

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

**August 19, 2011**

**Dillon, Colorado**

**I. CALL TO ORDER**

The meeting was called to order at 5:34 p.m. by Tony Peterson.

Board members present were:

Tony Peterson, President

Sean Cavins, Vice President

Scott McLean, Treasurer

Otis Halverson, Secretary

Kevin McClain, joined via teleconference at 6:09 p.m.

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

**II. OWNER FORUM**

There were no owners present.

**III. APPROVE PREVIOUS MEETING MINUTES**

Otis Halverson made a motion to approve the minutes of the June 3, 2011 Board Meeting as presented. Scott McLean seconded and the motion carried.

**IV. FINANCIAL REPORT**

*A. Year-to-Date Financial Status as of July 31, 2011*

The financial report as of July 31, 2011 was included in the meeting packet.

Overall the Association was \$12,005 under budget. There were significant positive variances in the Insurance, Electricity and Landscaping accounts. There were no delinquent owners.

**V. MANAGING AGENT'S REPORT**

*A. Completed Items*

1. Landscaped the wild area.
2. Repaired the roof per the Turner Morris report.
3. Repaired the stairway.
4. Touched up paint.
5. Replaced siding and corner pieces.
6. Tightened the 1515 south end soffit.
7. Installed sod and splash rock at 1521 north end.
8. Angled the gutter on 1509/206.

**B. Pending Items**

1. Asphalt crack seal and repairs – The bids were \$2,421 (\$677 for the Villas) from A-Peak and \$3,850 (\$1,078 for the Villas) from Jet Black. The A-Peak bid was approved.
2. Landscaping – There is \$7,400 budgeted for landscaping for the entire year. The account is about \$2,000 under budget through July and there is \$1,200 budgeted each month for the next three months. Sean Cavins said he had prioritized the projects in the Rothery bid. The hot tub area for \$2,580 is a top priority and the rockwork for \$645 would be the second priority. Tony Peterson suggested getting a bid from a landscaping company to do all the work for next year. Kevin Lovett will get additional bids for the hot tub area and rockwork only. The rose bush/thistle area work was tabled until next year. Tony asked Sean to make sure the bids include the same scope of work. If the additional bids are close, Sean proposed using Rothery since he gave a good bid and has done satisfactory work for the Association in the past.

**VI. OLD BUSINESS**

**A. Roofs**

Kevin Lovett met with Turner Morris on site. They provided some different options and a spec sheet.

1. Shingles and Durolast – \$577,000 for all buildings. The roofs currently have shingles and modified bitumen. The bid included the Durolast product for the flat roofs. Durolast had a 20-year warranty and the manufacturer will pay for any interior damage repairs caused by leaks. This would be the least expensive option. The cost would be \$43,925 for a small building.
2. Metal Roof and Durolast – \$811,000 for all buildings. This would be the ideal solution. It would include Durolast on the flat roofs and metal roofs with snow bars in all other areas. It would actually be less expensive than using Durolast, metal roof and shingles. Turner Morris provided full specs for this option. The cost would be \$63,981 for a small building.
3. Metal Roof and Flat Roof Modification – \$990,226 for all buildings. This bid included modifying the flat roofs with a false cricket but this would not significantly increase the slope of the roof. This would also be the most expensive solution but would not include any Durolast. The cost would be \$80,450 for a small building.

There is \$550,000 in the Reserve Study for roofs. The current Reserve balance is about \$350,000. Kevin Lovett suggested replacing one roof now as a test before doing multiple buildings. There are five roofs that have not experienced recent leak activity and roof replacement could be postponed. Tony Peterson was not convinced that it was necessary to pay 50% extra for metal roofs. Kevin Lovett

recommended hiring a third party to oversee the installation of the new materials. The metal roofs have an estimated life of 35 years.

Kevin McClain pointed out that if the problems are only occurring in the valleys and flat roof areas, the metal roofs might not be necessary for the other areas. He would like clarification on the warranty on both the shingles and metal roofs and the projected lifespans.

Kevin McClain asked how much was spent annually on heat tape. Kevin Lovett estimated there could be an annual energy savings of about \$1,000 with less heat tape. With the metal roof, the existing heat tape would be kept in the places where there are gutters over decks, on the building ends where it transitions from flat roof to sloping roof and on the large buildings in the atriums because of the gutters. The metal roofs would also require snow bars in the atriums. The heat tape in the valleys and on the flat roofs could be eliminated. Kevin McClain estimated the cost would be \$85/unit/year for the metal roof over the life of the roof. A metal roof could have an impact on the insurance premium; Peter Schutz thought it would lower the premium.

The assessment would be \$450,000 to do all the roofs at once, which would be about \$5,000 per unit. Tony Peterson proposed borrowing the money instead of an assessment.

Kevin McClain suggested taking digital photos to get a computer rendering of the roofs with metal. He cautioned that a metal roof would not guarantee elimination of leaks.

Scott McLean, Sean Cavins and Otis Halverson were all in favor of the metal roof option. Kevin McClain felt the Association would be overpaying for the roof. He thought a higher grade shingle and better ice and water shield would be a less expensive option. The existing shingles have a 25-year warranty from Owens Corning for wind up to 65 mph. Kevin McClain recommended getting the representative to inspect the shingles and to try to negotiate a pro-rated warranty payment.

Turner Morris would need to start work no later than mid-September. They estimate installation would take about four weeks.

After further discussion the Board agreed the first roof replacement could be postponed until next year while the Board investigates the warranty for the existing shingles. This would also allow time to build the Reserve balance and to get additional bids.

The Board agreed to the following:

1. Install the Durolast on the flat roof area of Building 1501.

2. Make sure the Durolast can be tied in to the existing asphalt shingles and that adding the rest of the roof at a later date would not void the Durolast warranty.
3. Verify that the Durolast product has a 20-year warranty.
4. Create a computer rendering of a building with a metal roof.
5. Check to make sure the transition area below the Durolast should remain asphalt shingles.
6. Get a bid from Turner Morris for this work.

**VII. ADJOURNMENT**

The meeting was adjourned at 7:26 p.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature