

[Shield-O Terraces Homeowners' Association]

[Board of Directors Meeting September 27, 2006]

9/27/06 7:40 pm

Eric Hansen
Tom DiCecco
Larry Leonatis
Michael Vernon
Kevin Michelson
Michael brimm
Sallie via phone

Eric- roadwork report-he has 3 bids (estimates)Elam-\$242,000 includes 100,000 for road base extra 4 inches on everything. Not a requirement but he likes to do it. \$150,000 for asphalt.

Colorado springs- \$372,000 (Mutt and Jeff) Howard will do road base... throwing this out as they are off the mark and did bad work in Woody Creek.

Grand river construction- \$304,000-1,000 tons of base 3 inches of asphalt in depth. We will need to hold them to it. Clarify that it's 3 inches AFTER it is rolled, not 3 inches when laid.

Fidelity, from basalt- bid not in yet, they just came out today.

The road is 16 feet wide to blue sage from there up 12 feet. Will charge by the amount of trucks, they will not hold to the estimates as things change.

Work now... working on the road.

Eric will call First choice property management about our plowing contract. IF WE PAVE... our snow cost removal will reduce. It will heat up and melt and dry faster.

Lauricella hearing- we lost but we gained so much.

\$1,100 would hold. Court decided the notation hold up on Colorado award. Court decided Association's failure to send past bills. All 1993 or 1994 dues were lost. The only statement in our rules is in 1992 rules with Pitkin report of deeds- we may apply \$5 a month, and no other interest as it is not in our rules. The association will get \$390. Kiowa rules started working in 2003 when we incorporated. They will not honor our incorporation before that date. There was no statement in covenants that allows us to collect interest. We need to change that.

Discussion- she perjured herself on the record. Nancy Lowe appeared for her. Stated that she would not pay dues, she perjured herself too.

We had to pay the lawyer's fee. \$3200- \$2,800 minus \$1,100. We lost \$1,700

Director's liability- application was attained, filled it out and it's been submitted. We will know in a week or two the status. Estimate- \$700-\$800 a year for \$1 million liability. We should have general liability. We hire independent contractors who have their own liability coverage. We need to have our own general liability. The insurer will add that and show us estimate with and without that.

2 groups to be sued- Association for not trimming brush. Association in non profit- not much they can get. If this board is negligent in not protecting individuals. Board is cumulative. If we get insurance policy we will get 1 mill aggregate. We signed an agreement with Pitkin County that we would cut and keep brush cut.

We are going to do fire prevention trimming.

Johnson bradke and stonywood-

Service has not yet been made. July 18th server said Lowe the 1st no longer resides in Shield-O. Lowe first not in Shield-O. This is not Henry T. Lowe. It will get redirected.

Bradke- He is priest in Carbondale, not currently preaching. Sheriff was not able to reach him at his home. At worst, can do service by publication. Every Thursday for 5 weeks, then another 5 weeks is the procedure for giving public notice.

Johnson- the mother is suing the daughter. Now we have the names of both attorneys. Tom is in communication with mom and daughter's attorney. Attorney for mom believes the property is not in Shield-O Terrace subdivision. It is not in the county listing. This doesn't make it not in subdivision. If you go by the original plot, survey in late 60's. It does show Johnson is in the Association. Our attorney now has the attorney's name of the mom and daughter to keep track of the situation.

Discussion- looked through most of the deeds. Most of them have Shield-O on their deeds. Johnson does not have Shield-O on it. They do include that plot on original survey from the surveyor went around with Christensen.

Connie Harvey- in an informal meeting, Connie signed a tolling agreement, so did two of her children. This is only for the county mandated fees. She is current on all her dues. She owes \$16,000. \$4800 x 2, plus dues on 1 of her lots from last year's assessment. Why are lot amounts different? She paid dues on 1 lot. There is a \$750 difference on other lot.

Ken Ransfort- an attorney and CPA- wants to know what is schedule as to causing easement to occur. Every time a conservation easement approved. There is a maximum tax credit of \$260,000 available once a year. January and February will do another. So in

January or February of 2008 if those lots of Connie's were under conservation easement then would we waive the road fees? Pay all tax estimates in the current year that the easement configured. Then January 1 the county reduces tax estimate by 80%. These bills are from 6 years ago. What is the accrued interest? Lawyer now knows how it could go.

New association rules- put in as attachment.

Tolling agreement has no end to it. It will go on forever, there is no date to set to close it.

Connie's-issue a 30 days notice. Tom will contact Ransford. There is a president to refund. Will these lots be deemed unbuildable forever? If so then we will refund the money. Tom will run this all by Scott Harper.

Rosse Terre- we received a cashiers check for \$6835.01. on the front of the check, hand written-"road fees paid in full 9.20.06" (if we cash we are bound to accept it?- deemed no.) Now we are going to pursue collecting the interest. \$8864 is their amount due. There is \$125 in legal fees and \$100 administrations fees. \$10856.95- \$1007 and subtract \$3014= \$4022 dollars interest.

Cash then send letter with new statement. Defer questions to attorney.

Recording liens. All cases now dealing with cases- protect our lien and file it.

Bank signatures done

Trash removal proposal- we can put in building. Kevin will draw something up.

Michael notice from Tom need on web- past financial and current years budget, will be ready for next meeting

Next meeting date- decide later

adjourning 9:11

[Sallie Shatz, Secretary]