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**VILLAS AT PROSPECT POINT CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
MARCH 10, 2006**

Board members present were Rob Bullard, Joe Woodrow and Scott McLean. Kevin McClain joined the meeting in progress at 6:45 p.m.

Owners present were Jim and Arlene Dinkel.

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

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I. CALL TO ORDER

The meeting was called to order at 6:08 p.m.

II. OWNER COMMENTS

Arlene Dinkel stated that although her building's roof had been replaced, there were still leaks into their unit this winter due to snow and ice accumulation. She felt there should have been more proactive snow removal. She also noted there were some heat tapes that were not turned on. Rob Bullard responded that the Board was trying to take steps to prevent leaks as finances permitted. The Board will review the snow removal portion of the budget carefully next year. Arlene suggested the Board consider adding a shed roof over the roof valleys to prevent snow accumulation. Rob said the Board would look to Turner Morris, the roofing contractor, for suggestions. Jim Dinkel asked if the costs to repair the water damage inside the units would be covered by Turner Morris under the terms of the new roof warranty. Rob was not sure how the assignment of the repair expense would be handled. In the past, owners were charged for the \$1,000 deductible if they filed a claim but the Board recently revised that policy.

So far, eleven new roofs have been installed. This winter there were leaks in three of the new roofs. Arlene Dinkel said the gutters were also leaking.

Arlene mentioned she was very dissatisfied with the plowing this winter. She felt the heavy machinery should have been brought in earlier.

III. APPROVE PREVIOUS MEETING MINUTES

The following revisions were noted:

1. Financial Review section – Rob Bullard clarified that he *asked* that John Holtman handle the shift to the new fiscal year.
2. Managing Agents Report #2 - Delete the last sentence.

Joe Woodrow made a motion to accept the minutes of the January 6, 2006 Board Meeting as amended. Scott McLean seconded and the motion carried.

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There was general discussion about limiting access to the minutes on the website (summitresortgroup.com) and adding a "Verisign" symbol to the page for authentication. Kevin Lovett said the minutes had been moved to the secured section of the website.

IV. FINANCIAL REVIEW

A. Year-to-Date Financials

Peter Schutz said he had negotiated a very favorable interest rate at Alpine Bank for the money market account (4.29%). It is based on the liquid T-Bill rate.

Joe Woodrow made a motion to accept the Financial Report into the record. The motion carried.

Rob Bullard asked Kevin Lovett to continue sending the snow and ice removal report to the Board on a weekly basis. He suggested adding a column to the financial report with year-to-date and budget information.

V. MANAGING AGENTS REPORT

A. Completed Projects

1. Staff - The new manager is Patrick Labelle.
2. Hot Tubs - Patrick completed installation of the inflow/outflow diverters at the hot tubs and saved the Association \$200 by doing the work himself. Two new covers have been ordered at a total cost of \$1,300. The hot tub gates are functional again.
3. Keys - Kevin Lovett provided a list of the nine units he was unable to access. He will send the owners a letter requesting they rekey to the master by May 23, 2006.
4. Remodel Request - The owner of 1509/104 submitted a remodel request for some interior work.
5. Snow Removal - Kevin Lovett provided an updated expense summary. He is providing this information to the Board weekly. The report includes all charges through the month of March.
6. Siding Repair - The repair list was included in the meeting packet. The new Manager is capable of making the repairs and is interested. He would need a saw with a diamond blade. He will start with "priority 1" items. Rob Bullard asked Kevin to estimate the number of hours for each building and to prioritize them.
7. Vapor Barrier/Pipe Insulation - Summit Resort Group can complete this project for Unit 1501/101 for a flat fee of \$700. The pipe will be insulated once identified (they are not sweating now, but probably will start up again next summer). The unit owner acknowledged acceptance of the deal regarding the cost share for the crawl space issue.
8. Owner Letters - A President's letter will be sent informing owners of the Annual Meeting date and fiscal year change.

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9. Master Board – The Villas representative was ^{corrected} ~~changed~~ from Tony Peterson to Scott McLean.
10. Tax Return – Sent.

B. Pending Projects

1. Replace shingles that fell off the north end of 1507.
2. The Board asked Kevin Lovett to do an inventory of all Association property in the storage areas.

C. Senate Bill 100

Kevin Lovett provided a copy of the Policies and Procedures for all Board members to sign, as well as the Conflict of Interest policy. The signed Policies will be loaded to the website. He discussed contractor bid confidentiality with the attorney. She suggested leaving the bid numbers out of the minutes or placing the minutes in the protected section of the website, which is what the Board agreed would be preferable. He also discussed burdensome provisions with her. She said this could be addressed through a Bylaws amendment and said she could provide the necessary amendment for \$500. The Board agreed it was not necessary to pay the attorney to write the amendment. They asked SRG to provide a draft of an amendment and to have the attorney review it. The Collection Policy also needs to be amended.

The Board reviewed "Resolution 2005-001- Additional Snow and Ice Removal Funding" (\$14,000), noting it was necessary to provide a resolution for any Board decision made outside of a meeting. Rob Bullard felt this was a cumbersome requirement that he would eventually like to change.

VI. OLD BUSINESS

A. Painting

Kevin Lovett has contacted Craftsman and is waiting for a call back from Dan. Rob Bullard said he was planning to write a letter to them. He does not want them to walk away from the project, but there needs to be a realistic payment schedule. As it stands now, the Association does not have any leverage to keep Craftsman on site until the end of the project and no funds to hold back. The Association also needs to obtain a lien waiver for the large payment last year. Kevin McClain felt there should be a meeting scheduled but not until Craftsman has completed some more work so that there will be money owed to them. He recommended getting on the painting schedule for as soon as the snow melts.

VII. NEW BUSINESS

A. Reserve Study Review

The Board reviewed the draft of the Reserve Study Kevin Lovett created and requested some revisions. The Study should be adopted at the next Board Meeting.

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B. Review Insurance Policy

There was general discussion regarding assignment of deductibles. Kevin Lovett reported that seven or eight units had leaks that caused interior damage this winter. The majority of the damage is minor and can be addressed with a bit of paint; none should require new drywall. Repairs for the most significant leak should cost about \$1,000. Per the newly adopted policy, the Association will not assign any portion of the insurance deductible to the affected owners.

The Board agreed not to address the issue of owners who have been charged the \$1,000 in the past.

Rob Bullard directed Kevin to create a line item in the budget for Insurance Deductible and to fund it with \$5,000.

C. Roof Review

Rob Bullard did not feel this year's heavy snowfall should put the roof replacement program off course. Of the twenty-five total leaks, only eight went inside the buildings.

Kevin Lovett said the new flat roofs could be sloped more to encourage drainage of the water off the roof and heat tape could be added to keep a passage open. Kevin will provide a summary of the leak history from this winter.

Kevin said he planned to purchase roof rakes to remove snow next winter in order to prevent some of the back-up.

Two more flat roof replacements will be budgeted for this year (\$14,000). The two buildings in the worst condition will be done.

There was general discussion about shoveling the roofs. Kevin McClain pointed out that shoveling the roofs could have caused other damage.

VIII. SET NEXT MEETING DATE

The next Board Meeting will be held on April 7 or 21, 2006. Kevin Lovett will poll all Board members and determine the best date.

IX. ADJOURNMENT

With no further business the meeting was adjourned at 8:30 p.m.

Approved By: Rob Bullard
Board Member Signature

Date: 4-21-06

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