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RECORD OF PROCEEDINGS 2010 ANNUAL MEMBERSHIP MEETING

PITKIN GREEN HOMEOWNERS ASSOCIATION

Held: 10:00 am on Saturday, July 31, 2010 at the Pitkin County Library;
120 North Mill Street, Aspen, CO 81611

The Annual Meeting of the Pitkin Green Homeowners Association, in the County of Pitkin, State of Colorado, was called to order at 10:10 am by Dir. Robert Musser. The following people were introduced during Roll Call:

Gary Beach, District Manager
Landis Greathouse, Assistant Manager/Recording Secretary

Homeowners
of the Association: Harrison Augur, Robert Musser, David Muckenhirn and Gerald Katcher.

Proxy Solicitation: Three proxies were submitted via fax: Fred Davies for Gary Beach; Pitt Hyde for Julie Auger; and Mount Daly, LLC for Fred Davies. One proxy was submitted via US mail: Edward Spiegel for Robert Musser.

It was determined that a quorum of homeowners did not exist.

The Annual Meeting minutes from July 11, 2009 could not be approved due to a lack of members present at this meeting.

Ratification of the
2010 Budget: Management suggested, and those in attendance generally agreed that the Association would continue to assess according to the adopted 2009 Budget until such time that a 2010 budget could be discussed and voted on by the Board and the Association.

Water Systems

Update & Discussion: An update and discussion was held regarding the PG water systems as follows:

Dir. Augur gave a brief history regarding ditch water rights and the offer of annual payments to the Salvation Ditch Company for operating expenses, ditch and headgate maintenance. No acceptance of any offer has been made by the SDC to date although the issue is to go to attorney review. Mr. Beach added that there will soon be a need for some capital improvements along the ditch and at the headgate, and payments by both SDC shareholders and PGHOA would assist in making any repairs necessary.

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Mr. Beach explained the impacts of the Twin Lakes Canal and Reservoir Company water rights on the ditch, adding that SDC has water rights that are senior to Twin Lakes. Improvements made to the ditch will increase the Ditch's carrying capacity thus benefitting Salvation Ditch users as well as other water users in the area. Estimated PGHOA water use is 0.5 CFS although usage varies throughout the year. Dir. Augur stated that even though there is no payment agreement with SDC currently, it is important to have SDC recognize PGHOA's water rights and have a record of payment made. Should SDC fail financially, no one will receive water, regardless of rights.

Mr. Beach explained the event in June when the pumps failed and homeowners did not have water. There was a failure in the communication line between the pumps and the tank. Once the line was repaired the transducer, which measures the water level in the tank, failed and could not let the pump know the tank was being emptied. After the first call that there was a problem the control system was bypassed and the pumps were run manually. Because the transducer went out a day later it seemed like there was a single problem that last longer than one day, however, all homes were back on-line the first day and remained on line and receiving water through manual operation over the weekend. Software and parts have been upgraded and replaced for better communication and monitoring and the system is back to working on automatic. Management is now working on installation of a back-up alarm system.

Generally domestic water usage is fairly conservative in Pitkin Green - average call on the tank is approximately 1/3 tank per day during high season; however, the subdivision is rarely at full occupancy. The Association is planning on cleaning out the tank in the fall. There is a build-up of silt in the bottom, which is common, and that will be flushed out a separate drain. The tank will be drained and cleaned; hyper-chlorinated and then filled again and flushed out. Residents will be notified but water will be kept in the lines so adequate water should be available.

Mr. Katcher suggested that notices be sent to residents recommending they look into a domestic water leak monitor for their residences as he received a notice from his insurance company with that suggestion.

Mr. Beach provided an explanation of the monthly well and water testing required by the State. He added that in the past year, the Association has gone from non-compliant to compliant on all levels. Most of the issues noted were testing errors by a prior operator. Mr. Beach explained how

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contamination can occur in water systems and the small likelihood of an occurrence at Pitkin Green.

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Adjournment: There being no further business to come before the Association, the meeting was adjourned at 11:30 a.m.

The foregoing minutes constitute a true and correct copy of the above-referenced meeting, and the Board of Directors of the Pitkin Green Homeowners Association approves these minutes.

Gary Beach, Manager
Pitkin Green Homeowners Association

Date of Approval

Seal: