

DRAKE LANDING CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING September 18, 2008

The Drake Landing Condominium Association Board of Directors met on Thursday, September 18, 2008, at the office of Carlson, Carlson, & Dunkelman in Frisco, CO. Directors Gerry Hibbard, Bren Davis, Ron Carlson and Roger Swift were in attendance. Barb Walter-Director of Homeowner Associations, represented Wilderwest Property Management (WPM). The meeting was called to order at 3:40 p.m.

APPROVAL OF MINUTES

RESOLUTION: Upon motion made, duly seconded and unanimously carried, the minutes from the Board meeting on September 4, 2008, were approved as presented.

ROOF ISSUES

Roof Snow Removal – Ms. Walter reported that Tony Snyder is still soliciting alternate roof snow removal proposals. The Board will wait for the results of his research before making a decision on this issue. Even if it is decided not to enter into a contract for roof snow removal, the Board would like to have an approved contractor to call for removal if needed.

Update on Iris Technologies Report – Mr. Hibbard updated the other Board members on his recent inspection of units with interior can lights, as well as his lengthy discussion with Iris Technologies:

- All upper floor units have some can lights but these lights do not appear to have a great impact on the location of roof leaks.
- Although architecturally attractive, the complexity of the Drake Landing roofs creates problems, such as ice dams and leaks.
- Iris Technologies feels 30% of the roof issues are caused by heat leakage.
- Building B appears to have fewer roof problems because it has less heat leakage due to the installation of a thermal barrier under the roof shingles.
- Iris suggests the installation of mechanical air movement systems in attics because passive airflow systems may not be sufficient.
- Iris spoke highly of Turner Morris as a roofing contractor because they have dealt with complicated roof issues in this mountain climate with success.

Turner Morris Roof Replacement Estimates – Mark Hubbard from Turner Morris wrote a requested letter giving his opinion that the life expectancy of shingle roofs in Summit County is 15 to 17 years. However, he recommends that problem areas on the Drake Landing roofs need to be addressed in order to reach this full life expectancy. He also presented estimates for future budgeting of roof replacement costs.

Legal Status – Mr. Carlson presented his draft letter to Steve Letofsky regarding certain issues being discussed by the Board.

Roof Meeting with Developer – The Board decided to invite the Developer to a special Board meeting to discuss roof issues and how to address them as related to the preparation of the budget for the upcoming annual meeting. Possible dates/times for consideration for the meeting are: Monday, October 6 at 4:00 p.m.; Tuesday, October 7 at 12:00 p.m. and Thursday, October 9 at 4:00 noon. Any other date proposed by the Developer will also be considered. Ms. Walter will write the letter by 9/22/08 for the Board's review.

Mr. Swift departed the meeting at this point.

Owner Requests – The following requests were reviewed and addressed:

- A8 – The owners requested records regarding all past and future repairs on the roof in their building. Ms. Walter will provide the copy of the proposal for the repairs completed by Turner Morris but the owners will have to request copies of repairs completed by the Developer from him.
- C8 – The previous request for exterior and interior repairs resulting from a roof leak was reviewed and approved. A proposal for the exterior repair will be solicited from Turner Morris and a bid for the interior work will be requested from WPM R & M. Ms. Davis was very complimentary of the recent interior repair completed by WPM in C2 and recommended the same service tech for the repair in C8.

FINANCIAL MATTERS

August Financial Statements – The financials were not reviewed due to lack of time.

Budget Proposal – The budget proposal with updated August actuals was briefly reviewed. Ms. Walter noted that the proposed dues increase was reduced from an aggregate \$52,100 to \$39,100 for the Operating Account. The primary reason for the reduction was the decrease in the actual gas heating costs for August, which impacted the anticipated annual costs. Extensive discussion ensued regarding whether to address the HOA's anticipated financial shortfall this year and next year with a dues increase, a special assessment or a combination of the two. Mr. Carlson recommended that 5% of the budget should be contributed to the Reserve Account, which would result in the allocation of \$20,000 to reserves during the next fiscal year. Mr. Hibbard suggested that in lieu of a dues increase, a special assessment of \$1000 average per unit be levied. The Board will review the revised budget and consider financing options to be discussed at the next meeting.

On Site Hours Logs – Per the Board's request, Ms. Walter distributed the On Site Daily Hours Reports for the months of January through August 2008. The hours spent on security checks in two units was reviewed. The Board decided to discontinue the security checks at the HOA's expense as of October 1, 2008. Ms. Walter will contact the owners and explain this change in the management contract services. Utilizing Ms. Davis' services on a paid basis to oversee contractors and projects was discussed again.

OTHER MATTERS

Developer Transition Audit – A draft letter to the Developer requesting that the transition audit be completed within the time required per Colorado statute was reviewed. The Board approved the letter, which will be emailed and mailed USPS. (The letter dated 9/18/08 was emailed on 9/19/08 and mailed on 9/22/08.)

Revisions to Rules and Regulations – The Board reviewed revisions to the Rules and Regs. Following discussion, other revisions were presented. A final draft of the revised Rules and Regs will be included with the mailing of the annual meeting notice to all owners.

NEXT MEETING DATE

The annual meeting date was confirmed for October 25, 2008, because all four Board members confirmed their planned attendance on that date.

The next Board meeting is scheduled for December 5, 2008, at 4:00 p.m.

ADJOURNMENT

The meeting adjourned at 5:20 p.m.