

Pelican Pointe Homeowners Association

MINUTES

Regular Monthly Meeting of the Board of Directors

February 16, 2015

This Meeting was called to order by President Linda Corry at 6:00 p.m. at the Lighthouse Clubhouse, Denver, CO. All directors were present – Corry, Helfant, Valks, Shipley, and Susman. Also present was Debra Vickrey of CPMG, Inc., our management company. Six or seven homeowners attended, some arriving and some departing during the Meeting.

Homeowner forum. None of the homeowners chose to speak.

Previous Minutes. The Minutes of the Board Meeting on January 19 were approved unanimously.

Welcoming Committee. Sheila Powell, Committee chair, reported that she and Cathy Moore, with the assistance of Steve Susman, substantially revised the Welcome Letter, which is presented to new residents soon after their arrival here. This 7-page document summarizes in an easy-to-grasp format the most important items which a new resident must know about our Rules, procedures, and much other useful information about life in Pelican Pointe. Corry thanked Powell and Moore for their ongoing effort to update our binder/notebook for new residents.

Social Committee. Powell, Committee chair, reported that the Committee will be sponsoring three social events this year – the TGIF party on June 5; the barbecue in the fall; and the Annual Meeting in November.

Landscape Committee. Shipley, Board Liaison to this Committee, reported that the Committee recently convened, and selected Plant Escape, Inc., our flower vendor for many consecutive years, for the same role this year. She said that a proposed contract had been received from that vendor, listing the various flowers and services which they'll provide. Prices will be about the same as last year. Upon voting, the Board unanimously approved this contract.

Other comments concerning landscaping. Someone suggested that it would be useful, going forward, for our HOA or its manager to maintain a record of all new plantings – location, type, date, cost. In response, it was pointed out that such a log would entail considerable administration, and, in any event, the HOA had no base-list of such plantings since inception. Susman remarked that the owners of #BB-104 wish to plant bushes on the eastern edge of their recently-expanded patio, replacing bushes that had to be removed for the expansion. A formal request had not yet been received. Approval of such a private planting would require someone from the HOA who is knowledgeable about re-routing of our underground drip lines to pre-approve such plantings.

Financial statements from CPMG, dated as of 1-31-15, in our Packet. The Board voted to accept this presentation, subject to our annual audit.

Directory Authorization forms. Vickrey and Corry reported that we have received signed forms from 92 residents. These forms continue to “trickle in.” Corry suggested that we might decide to solicit directors and other volunteers to “make a few phone calls,” to non-responders, urging them to sign and return the form (so that an updated community Directory could be published in compliance with the law requiring written consent for inclusion from all who elect to be included).

Guidelines for the Installation of Satellite Dishes. Susman reported that he had sent this one-page form, which he had prepared, prior to our January Board Meeting, for our directors’ perusal. He noted that the form was designed to be handed by a new satellite-customer to the installer before the installation. This form supersedes all previous versions of these Guidelines. A vote was taken; the Board unanimously approved this revised form. Susman will recommend that the form be included in the March newsletter.

Westerra Credit Union. Susman said that this Credit Union requested a resolution from our Board, authorizing our present five directors to be signatories on our investment accounts there. A vote was taken, and such resolution was passed unanimously.

Investment Committee. Susman reported that this Committee, consisting of Susman, Helfant, and Ted Fidger and Reggie Vegliante, met recently to discuss, preliminarily, our reserve investments, policies, and investment management. Susman arranged an appointment with Mr. Gene West, our representative at RBC Wealth Advisors, for February 23. The purpose of that meeting will be to attempt to understand how RBC is managing our account; at what cost to us; and whether our Board should terminate our relationship with RBC and manage our investments in another manner.

Our two Canal pedestrian gates. The Board previously received evidence that our ongoing, expensive bills for repair of the locks and other hardware on these two gates resulted from users “slamming” the gates. Two bids were received for the repair of the gates themselves, with a view to installing springs or other mechanisms that would reduce the “slamming” effect. The bid from Arapahoe County Security Center was \$732.17; and from James Vialpando, dba JVIronworks, LLC, \$500. Vialpando had explained to Susman that he proposed to install strong springs and a hydraulic closing mechanism on each gate to alleviate the problem. After discussion, the Board unanimously elected to accept the Vialpando proposal.

