

**Minutes of a Meeting of the
Board of Directors of
Cherry Hills North Homeowner's Association
Held on September 20, 2006**

A Meeting of the Board of Directors of Cherry Hills North Homeowner's Association was held on September 20, 2006, at 4950 Sanford Circle West, the home of Ron Lehr. Board members attending the meeting were Ron Lehr, Dan McComb, Cyndi Sauvage, and Jon Tandler. Also present on behalf of the Architectural Control Committee (ACC) was John Downing. Diane Reeder and Richard Heppe also attended the Meeting. Leslie Toepfer, an attorney who works extensively in the homeowners' association area, also attended the meeting. The Meeting started at 7:00 pm -- the Meeting Agenda is attached to these minutes.

The primary purpose of the Meeting was to obtain Mrs. Toepfer's views and advice as to neighborhood covenants and related items (see Annual Minutes from June 2006 and Board Minutes of July 2006) and to discuss the same as a group.

Mrs. Toepfer noted:

- there are wide ranges (variances) as to an approach a homeowners' board, generally, could do to amend covenants -- a huge rewrite ending up with a very thick document/regulated scenario, or a mid-approach addressing those things that the Board feels should be addressed in a neighborhood such as CHN
- the CHN existing covenants are skeletal and do not provide guidance to the Board or the ACC
- covenants run with the property -- thus, the covenants must be amended in order to have the proper detail to govern maintenance and building items as to the properties in the neighborhood -- at present they have little teeth
- the covenants can be prepared in a manner to enable the Board and the ACC to adopt policies and guidelines; at present they are inadequate in this regard
- it is important to reach a consensus, a vision, as a Board as to what the neighborhood should look like
- the process of amending the covenants has the potential of polarizing people
- it is OK, now and then to miss a compliance item with a neighbor -- it is not necessarily precedent or dispositive on a later similar issue; if there is continued or benign neglect and a couple of non-compliance items occur, then there could be a problem -- "can't let a lot of things slide"


- we need to identify what (how many items we want to tackle -- just a few key or a bit more albeit limited)
- we discussed that one of the first groups we would reach out to would be the group of former HOA Presidents, Board and ACC members, and our Water Board representatives
- we acknowledged that in the Board's August letter to all of the HOA members, we made a point of telling the neighbors the results of the Annual Meeting and that the Board would be looking at these issues including our covenants
- we should involve the Water Board representatives and request funding to support the legal cost of doing this
- we may need to evaluate an increase in annual dues

In terms of legal fees and reimbursements, we ball parked \$8,000 exclusive of the need to go to court on a 50% approval basis. This figure would cover the title work, and Mrs. Toepfer's estimates of her time in writing covenants, letter writing and the like. This is a rough figure.

The Board calendared Wednesday, October 11, 2006, 7:00 pm for its next Board meeting, also to be held at the Welles/Lehr home.

The Meeting adjourned at 8:55 pm.

Respectfully submitted,

 , 10/15/06
Jon Tandler, Secretary