

MINUTES OF THE BOARD MEETING
OF THE ANCHORAGE WEST ASSOCIATION

April 21, 2007

At a meeting of the Board of Directors of the Anchorage West Association, duly and regularly called and held at 9:00 a.m. on Saturday, April 21, 2007, there were present: Directors James Sebben Bruce Douglas, Dave Lippa and Roy Topping (via telephone) from the current Board of Directors. Also present were Kevin Lovett, Jeff Morgan and Peter Schutz (via telephone) for Summit Resort Group.

1. Call to order – 9:05 a.m.
2. Owners Forum – advertised and welcomed owners to participate; no participants attended.
3. Minutes from the January 13, 2007 Board meeting were approved.

3. Financials

Financial Report as of March 31, 2007 close

March 31, 2007 close financials report that we have \$30,696.17 in Operating and \$68,404.39 in Reserves.

March 31, 2007 Profit and Loss statement reports that we are \$12,697 under budget in operating expenses. This underage is mainly due to savings in Gas. We are \$20,755 under budget in gas.

Reserve Account Summary

Current Reserve Balance \$68,404.39
(as of 3/31/07)

April expenses

Breckenridge Mech	\$38,180.86
Triangle Electric	\$5,038
<u>Engineer</u>	<u>\$856</u>
Total Expenses	\$44,074.86

Predicted Reserve Balance

(as of 5/1/07) \$25,081.53 (includes April reserve contribution)

Predicted Reserve Balance per Capital budgets December 31, 2006 Y/E was \$25,512

A presentation follows itemizing each of the reserve expenses as they relate to the boiler replacement project.

Boiler replacement / asbestos removal expense Breakdown

Breck Mech breakdown

Original bid	\$192,325
Change orders	\$22,012.46
Total	\$214,337.46

Triangle Electric breakdown

Original bid \$5038
Change orders \$4052
Code compliance \$5665
Total \$14,755

Engineer

Original bid \$8500
Additional \$1780.80
Total \$10,280.80

Asbestos

Original bid \$19,000
Inspection fees \$1183
Total \$20,183

Hot Tub Company

Total \$6,301.83
(Estimated \$4k remain on hook up of pool)

Concrete

Original bid \$1500
Total \$1500

Division 7 – ceiling fire caulking / insulation of Lower North ceiling

Original bid \$1650
Total \$1650

Gas Rate Lock in Strategy – Currently, we are riding the market index gas rate and are significantly under budget. We have reviewed usage histories and using a target lock in rate of \$7.50 (total cost) per dkthm, we plan to decrease budgeted spendings by \$14k for the fiscal year 2007-2008.

Budgeting plans 2007-08 fiscal year.

SRG management worked with AW Treasurer to “polish” the capital reserve budget and to also create the operating budget for 07-08 fiscal. Four possible plans were presented and reviewed. Upon discussion, the following was decided:

- Present one budget to the owners at the annual meeting with \$60 per unit per month going to reserves, without the internet and with a \$35 per unit per month dues increase. The overall reserve budget philosophy was reiterated as being one of proper funding through regular contributions as opposed to special assessments.
- An additional option to be presented to the owners would be to keep the internet for an additional \$10 per unit per month. Also present the option of converting the office into an internet room; SRG to investigate costs of a modest internet room.
- Another additional option to be presented to the owners is to replace the lake side sliding glass doors / windows with a special assessment of the owners and if so, when.
- SRG to work with Treasurer Jim Sebben on presentation of the above to owners.

4. Managing Agents report

Completed items

- Repairs to concrete by hot tub area and to hot tub gate
- In unit washer and dryer, dryer vent policy created and sent to owners

Pending Items

- Spring clean up
- Plant sod where tree was between pool and N. bldg
- Pool start up (to be completed with pool hook up) - to be open by Memorial Day
- SRG to investigate options and cost estimates to install "water cops" (a water leak detection system) in the laundry rooms and present bid to board.
- SRG instructed to complete touch up painting of railings and stair wells.
- SRG instructed to patch stucco by hot tub
- SRG instructed to make necessary patches to the winter pool cover and to get another season out of the summer pool cover.
- SRG instructed to install a security camera in place (2) at the hot tub / pool area
- Bruce Douglas requested permission to install a tree between the lower south bldg. and the pool area; permission was granted.