2015 tree care and pruning. Swingle Lawn & Tree, which has provided tree care and pruning here for several years – not in 2014 – submitted its proposal for 2015 for tree maintenance (spraying; pro-active Emerald ash borer treatment; nutrient-feeding) for \$10,262. After discussion, the Board unanimously voted to accept this proposal. Note: Any *landscape* contract for 2015 will not include any “tree” services; hence, our dealing with Swingle. Secondly,

Swingle had proposed, for \$15,012 the trimming-pruning of virtually all our trees in July 2015. After discussion, the Board's consensus was to defer judgment on this proposal, pending a current analysis of our projected finances for the balance of this year.

Reconstruction of grounds in front of #T-102. Previously, the Board had been informed by the homeowner and contractors that the slope of the ground in front of this unit caused surface waters to run toward the building, rather than away from the building. This could cause substantial damage to the building and perhaps its contents. Two professional proposals had been received to address this problem. The Board had previously accepted the proposal from Reconstruction Experts, Inc., but ratification was appropriate. Upon a vote, the Board unanimously ratified that proposal in the amount of \$1,468.25. Presumably, the work cannot be undertaken until weather permits.

2015 landscaping contract. Debra Vickrey had previously presented to the Board a chart comparing three landscaping companies' proposals, including the sub-parts of such a contract, frequencies of attending to those sub-parts, and prices. At this meeting, she presented an amended chart. After discussion, the Board unanimously selected the proposal of LandTech. Susman pointed out that this proposal left many questions unanswered – concerning some specifics of the job. He said he intends to meet with Mike Mangano, LandTech's representative, to discuss and obtain answers to these questions (which he would promptly list and send to the other directors and Debra). All directors and Debra would be invited, of course, to attend.

So-called handyman tasks. Susman pointed out that, as of February 27, the oral arrangement with Michael and Lalo Vazquez, handymen, would terminate (by executive decision). Prior to Oct. 31, 2014, Sonny Fischer and his crew (those Vazquez brothers) were charged with performing our ongoing handyman tasks. The Vazquez brothers had been engaged to perform these responsibilities from Nov. 1, 2014.

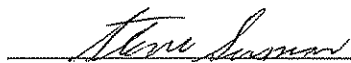
Susman, before our January Board meeting, had distributed to the other directors and Vickrey a detailed list describing most of the handyman duties required to maintain our complex. Vickrey had suggested dividing that list into categories that might consist of "related" tasks, and then attempting to find an appropriate person or firm to handle the tasks within each of those categories. Susman suggested that it would be more efficient if we could settle upon one handyman who would perform virtually all the required tasks, thereby obviating a probably-complex administrative burden of soliciting for such persons; interviewing and engaging them; supervising their performances and hours worked. Note: The Board recognized that virtually all, or almost all, of the listed so-called handyman tasks would *not* be included in any landscape contract, as such.

Operating Account shortfall. CPMG had reported that there were insufficient funds in our Operating Account at Citywide Banks to transfer any funds from that Account into our Sweep Account in January. February would be similar. [The Sweep Account is merely a "discipline"

account, enabling our HOA to “save up” a specific amount of money each month, and to set it aside in a separate account, for the sole purpose of having adequate money on hand in September to pay our principal insurance bills then; and in Oct.-November, to pay our annual wastewater assessment then]. Susman explained that he had analyzed our financial statements, and concluded that the primary reason for this “shortfall” was our unexpectedly-high snow-ice removal bills. These bills were running at the rate of about \$15,000 or more per month, since Dec. 2014; and that similar bills could be received for such services in February and March, and into April (although April is usually a little-snow month). Our budget for snow-ice removal for 2015, \$36,000, would probably be about \$30,000 too low. Since that budget was created about a half-year ago, Susman recommended that it should be revised to account for major changes in our operations since then – e.g., the departure of Sonny Fischer and his crew; the high snow-ice bills; the cost of handymen (which had been included in Fischer’s compensation). Further, he said that some of the major expense (line-item) categories in our operating budget were no longer accurately descriptive.

Accordingly, Susman distributed to each director and Vickrey a draft of a revised operating budget for February through December 2015. Revised expense categories included a line-item for our landscape contract; for handyman or handymen; and for Swingle (tree contractor). Present line-item categories, he said [“Tree & Shrub Maintenance,” and “Landscape Supplies” and “Irrigation Maintenance”], were murky and didn’t adequately describe what tasks comprised each line-item. Susman’s spread-sheet showed the positive or negative monthly cash-flow, with figures purporting to show how this shortfall could be overcome as the year progressed. This presentation did not receive a warm reception among the other directors. Helfant suggested that the directors meet with Jim Williamson of CPMG. A strategy for resolving this shortfall was not resolved.

Prepared by



, Steve Susman, Director and Treasurer