up policy option to be present to the Boards and then to the owners for vote. 2nd by Susanne Smith. All were in favor

Smoking Committee

Carol More

Christine Ring

Barb Shockey

Joel Lee

Susanne Smith

The committee has three-month time line to get policy to draft to board.

Unit 527 Construction issue: Mike Lynch the attorney of the Guarrero was present to speak to the members in regards to the 527-construction issue. The Board felt it was not the proper place to discuss this issue when the TL attorney was not present to represent

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TL. Brett stood up and told the members his issue was a direr situation. The board let Brett know that he was entitled to express his situation with the members but his attorney would not be allowed to be present as the board was never told that Mr Lynch would be attending and therefore TL's attorney was not asked to be present and the board will not be able to speak toward the legal.

It was then asked if Brett and his attorney could hold a discussion after the annual meeting was adjourned with any members who wished to stay and hear what they had to say.

Brett wanted to know if the board been holding any regular meeting in 2016. The only meeting that was held was in January and all other issues have been address via email. Brett wanted to know if the board has had any subcommittee formed to deal with the 527 issue. The attorney has been the only communication the board has had on the 527 issue. Brett wanted to know why M.J. has not been involved in any board issues and Randy let the owners know if was a conflict of interest for M.J. to be involved with any legal issues that involve her personally. Brett proceeded to inform the members of the insurance issues he is dealing with faulty work done by his contractor.

ADJOURNMENT: A Motion to adjourn the Annual TL HOA meeting was made by Terry Shockey as he felt Brett's issue was the kind of thing that could be discussed after the meeting seconded by Lynn Sherlock, and unanimously approved by the Members at 12:46 p.m. with the acceptation of Andy Weber. The annual picnic (catered by Oak) followed immediately after the meeting on the lawn at TL.

Members who wished to stay after the meeting and hear about Brett's contractor issues were asked to stay for further discussion.