

**RECORD OF PROCEEDINGS
Pitkin Green Homeowners Association**

Held: 8:30 a.m. February 24th at the General Service Foundation, located at: 557 N. Mill Street Aspen, Colorado 81611.

Call to Order The meeting of the Board of Directors of the Pitkin Green Homeowners Association in the County of Pitkin, State of Colorado, was called to order by President Harrison Auuger at 8:43 am with the following persons present:

Harrison Augur, President
Fred Davies, Director
Robert Musser, Treasurer/Vice-President
Ted Spiegel, Director (*via conference call*)
Gary Beach, Manager
Jennifer Donovan, Recording Secretary

Approval
of Agenda:

President Augur declared a quorum was present. Dir. Musser moved, and Dir. Davies seconded to approve the agenda as presented. Being no further discussion, the motion was approved unanimously by voice vote.

Approval of
January
15, 2010 Minutes:

A motion was made by Dir. Musser and seconded by Dir. Davies to approve the January 15, 2010 meeting minutes as presented. The motion was approved unanimously by voice vote.

Discussion on
Communication
With Property
Managers:

A discussion ensued between the Directors and Management regarding the importance of securing accurate contact information for property managers within the association.

Action Item:

Management agreed to send out a form to all owners requesting their current information and that of their property managers, to include email addresses.

Discussion Regarding
Current Nessler
Application:

A discussion occurred between Management and the Board regarding the water feature application from Mr. Nessler. The Board directed Management to issue an acceptance of the current Water Use Agreement that Mr. Nessler signed, dated 25 January 2010, as long as the following conditions were met:

1. Nessler agrees to provide a schematic of the pool and associated water systems on the property prior to construction approval from the PGHOA.
2. Agree to use only a licensed water hauler
3. Demonstrate to PGHOA that Nessler does not use domestic water for irrigation, that it does and will only use PGHOA water from the Salvation Ditch.

It was also noted that Mr. Nessler has been advised that any violations of PGHOA's rules will require enforcement by the Association and may include fines, cessation of domestic water service, etc.

Motion: Director Musser moved to accept the Nessler Water Feature Application Agreement dated 25 January 2010, as long as the three conditions listed above were met. President Auger seconded and the motion passed by a unanimous voice vote.

Discussion Regarding
Adoption of
Governance
Policy:

A discussion ensued regarding the adoption of a governance policy to comply with C.R.S. 38-33.3-209.5. The Board expressed the importance of retaining their right to terminate a non-paying or noncompliant member's water. Management suggested that the board add a sentence to the current draft of the governance policy to read:

The Association reserves the right to seek all remedies, including those provided in the Association's Covenants and State law.

Additionally, the Board and Management agreed that the time-frame in which liens and other remedies would be pursued, would commence at 60 days in arrears and foreclosure would commence at 90 days.

Motion: President Auger moved to approve the governance policy with the above revisions. Director Spiegel seconded and the motion passed by a unanimous voice vote.

Discussion of Amended
State Monitoring

Schedule: Management reported to the Board that the state has put the Pitkin Green water system on a reduced monitoring schedule. Management also informed the Board that the Association may qualify for an even more reduced testing schedule in the future if water quality testing shows full compliance. Mr. Beach offered to submit a request to the state and the Board agreed.

Action Item: Management to submit a letter requesting an additional reduction in the Association's monitoring schedule.

Discussion Regarding
O & M issue
concerning
the Salvation
Ditch:

The Board expressed its desire to conclude negotiations with the Salvation Ditch Company regarding the Association's continued usage of the SDC water and the cost associated with maintaining the ditch. Dir. Davies submitted that a response to the Salvation Ditch should be completed before the spring. At the request of the Board Mr. Beach offered some background as to the Salvation Ditch Company's most recent proposal to the Association calling for a \$9,500 payment for maintenance of the Ditch. Mr. Beach explained the costs associated with operating and maintaining the ditch from both an administrative and operational level. Additionally, it was explained to the Board the scope and cost of the tremendous restoration and or replacement of pivotal components that are due to be performed on the ditch. Mr. Beach offered no recommendations to the Board. The Board undertook a lengthy discussion of the proposal and determined that the Association would contact the Ditch Company to discuss resolution.

Discussion of the
Financial Status
of PGHOA:

Management gave the board a brief financial report that included the balances of HOA accounts. President Augur requested that Management secure a copy of Alpine Bank's prospectus for the HOA MMA account.

Action Item: Management to secure a copy of Alpine Bank's prospectus for the MMA account. Submit a copy to the Board.

Discussion regarding
Spring Newsletter:

A discussion took place between Management and the Board regarding the upcoming spring newsletter for all membership. It was decided that the first newsletter generated by Management will be mailed via USPS to all

members and also posted on the Beach website under the PGHOA link. Additionally, it was decided that the following information would be included in the newsletter:

- Expected date of Salvation Ditch opening
- Contact information for Beach, especially the emergency line
- State the Association's policy on permitted usage of water [attach appendix with Board policies listed]
- Include a section that conveys the safety and quality of water in Pitkin Green
- Additional request for members to update Management as to their property managers in written form, to comply with the Red Flag law. In sum, this new legislation requires development and adoption of a comprehensive "Identity Theft Prevention Program" into the day-to-day operations of companies and organizations; essentially, it is to protect member privacy.

Adjournment: Given there was no further business to discuss, the meeting was adjourned at 10:35 a.m.

The foregoing minutes constitute a true and correct copy of the minutes of the above-referred meeting, and were approved by the Board of Directors of the Pitkin Green Homeowners Association.



Gary L. Beach, Manager
Pitkin Green Homeowners Association

Seal:

12 July 2010

Date of Approval