

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

RIVERWALK EMERALD BUILDING ASSOCIATION, INC.

June 22, 2005

The regular meeting of the board of the Riverwalk Emerald Building Association, Inc. (hereinafter "Emerald Association") was held at 10:00 am, Wednesday, June 22, 2005, at 27 Main Street. Inn at Riverwalk Board Room, River Centre Building, Edwards, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Jeff Seel R-204 (At Large)
- Debbie Christner C-101 (Commercial)
- Sarah Ramsey R-201 (Residential)

Also in attendance were the following owners:

- Bill MacFarlane Inn at Riverwalk
Property Management
- Daniel Siefers Same
- Diane Larson C-105
- Faith Bleeze C-106 (Blitz)
- Jim McVey C-109
- Cheryl McVey C-107
- Dr. Ramsey R-201

Call to Order Director Seel, noting a quorum was present, called the meeting of the Emerald Association to order on June 22, 2005 at 10:05 am.

Board Member Resignation

Director Debbie Christner formally announced her resignation due to the fact that she sold her unit C-101 to Lynette and Mark Miscio of The Flying Burrito.

Board Appointment Jim McVey, C-109, was interested in taking over the remaining 1.5 year term for Director Christner. Director Seel and Ramsey were both in favor of appointing Jim McVey to the board representing the commercial entities and voted Jim to be the commercial representative. As a new member he will need to be added as a signer on the Wells Fargo Checking account and the 1st Bank Money Market account placing Debbie Christner who will be removed from these accounts for check signing privileges. Bill, as property manager, will continue to sign all checks and then get a second signature from Jim McVey for every check cut by the association.

All Bank Signature Cards

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With the change the entire board will need to go over to Wells Fargo, for checking account, and 1st Bank, for the money market account, to update signature cards for check signing privileges. This update of information will remove Debbie Christner and add Jim McVey and Jeff Seel as signers.

Approval of Minutes

The board reviewed the minutes of the December 14, 2004 meeting. A motion was duly made and seconded, to approve the minutes as written and the board unanimously (**Resolved**) to approve the minutes with a change to the spelling of Cheryl McVey and unit number to C-107 instead of C-109 which is Jim McVeys unit.

Emerald Insurance Director Seel was concerned that the Emerald association and building has the proper insurance. Dan, accounting, stated that we had the following coverage's in place: Fidelity bond of \$25,000.00, Umbrella coverage of 5 million, and building insurance of 5 million. This insurance is reviewed annually by insurance agent for adequate coverage. All policies are available for review at the Inn at Riverwalk.

2005 YTD Financials

Dan Siefers did a quick review of current year to date financials providing board members with income statements and balance sheets. A question was asked about the negative equity currently listed. Dan explained the reverse posting of owner equity from the prior management company that needed to be corrected.

New Business

Director Ramsey asked Inn at Riverwalk management to contact Slifer Management, Brook Portman, about the constant lack of good cleaning in the west stairwell and elevator area. Dirt on concrete, cigarette butts all over, dirt elevator walls, etc. This is the building main entrance and needs to create a good first impression to all visitors.

Also, on the roof outside the Ramsey unit there are miscellaneous boards with nails in them that maintenance needs to clean-up. Bill will have Dan Sr clean all trash off the entire roof after the repairs are completed this week.

Director Ramsey will work on a letter that will be sent out to all owners in the Emerald Building explaining what the Emerald Association Board, Inn at Riverwalk Management, and Slifer management (master Association) are responsible for doing. It is hoped that providing this information to the owners will give them a better understanding of how each entity operates what their job responsibilities are and, how those job responsibilities affect each business and home owner.

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Director Seel made a motion which was seconded, and approved by the board unanimously (**Resolved**) to have the management company write a letter on behalf of the board to Tom Banner regarding the use of a propane space heater he has set up on the second floor common area landing. (general common element). The heater is not approved for use by the board and should not be placed in this common area space. It does not meet fire code as outlined on the equipment for sale use which requires it be 36" or more below the ceiling.

Past roof repairs and billing was discussed by the board at the request of Diane Larson, C-103, it was decided that the billing split for repairs decided during the September, 2004 board meeting, with Blake Lynch present, Diane's business partner from unit C-104 was fair to all involved. Diane Larson agreed to pay the portion she and Blake Lynch were allocated due to damages caused to the roof by their A/C unit.

This issue led to a continued discuss of problems with irritating noises coming from several A/C units not installed properly on the roof. The A/C units for McVey C-109 (Slifer Real Estate), Bleeze C-106 (Blitz), Miscio C-101 (Flying Burrito), Larsen and Lynch C-105, McVey C-107 (Petals of Provance) all need to have proper bases installed with rubber pads and isolators. This will help minimize vibration noises disturbing other owners and protect the roof from future damage by an A/C unit resting and vibrating on the rubber roof membrane. Bill MacFarlane will have his maintenance staff get three competitive bids from American Mechanical, Climate Control and Electrical Mechanical Solutions. He will then e-mail them to all the owners and board members involved for their approval on which company they want us to use to make the repairs needed. The board agreed that these units are a limited common elements to their specific units they provide air condition therefore the expense for the repairs should be billed to each owner involved.

Late Fee's Resolution

The following attached resolution was presented by Dan Siefers for consideration by the board. Director Seel made a motion which was seconded by Director McVey, to approve the resolution with a 12% per annum interest rate (**Resolved**). At the next billing Dan will send out a copy to all owners and tenants To notify them of the new late fee policy on unpaid dues.

Adjournment

Meeting was adjourned at 11:53 am by Director Seel

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