

**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING**

**January 6, 2006
Dillon, Colorado**

Board members Rob Bullard, Scott McLean, Joe Woodrow and Kevin McClain were present.

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and Greg Moses. Erika Krainz was recording secretary.

* * * * *

I. CALL TO ORDER

The meeting was called to order by Rob Bullard at 6:10 p.m.

II. APPROVAL OF PREVIOUS MEETING MINUTES

Rob Bullard noted that going forward the minutes would be posted on the website and they should be in the password protected area to ensure confidentiality of items such as contractor bids.

The following revision was noted:

0. In Section VII.B., change responsibility for landscaping map from Rob Bullard to Tony Peterson.

Scott McLean made a motion to approve the minutes from the November 19, 2005 Board Meeting as amended. Joe Woodrow seconded and the motion carried.

II. FINANCIAL REVIEW

Year-to-Date Financials

Rob Bullard noted that one of the roof extensions would be billed in the spring and he asked that this liability be reflected in Accounts Payable.

Rob requested that John Holtman would be handling the shift to the new fiscal year and filing the taxes for the short year. He would like to change the Reserve Fund to "project based" accounting in order to better match expenses with the associated Board approvals.

The electric rate increased 30% in November and usage was up due to extremely cold temperatures.

Joe Woodrow made a motion to accept the Financial Report as presented. The motion carried for lack of opposition. The financial results will be posted on the password protected section of the website.

B. Fiscal Year and Meeting Date Change

The governing documents indicate the fiscal year and meeting date can be changed with a simple resolution and amendment and Kevin Lovett provided drafts of these documents. Rob Bullard noted the name of the property was incorrect at the top of the page.

Scott McLean made a motion to introduce the Resolution to change the fiscal year. The motion was seconded and carried with three in favor and one abstention.

Scott McLean made a motion to amend Article IV, Section 4.1 of the Bylaws to change the date of the Annual Meeting. Kevin McClain seconded and the motion carried.

Rob Bullard will summarize these changes in his next President's letter.

II. MANAGING AGENT'S REPORT

Kevin Lovett reviewed issues he was addressing:

1. 1501/101- old crawl space moisture issue. Rob Bullard is working with the owner, who understands this project will not be done during the winter. Rob said the actions (by SRG) will include insulating the sweating pipe and laying down vapor barrier.
1. 1507/202 – this crawl space also has moisture, but no mold. Rob Bullard said the Board would act in accordance with the previous policy, i.e. common elements are presented “as is”. Kevin Lovett will call the owner and inform him of the policy.
3. Window Coverings/Blind Colors – Three owners have requested the Board allow natural wood blinds. The Board agreed it would not be fair to change the policy at this point. Owners can have wood blinds as long as they also have a white backing behind them.
4. Insurance Inspection – Farmer's Insurance toured the property and did not have any recommendations or suggestions.
5. Asphalt – The Villas property includes 58,000 sq.ft. of asphalt.
6. Heat Tape On/Off List – attached to meeting packet. Rob Bullard felt SRG should be responsible for determining which heat tapes should be turned on to achieve the maximum roof drainage. The Board should only be involved if there is a suggestion to add or remove heat tape. So far there have been leaks in two units causing damage of \$300-400. It appears the leaks have been caused by the weight of the snow splitting a seam. Greg Moses suggested removing a piece of the soffit in the stairwell to look for the source of the leak. Greg was asked to notify the owners about the work to be done. It should be done on one of the buildings that has not yet been painted. Kevin Lovett suggested shoveling the eleven original roofs and leaving the snow on the eleven new roofs since they are under warranty. Greg thought the long term solution might be to shovel the flat roofs once yearly. A bid of \$125/section was received to shovel all flat roofs, all

atriums and all valleys that drain into parking lot. The bid was for shoveling snow, but at this point the snow has melted and created ice walls. The Turner Morris bid was much less, but they do not clean up the snow they remove from the roofs. Kevin Lovett was not sure if it was necessary to do the preventative work and supported exploring the soffits. Kevin McClain said they may have missed the window to clear the roof of ice at this point. Rob Bullard said a process should be established so Greg does not have to confer with the Board every time he wants to move snow. Rob did not think the Board should be making the decision about when the roofs should be shoveled. Kevin Lovett said he would have Greg keep an eye on the complex and report problem areas to him. Kevin will then call the Board or send email and do a quick walkthrough. Rob asked Kevin to include a digital photo. The Board authorized Greg to remove the ice by 1503. If any single roof is going to cost over \$500, Board approval should be obtained first.

1. Entrance Light Breakdown – Kevin Lovett calculated that the cost for the wattage used for the three lights at the front of the complex was about \$8.00/month. Joe Woodrow noted the bill for that building was \$60/month more than the other comparable buildings. He was instructed to send an email to the Master Board explaining there would be a yearly bill to reimburse the Villas Association.
1. Taxes – Chuck Weigscheider has completed the return. The return will be submitted once approved by the Board.
1. Painting – tabled until spring.

II. OLD BUSINESS

Insurance

Kevin Lovett provided a draft of a letter regarding insurance coverage. Rob Bullard said there were three insurance situations in the past year that potentially could come back to the Board since the owners paid out at least \$1,000 each. The Board agreed to wait to see if any phone calls came in instead of offering to reimburse for the past expenses. This will be added to the President's letter.

Capital Project Budget Review

This item will be addressed in a dedicated work session in February.

Management Contract

Rob Bullard has not marked up the contract yet. Peter Schutz and Rob will meet in Denver to review the contract.

II. NEW BUSINESS

Senate Bill 100

Kevin Lovett provided a summary. The website is up and provides better information and communication to owners. The Association documents, including the Declarations, Bylaws, House Rules, Operating Budget, President's

letters, minutes and meeting notices can be accessed on the website. There are seven required Policies and Procedures. The attorney reviewed the Association documents, drafted the Policies and provided a list of unusual issues, including:

0. Conflict of Interest Policy – An acknowledgement form for the Conflict of Interest Policy can be required.
0. Document Request Form – Owners can be asked to sign an official form to make their request for copies of documents. The Board agreed this was not necessary for any document available on the website, but it could be required for any documents not accessible on the website. Rob Bullard said he was concerned mainly with bids and contracts. The attorney should be asked how to protect contractor information.
0. There are some burdensome provisions in the Declarations that the attorney recommended be amended. Kevin Lovett was asked to determine the cost for making an amendment to the Declarations and the specific procedure. Approval would have to be through a vote at the Annual Meeting.
0. Collection Policy – The attorney does not like the Association's ability to cut off utilities for non-payment of dues. Rob Bullard noted the only utility controlled by the Association was cable television. The Board agreed not to change this policy.

The Board will review the Policies and Procedures and will address any questions by email. Rob Bullard will sign the adoption document.

Appointment to Master Board

The owners delegated the responsibility to the Villas Board for electing Master Board representatives. Kevin McClain made a motion to appoint Scott Morlan and Scott McLean to the Master Association Board, effective immediately. The motion was seconded and carried. The terms are one year. They will serve until the Annual Meeting.

II. SET NEXT MEETING DATE

The next work session was scheduled for Friday, February 10, 2006 at 6:00 p.m. The next regular Board Meeting was scheduled for Friday, March 10, 2006 at 6:00 p.m.

II. ADJOURNMENT

With no further business, a motion was made, seconded and carried to adjourn the meeting until the March meeting at 8:15 p.m.

Approved By: _____
Board Member Signature

Date: _____