

SUN MESA TOWNHOME OWNERS ASSOCIATION

Board of Directors Meeting Minutes for March 20, 2007

I. Call to Order

Present: President Joe Pertl, Treasurer Phil Book, Directors at Large Bob Dyster, Coleen Abeyta, and Bill Frier, and Property Manager Kerry Cantrell of Z&R Mgt.
Absent: Vice President Ron Pierce and Secretary Roger Browne

No Association Members other than the Board Members identified above attended the meeting.

II. Approval of Previous Minutes

Kerry distributed copies of the Board meeting minutes for January 16, 2007. A cursory review indicated the need for further minor editing. Accordingly, the Board deferred approval of the minutes pending review by Board members. Kerry agreed to email copies of the draft minutes.

III. Property Managers Report

A. The Property Manager (Kerry) reported on the status of the water damage claim for unit 226. Sun Mesa's property insurer, Travelers, has paid the claim less the \$10,000 deductible amount. Apparently, the problem originated with a small water leak above the water heater. The unit was unoccupied at the time, which led to eventual loss of the water heater and furnace in addition to moisture damage throughout the unit. Board members and the PM were tasked to review the Sun Mesa Declaration to determine if there is a basis for a warning letter to the owners.

B. The accountants, Waugh and Goodwin, have notified Sun Mesa that we may have a tax liability due to excess income over expenses for 2006. Kerry agreed to contact Ken Waugh to discuss the source of excess income, the amount of tax involved, and the option to apply the excess income to the following year.

C. The Mountain High (Sun Mesa arborist) proposal for 2007 was reviewed and discussed. A motion was made to authorize proposal items CG1, CG3, CST, and CWPW at this time with the possibility of deep root watering later if the need arises. The estimated cost for the authorized tasks is \$2150. All Board members voted in favor.

D. Unlimited Landscape Services' proposal for 4/1/07 to 3/31/08 was reviewed and discussed. The proposal is very similar to the previous year but with a 3% increase in the bid amount. Bob requested clarification/acknowledgement of compliance with Donala watering restrictions versus Colorado Springs restrictions as presently stated (reference clause 8). Several board members expressed a preference for a balanced fertilizer mix

rather than the standard nitrogen commercial fertilizer (reference clause 1e). Kerry agreed to discuss these concerns with the ULS representative. The Board voted unanimously to accept the proposal pending satisfactory resolution of the issues noted. The Board vote included acceptance of ULS's companion proposal for Annual Color planting (reference clause 7) provided that ULS will plant a selection from the flats in the two pots at the south entrance to Sun Mesa.

E. The meeting package prepared by Z&R includes a proposal from Condor Plastering to "patch and fog" half or all of the exterior of the northwest stucco wall. The bid amount varies from \$2100 to \$3600 depending on how much of the wall is included. The Board decided to defer action on the proposal until the scope of the work could be determined. A decision will be made via email voting as clarification is received.

F. Kerry provided a master copy of the edited Policies and Procedures developed by Orten, Cavanagh, Richmond and Holmes to ensure compliance with the governing SB 89. Joe and Phil reviewed and approved the minor edits so the master copy is ready for signature by the President and Secretary.

IV Committee Reports

A. ACC

Bill Roche's (unit 88) request for a satellite dish has been approved.
Ray and Joanie Meyer's (unit 254) request to install a handrail has been approved. There appears to be a metal handrail installed in the entrance to unit 250. Bob Dyster (ACC) agreed to look into this installation.

B. Maintenance

No official report from the maintenance committee, but Bob stated that he recalled approving the use of trash bags in lieu of the standard totter for unit 4; the driveway grade and handling concerns were cited as justification for the waiver.

C. Social/Welcoming

No report.

D. Nominating

Coleen reported that Wayne Skora (unit 24) and Bill Roche (unit 88) had agreed to be candidates for the General Membership election on May 3, 2007 for the Board of Directors.

E. President

Joe expressed concern about the aged receivables, particularly any situation with amounts due for 60 to 90 days or more. In connection with this issue, Kerry agreed to check the status of legal proceedings applicable to unit 32.

F. Vice President

No report due to absence of Vice President (death in family)


G. Treasurer

Phil reported that the financial reports through February were somewhat misleading due to invoicing inconsistencies by ULS, Van Gilder and Waste Management. Based on estimated corrections for these instances, Sun Mesa is okay for year to date with a balance of approximately -\$500. It was also reported that our current cash position seems to be higher than needed and that funds should be moved to Dain Rauscher where the interest income is much higher than for the operating accounts. Joe and Phil expressed the opinion that we could move \$20,000 to the investment account; Kerry and Darren, Z&R Management, will verify the proposed amount and initiate funds transfer accordingly.

E. New Business

Sun Mesa contract renewals, the primary New Business, are discussed in Section III above.

Oil spots have again accumulated in certain problem areas and will require clean-up as weather conditions allow.


Secretary SWATON
for President Joe Pertl

Acting Secretary Phil Book