

Collins Lake Resort – A Condominium

Homeowner's Association

BOARD OF DIRECTORS MEETING

Held on Wednesday, May 20, 2009

MINUTES APPROVED ON JULY 22, 2009

Attendance:

Board Members:

Burke Rice
Rhonda Elledge
Steve Smith
Chris Jones (attended by phone)

Recording Secretary:

Rhonda Elledge

Guests:

Pete Viteznik, Attorney
Ronnie Wilson
Dick Alexander

Mt Hood Management:

Brett Fischer
Pat Haffey

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- 1. Insurance – Construction Defect Claim**
Insurance Wrap was put in place – 5-19-09
Lorenz-Bruun will enroll subcontractors and start construction immediately.
Ronnie Wilson is to have weekly subcontractor's meeting – review work and report the status back to the board. The Insurance Wrap Policy prohibits any owners to use or stay in their homes during construction period.
 - 2. Notice to Proceed**
Notice to proceed was issued 5-20-09
The BOD is not committing the entire job to LB unless the construction contract is completed within 10 days of this date.
 - 3. Insurance Policies** – Ronnie to get original copies of: Liability Insurance Policy for Construction Risk and Builder's Risk Policy.
 - 4. Construction Contract with Lorentz Bruun**
Ronnie and Dick to get final corrections on wording to complete Construction Contract. Stan and Dick will okay the final drafts.
 - 5. Third Part Inspection – Builder's Protection Contract**
Dick to negotiate completion of contract with the third party inspector.
The \$33,000 for inspections will be paid under wrap policy for \$591,000.
 - 6. Wrap Administration**
Chris confirmed that the Administration cost was included in wrap price.
Dick will contact Brian Selna regarding the wrap administration.
Dick will also work with LB and complete the Performance Bonds.

Payment and Performance Bond (I.C.W. Group) – Have Chris get the final information regarding :

1. Insurance Company of West
2. Explorer Ins Co
3. Independence Casual Ins Co

7. **RDH**

Contract revised draft was sent 2 weeks ago
Removed the upgrade to 5 million – now use the 2 million
Dick to resolve

8. **RK Wilson contract**

To be completed with Ronnie and Dick

9. **Site Visits – Pete’s Letter (May 19, 2009)**

Dick made some changes and Ronnie will review them with LB to get closure

10. **BOD Meeting Minutes Approval**

Motion to approve March and April minutes from HOA Board Meetings
Approved by: Chris, Burke, Rhonda, Steve
Minutes will be finalized and emailed to BOD members and Mt Hood Mgmt Co

11. **Building Q – Fireman’s Fund**

\$605,000 was dispersed 5-19-09 to the HOA for final payment on Building Q rebuild cost.
Pay RDH \$30K for plans and inspections on building Q.
We will hold back 5% of bill to LB for \$85,000 pending completion of final work items on Building Q (Painting, etc).
The close out will follow from LB when items are completed.

12. **Audit Ending – Dec 31, 2008**

Approved \$4,000 for audit – Steve motioned, Chris seconded, all approved.

13. **Property Liability Package**

Fireman’s Fund Policy extend for one (1) year for \$70K for same coverage
Using \$30 Million
Burke motioned, Steve seconded, Approved
Chris to get us summary sheet to show coverage (Gallagher Policy)
\$5 Million for Coverage (prior to June 1) D & O – try to get it upgraded to \$7.5 million in coverage.

14. **Manager’s Report**

- A.** April financial stmt didn’t reflect the \$20K Deductible for insurance claim to pay for fire and sprinkler repair cost
May Manager’s meeting minutes will be corrected to reflect the \$20K deductible

B. Resort Operations and Costs

Snow removal exceed budget for April

All five (5) pool heaters and jets are turned off
Trash service was stopped on 5-11-09
LB to pay for temporary meter for Building Q used during construction

C. Management Fee

Collection fees - \$19,000. Brett will follow up and see who is filling forms and what's the progress with collections

D. Propane

We are looking at moving 3 propane fills to new locations to reduce snow removal costs during winter.
RK Wilson and LB will work with MHM to determine new locations.

15. **Protocol – Pressure Test Line**

Legacy to put together emergency procedure and will start pressure testing lines twice a year.

Our cost for propane is \$1.79 gallon. – meter reading fee was \$8.98 and is reduced to \$5.00 per visit (no usage, no fee will be charged for the meter).

16. **Fire Hydrants**

Installing 7 Fire Hydrant extensions costing \$3,325, will save thousand s of dollars each year by reducing the hand snow removal cost during the winter.
Brett will follow up to see if we want to have them installed

17. **Miscellaneous Charges**

\$132 approved for Club house supplies.

18. **Labor and Security**

LB will hire MHM as subcontractor for labor and security during construction.

19. **Unit 107 and Man lift**

Unit 107 will be leased to LB during course of construction for \$9,000, and the money has been credited to the construction contract.

Collins Lake's man lift will be rented to LB for \$1,000 a month during construction and the money will be credited as well.

20. **Legal Notification**

Pete V. will be sending a "Status of Repair to Collins Lake Resort" to update the homeowners -copy is attached.

MHM will be updating the Collins Lake website with updates on construction progress and will schedule Sunday visits with owners.

21. **Settlement Claims**

Settlement claims to be signed by May 22nd and the funds should be in place within 3 weeks (May 22, 2009)

Funds to be put in Kilmer, Voorhees and Laurick trust account. They will then be transferred into a fully insured interest bearing account for the HOA.

22. **Repairs and Resort Closure**

The Board authorizes the repairs and closure of the resort pursuant to Article 7.3(b), 7.3(a), 7.5 (p), and 3.7 (l) and all of the bylaws of the Collins Lake Homeowners Association.

FINAL