

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

**November 19, 2005**

**Dillon, Colorado**

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

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

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**I. CALL TO ORDER**

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

**II. 1501/101 MOLD ISSUE**

Peter Schutz told the realtor the crawl space potential mold issue would be addressed at the meeting, but he did not make any representation about what the Board action might be. He noted that it appears the Special Assessment was not disclosed to the purchaser. Peter said since the Board has knowledge that there is standing water in the crawl space, it could be a problem for the Association if health related issues develop. He felt there should be some small gesture made to accommodate the purchaser. Greg Moses said he had never seen any mold in any crawlspace. Rob Bullard was reluctant to make any representation about action in a common area for any owner.

Currently there is damp soil and condensation on a pipe, but no standing water. The specific recommendations were to insulate the pipes against condensation, to place vents on the opposite ends of the crawlspace (although there are already vents in place), and to install a vapor barrier over the damp soil and seal it to the foundation. Rob once again raised his concern about setting a precedent, especially since the inspector was unqualified person and created an issue. Rob added that he was told only living spaces should be tested for mold, not crawlspaces. The living space tested negative for any mold.

Peter said from a litigation standpoint, the issue had to be addressed in some fashion. He recommended telling the owner the issue would be put on the maintenance list, reemphasize the parameters and let the owner know he will have to work with the Board. Rob did not want to put any type of timeframe on taking action. Rob agreed to soften the language in his letter and state it is on the maintenance list. The owner will not be allowed to effect repairs in the crawlspace since it is common element.

Tony Peterson thought it should not be represented that the damp soil would be remedied because it might not be possible to do so. Tony said he remembered one of the realtors

agreed to split the cost of the testing (\$660) with the Association. Peter suggested awarding the \$1,000 in escrow to the buyer to pay for the remediation, under the Board's direction. Rob said the Board would commit to addressing the mold per the recommendations of the contractor and cover the inspection cost if the owner would assign the \$1,000 in escrow to the Association. If he will not, the \$660 inspection fee will be the responsibility of the unit owner.

Going forward, the policy for realtors is that the common elements are presented "as is".

### **III. APPROVAL OF PREVIOUS MEETING MINUTES**

Joe Woodrow made a motion to approve the minutes from the October 21, 2005 Board Meeting as presented. Tony Peterson seconded and the motion carried.

### **IV. REVIEW BOARD CALENDAR AND STRATEGIC PLAN DISCUSSION**

#### *A. Annual Meeting Date*

With the realignment of the fiscal year, the Annual Meeting was scheduled for May 27, 2006. Rob Bullard will include this information in the next President's newsletter.

### **V. FINANCIAL REVIEW**

#### *A. Review of Financials with Changes Requested at 10/21/05 Meeting*

The Board reviewed the report and confirmed the changes were made as requested.

### **VI. MANAGING AGENT'S REPORT**

#### *A. Completed Projects*

1. Roof Extensions – The major work on Buildings 1521, 1507 and 1501 has been completed. The billing for Building 1501 will be in May 2006. Tony Peterson asked if the heat tape on Building 1521 was turned on. Rob would like an inventory of the heat tape and what should be on/off. Kevin McClain thought the Board had agreed to turn on all remaining tapes on the original roofs and Tony agreed, adding that the Board had decided to turn it off on any of the new Turner Morris roofs. Rob Bullard suggested adding a column to the spreadsheet to indicate the heat tape "on/off" status by roof, as of this Board Meeting. He expects there will be a mixture of results.
2. Major Landscaping – Sunrise Landscaping has provided a seed guarantee. Tony Peterson would like to see a list of the species included in the seed bags.
3. Taxes – Chuck Wegscheider has been engaged to complete the 2004/2005 tax return.
4. Master Board – Rob Bullard tried to meet with Scott Morlan twice, but has not been successful. He suggested leaving the Villas representatives as is

for now and address the issue in May at the Annual Meeting. He thinks Scott is willing to continue serving for the time being. Since he hasn't spoken with Scott, he made a motion to table any action until the Annual Meeting. The current members are Tony Peterson and Scott Morlan.

## VII. OLD BUSINESS

### A. *Painting*

Rob Bullard reviewed the draft of a letter to be sent to Craftsman and Dan Henry. Rob will revise the letter and send it on Villas letterhead after Kevin McClain has reviewed it.

### B. *Management Contract*

Peter Schutz provided a brief overview. He carefully examined the Appendices to the contract, but has not really looked at the body of the contract. He cleaned it up, made it more identifiable, and eliminated areas of uncertainty. Rob Bullard Tony Peterson needs to create a master map of landscaping areas. It will become Appendix C, specifically for landscaping. Tony Peterson agreed to help with the creation of the map.

He added frequencies for tasks as needed. Peter liked the idea of having an expense cap in the contract to take care of ongoing routine maintenance items. Peter suggested one more session to complete the revisions. The contract will then be sent to the Board for comments and he and Rob will review the main body of the contract. Rob suggested some type of incentive be established based on performance against budget. Peter supported the idea. Kevin McClain recommended also including a management fee contingency for any omitted items. The incentive language will be an addendum to the contract. A meeting was set for December 2, 2005 at 10:30 a.m. for contract negotiation.

### C. *Capital Project Budget Review*

Rob Bullard would like this schedule to drive the annual Reserve contribution. The Board decided to have a work session on this issue during the January Board Meeting.

### D. *Insurance*

There was discussion regarding the policy for assignment of deductibles. Scott McLean and Kevin McClain felt the owners should be responsible for the deductibles. Tony Peterson thought it would be difficult to convince an owner to pay to fix for damage that was a result of the failure of a common element. Scott McLean pointed out that if numerous small claims are submitted the Association policy premium would probably increase. Tony Peterson and Scott McLean said they both spoke to their insurance agencies and neither one knew about the deductible rider. Rob Bullard wondered if the Association should self-insure for the \$1,000 per incident deductible. It was not clear why this policy was

established by a previous Board and Rob felt it had not served any purpose but had created problems. Scott McLean suggested adding a Contingency line item in the budget for insurance deductibles. Peter Schutz suggested budgeting \$2,000 annually.

Tony Peterson made a motion to go back to the former policy wherein the Association takes responsibility for the deductible for damage caused by failure of common elements. Joe Woodrow seconded and the motion carried with two opposed (Kevin McClain and Scott McLean), two in favor (Tony Peterson and Joe Woodrow), and Rob Bullard voting in favor to break the tie.

Scott McLean made a motion to create a line item for the self-insurance deductible. Kevin McClain seconded and the motion carried.

*E. Management Issues*

Kevin McClain noted that Greg Moses has employees who are parking their vehicles on the Villas property when they take the snowplows out to work. Peter Schutz said the Board should notify Greg about their concerns. The Board felt that at the very least the Prospect Point properties should be plowed first.

**VIII. SET NEXT MEETING DATE**

The next Board Meeting was scheduled for Friday, January 6, 2006 at 6:00 p.m.

**IX. ADJOURNMENT**

With no further business, a motion was made, seconded and carried to adjourn the meeting at 8:35 p.m.

Approved By:   
Board Member Signature

Date: 1-6-06

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