

**MINUTES OF THE EOLUS CONDOMINIUM ASSOCIATION, INC.**  
**2016 Annual Meeting of Members**  
**Eolus – Third Floor Lobby**  
August 6, 2016

**DIRECTORS PRESENT:** Cindy Hills, Bo Keith, John Marinan and MaryGrace Stutzman.

**MEMBERS PRESENT IN PERSON:** Chuck & MaryGrace Stutzman (E320/102), Jeff and Lee Armbruster (E321/103), John Toot (E323/105), Diane MacGuffie (E325/107), Jack & Cindy Hills (E326QA-C/108), Susan Beckman (E326QD/108), Lisa St. Anthony & Phil King (E327/109), Ray & Sally Churan (E528/310), John Marinan & Laura Addington (E621/403), Michelle & Megan Raz (E625/407) and Bo Keith (E627/409).

**MEMBERS PRESENT BY PROXY:** Donna Haltom (E328/110 & E329/111), Lori Garrison (E423/205), Paul Strausbauch (E429/211), Justin Nylund (E522/304), Chester Stewart (E525/307), Billye Bradely (E619/401 & E620/402), Steve Glenn (E626/408) and Pat Pickett (E719/501)

**GUESTS PRESENT:** Louis Pendley (Property Manager) and Katy Neylon (Durango Mountain Realty)

**MEETING NOTICE:** A package of materials dated July 1, 2016, was mailed to the Members prior to the annual meeting. The package contained the Agenda, Draft Minutes of the ECA Annual Meeting of Members for August 8, 2015, Biographical Sketches of the Nominees for the Board of Directors and a Proxy Form.

**CALL TO ORDER:** The annual meeting of the Eolus Condominium Association, Inc. was called to order at 10:08 a.m. by Vice President MaryGrace Stutzman.

**QUORUM:** A review of the votes in the Association and the votes of the Members present and by proxy was made. There are 47 votes in the Association; Members of ten units were present in person and ten units were represented by proxy. The presence of Members or representation by proxy of more than 20% of Members (10) entitled to vote was affirmed, and it was therefore determined that a quorum was present.

**APPROVAL OF MINUTES:** The previous Annual Meeting of the Association was held on August 8, 2015. A motion was made by Laura Addington and seconded to accept, without reading, last year's minutes as sent out. The motion passed unanimously.

**ELECTION OF DIRECTORS:** The election of Directors for 2016-2017 was the next item of business. Steve Glenn, Cindy Hills, Bo Keith, Bill MacGuffie, John Marinan, and MaryGrace Stutzman agreed to remain on the Board for another year. There being no additional nominees, a motion was made by Sally Churan and seconded to accept the nominated Board Members, Steve Glenn, Cindy Hills, Bo Keith, Bill MacGuffie, John Marinan, and MaryGrace Stutzman, by acclamation. The motion passed unanimously.

### **PROPERTY MANAGER'S REPORT**

Louis Pendley, ECA's onsite property manager, reported on the following:

1. Water pressure, mainly affecting the upper floors, is currently an issue. A required backflow preventer, mandated by the State of Colorado, was recently installed, which contributed to the problem. Additionally the current (original) water meter is a nominal 2" diameter pipe size, but the building piping is 3" nominal size. Replacement of the water meter with the proper 3" size is being investigated to help boost water pressure in the building.

