

THE TIMBERS OWNERS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
NOVEMBER 19, 2018
318 ELK AVENUE, SUITE 24

Those Present:

Ann Mallow
Erin Stock
Evan Sandstrom
Kat Hasebroek
Rob Harper, Toad Property Management, Inc.
Jim Ruthven, Toad Property Management, Inc.
Marcus Lock, Law of the Rockies LLC (by phone)
Chris Rockers, Public Adjuster (by phone)
Multiple unit owners (by phone and at the office)

Rob called the meeting to order at 5:00 pm. and confirmed a quorum with all Board members participating.

Rob said Chris Rockers had recently distributed an update on the negotiations with Seneca to restore the building and said Chris would be providing an additional update on the repair of the building.

Rob explained there would be an Executive Session to discuss ongoing legal matters with Marcus Lock, the Association's legal counsel. It was agreed to move to public comment and Chris Rockers would provide his update later in the meeting.

Rob said as the negotiations with Seneca regarding price had been long and difficult it might not be logistically possible for individual unit owners to hire different contractors to work on individual units. Chris Rockers agreed it would be very difficult to extract work in specific units and recommended against that process. A couple of owners said their individual insurance carrier had already provided payment for the unit repairs and the insurance company was pushing for quick repair of the unit to avoid additional payments for loss of income or relocation expenses. Chris Rockers said he would like to reach out to the Seneca adjuster and let them know that multiple carriers might be contacting them to discuss the delays and possibly attempt to subrogate any claims. Rob confirmed the HOA would not reimburse for any loss of rental income or payment of relocation expenses and Marcus Lock suggested owners hold any checks received from the insurance company until the matter had been discussed further.

Chris Rockers said Seneca and KW Restoration had reached agreement on a cost of \$919,000 for repairs to the building, not including moisture mitigation or the fire watch. Chris said they were still waiting for input from Seneca regarding the electrical damage assessment and once necessary electrical repairs had been established KW Restoration would be able to immediately move forward with repairs. Chris explained the second open item was reimbursement for the ongoing fire watch performed while the fire sprinkler system was inoperable. Chris confirmed there had been multiple approaches to Seneca regarding the

outstanding items but at the present time Seneca had not provided any input. Marcus Lock confirmed the Board would be discussing the delays caused by Seneca and reviewing additional options to remedy the matter. Chris Rockers said he would draft a letter to the Seneca adjuster expressing the frustration at the continuing delays and the possibility of multiple cases of subrogation from the insurance carriers of individual units and owners were welcome to share that letter with their own insurance carrier.

Chris Rockers explained the repair project was a 6 month project and at the present time there was not a timeline of when individual units or floors would be ready for occupancy and a specific start date for the repair work would not be known until Seneca responded to the outstanding issues.

Concern was expressed about possible overcharging by KW Construction and how many people KW Construction would have working if the repair was going to take six months. Chris Rockers confirmed units would be restored to pre-loss condition using the same grade of materials and Rob said operating systems had been inspected by various experts and licensed contractors as much as possible without additional demolition to the building.

Marcus Lock said the current cost of the fire watch was approximately \$250,000 and Seneca at the present time had only offered to cover \$100,000 of that cost based on the ordinance and law provisions in the insurance policy. Marcus said the balance would be the responsibility of the Association unless the current negotiations reduced that difference. Rob explained the fire watch had to be in place until drywall was back in place and an alarm system was operating and the Town of Mt. Crested Butte lifted the condemnation of the building. It was agreed Seneca had caused significant delays during the process which resulted in higher fire watch costs. Rob said the Executive Session would be discussing the costs and options to have the full cost of the fire watch covered by the insurance company.

At 5:52 pm Evan made a motion to move into Executive Session. Ann seconded the motion, it was unanimously approved and unit owners, with the exception of the Board, left the meeting and the phone line was disconnected.

Kat made a motion to leave Executive Session at 6:47 pm. Evan seconded the motion and it was unanimously approved.

The meeting adjourned at 6:48 pm.