2. The Culligan water-softener system was recently shut down because of constricted water flow from corrosion and defective filters. Water supply to the upper floors was severely restricted. Culligan sent three different repair options—ranging from a temporary fix to repair existing equipment of corrosion damage to completely replacing the equipment. John Marinan said the softener system is based on older technology, and he and Louis are looking into newer technologies. They are meeting with an expert in the field later in the afternoon. Attendees agreed that newer technologies are needed and discussed some options.
3. All smoke detectors in individual units were replaced this past year (a statutory requirement) and owners were billed.
4. Louis and Director Bo Keith met with the fire marshal last June to discuss a \$2500 bill ECA received for false and nuisance fire alarms. The fire protection department, which is required to respond to all alarms, is now charging for false and nuisance of alarms, hoping to minimize these erroneous alarms. Occupants (or owners) of units where future false alarms originate will be billed \$500 to cover the fee imposed by the fire protection department. Owners were made aware of these new charges in the annual meeting packet. Signs are also posted in the elevator. (The \$2500 ECA bill was waived because of ECA's recent detector system improvements.)
5. The pool heater (called a boiler) was damaged by a technician last summer and is not working. Louis said he has found a used, like new, boiler that was used for a similar pool. The maximum BTU output is a little less but a water expert this afternoon will be able to determine if it can be used. John Marinan discussed the history of the damaged boiler.
6. Louis has a \$2400 bid for a new pool cover, which includes springs and a 10-year warranty. Bo suggested that we get large Styrofoam floats to brace the cover during the winter.
7. We have new hot-tub covers and lifts. A new heater is on order for one of the hot-tubs.
8. The 3rd- and 4th-floor walkways and thresholds were redone this past year. The 5th-floor walkway now needs to be redone. The 6th- and 7th-floor walkways need patching.
9. Louis resurfaced the pool area last year, and the hot-tub area was resurfaced this year, saving ECA ~\$20,000.
10. The chimneys will be cleaned next month; chimneys of those units that have converted to LED fireplaces will be capped.
11. New window installations will start next month for those 7 owners who signed up for replacements.
12. The annual building inspection was done. Twelve fire extinguishers in common areas were replaced and all condo unit fire extinguishers were replaced earlier in the year. The sprinkler inspection will be done next month.
13. Louis will continue to paint as needed.

## **PRESIDENT'S REPORT**

Vice President MaryGrace Stutzman reminded owners that we have designated parking spaces. If owners have guests who don't want to use the open parking lot, they should get permission from another owner to temporarily use their space. People parked in wrong spaces will be booted. Boot removal costs \$200.00.

Any property damages caused by a renter will be charged to the owner if the renter can be identified.

## **ECA FINANCIALS**

1. Bookkeeper Diane MacGuffie reported that the Eolus checking account currently contains \$27,676.65 and the business reserve account contains \$19,627.54.
2. Bo reviewed the elevator expenses and said we have one more year left on the special assessment. An owner suggested that after next year increase the regular monthly assessment by the same amount as the special assessment to build up the reserve account.
3. The 2016 budget was distributed.
4. Bo discussed having an extensive Reserve Study performed, as suggested by Director Steve Glenn, which would provide a true analysis of the reserve funds needed, as recommended by the state HOA statutes. It would also facilitate determining the building replacement costs for insurance purposes. The board has received a quote of \$4800 from a Texas company. The board will get at least one more bid before deciding on a company. Attendees discussed whether or not to defer the expense of the study. Owners suggested that we add \$5000 to the Reserve Study/Consulting line item on the budget.
5. The budget was ratified.
6. The following motion was made, seconded and approved that any excess revenue over expenses for the year ended December 31, 2015, and the year ending December 31, 2016, shall be applied against the subsequent tax year operating assessments as provided by IRS Ruling 70-604.
7. Diane MacGuffie reported that most units are up-to-date with payments.

## **OPEN DISCUSSION**

1. A new owner commended Louis for his work and responsiveness. All attendees also expressed their appreciation. MaryGrace said that he has saved ECA a lot of money by researching different solutions and doing things himself. It was discussed that although Louis is available to all owners, he should only take direction from the board.
2. Bo reminded everyone about the website <http://eoluscondos.org>. The website has many links to ECA documents, forms, and other pertinent tips and information for owners. The website will soon be updated with a password-protected area so owners have access to meeting agendas, meeting minutes and the annual budget.
3. A new directory will be issued at the end of August/beginning of September. New owners must fill out a form (see the website) in order to be in the directory. Only those people who submit or have submitted contact information in the past will receive a directory.

There being no further discussion, the meeting was adjourned at 11:51 a.m. by MaryGrace Stutzman.

Submitted by,  
Cindy Hills  
ECA Secretary

**Special Meeting of the Board of Directors—August 6 2016**

**DIRECTORS PRESENT:** Cindy Hills, Bo Keith, John Marinan and MaryGrace Stutzman.

The meeting was called to order by Vice President MaryGrace Stutzman.

The purpose of the meeting, as an immediate follow-on to the Annual Meeting, was to elect Officers for 2016-2017.

The slate of Officers was presented, and all were elected by acclamation:

President: Duties shared among Directors

Vice President: MaryGrace Stutzman

Secretary: Cindy Hills

Treasurer: Bill MacGuffie

There being no further business, the meeting was adjourned.

Submitted by,  
Cindy Hills  
ECA Secretary