Possible Capital Project items

- Replace Roof Vent caps – Decision was made to table this item for now and to possibly readdress in the future.
- Gas meter covers- Decision was made to not proceed with gas meter covers for the 2007 year; table this item and remove budget figures for this item from the capital projects plan.
- Pool / hot tub area snow melt boiler – \$4500 budgeted.- Decision was made to proceed with the removal of the snow melt boiler that sits outside near the pool and hot tub and to run the snow melt system off of the new boiler system installed in the lower South bldg.
- Laundry rooms – improve appearance, paint \$3000 budgeted
- Dumpster enclosure – Goal of enclosure is to improve appearance of this area. 2 –sided structure with front section consisting of 2 swinging gates and 3rd side to be located near boats. We have received bids to complete of approx. \$5000. The decision was made to present this option to the owners at the 2007 annual meeting.
- Carpet repairs to landings - \$3000 budgeted. SRG instructed to find match to carpet and complete repairs.
- Hot tub misc. items (cover, parts, pool hook up) - \$5000 budgeted; complete hook up of pool, and purchase new user friendly hot tub cover.
- Irrigation - \$2000 budgeted. SRG instructed to check with the Landscape Committee on this item.
- Carport Structure – an engineer has inspected the carport structure; we await his report. SRG instructed to work with Roy Topping and Engineer to get a plan to repair and caulk the carport area. Add cost estimates from the proposed plan to the capital projects budget.

Report Items

- Pipe banging- reports of pipe banging have decreased. Pipe banging is caused by "weak", older zone valves and backwards zone valves. Zone valves have all been inspected; additional complaints of pipe banging are handle on an individual basis.
- Laundry room shut off valves – already in place
- High speed internet – The continuation of the wireless internet system will be discussed at the 2007 annual meeting.

- White walls in lower parking lot, carport area – these walls are again discolored due to snow melt run off. Propose having them painted this summer. Last years cost to paint was \$1300. The decision was made to first work with Roy and the Engineer on the carport structure plans.

5. Old Business

A. Boiler install status: Mike Day has officially “signed off” on the project as approved. Town of Dillon has approved all work. Final payments approved to be sent. Pending work includes final pipe insulating and one alteration of the ignition module; the ignition module that came stock on the boilers were single fire- we are changing these out to multiple firing ignition modules (90 second firing attempts); materials are free from Casmus- hourly charges for Breck Mech to change them out. We have also had a representative from Casmus visit the site to complete the “start up” of the boilers; we have received reports from the rep. Final balancing is also pending; Roy is scheduling. We have signed on with Breck Mech to receive the maintenance program. SRG instructed to make final payments to contractors after final tasks are completed.

B. Managers unit swap. We have answered the following questions posed at the last board meeting:

1. What is the price difference between a 2 and 3 bedroom unit. The price difference between a 2 and 3 bedroom (in the same building) is approx. \$50k (this assumes same rated interior). Note that a 3 bedroom in the upper bldg. would most likely sell in the same price range as a 2 bedroom in the lower bldgs. (assuming the same rated interior).
2. Find out if there are any 2 bedrooms on the market. Based on the above, this would limit us to 2 bedrooms in the upper bldg. there are six 2 bedroom units in the upper bldg. None are currently on the market.
3. Explore the legal possibilities of selling the managers unit and purchasing another unit either on or off site. This would be possible with legal counsel assistance and amendments to the Governing Documents (Governing Document Amendments require 67% owner approval, First mortgage approval; cost estimate to complete \$1500).
4. Explore the possibilities of the Town approving the conversion of the office to a studio unit. The possibility exists with the following spec's:

Must use licensed contractor

Must Add bathroom and Kitchen

Must present formal plans to Town of Dillon for approval with Permit Application

Over 500 sq. ft- goes to Planning and Zoning

Under 500 sq. ft – Class 4, can be reviewed at Staff level

Parking, we must have 1.5 spaces for each 1 bedroom or studio unit

We must also have 2 spaces for each 2 bedroom and 2 spaces for each 3 bedroom unit.

SRG instructed to contact Ron Pfister to investigate the value in taking out another loan on the managers unit to complete capital projects.

The decision was made to propose the possibilities of the managers unit exchange with a 2 bedroom with the goal being profit to the Association, the possibility of converting the office space into the managers unit and selling the managers unit and the possibility of taking out a loan on the managers unit to the owners at the Annual meeting.

SRG recommended hiring legal counsel to proceed with any of the above possibilities in the owners desire as it is above and beyond routine property management.

6. New Business

A. Pool / hot tub area snow melt boiler – \$4500 budgeted.- Decision was made to proceed with the removal of the snow melt boiler that sits outside near the pool and hot tub and to run the snow melt system off of the new boiler system installed in the lower South bldg.

B. Dumpster enclosure – Goal of enclosure is to improve appearance of this area. 2 –sided structure with front section consisting of 2 swinging gates and 3rd side to be located near boats. We have received bids to complete of approx. \$5000. The decision was made to present this option to the owners at the 2007 annual meeting.

C. Annual Meeting Preparation

Saturday July 21, 2007

Meeting to be held at Dillon Town Hall 9:00 Start time

Owner picnic to be held in the park; park reserved from 9 am – 3 pm

Official annual meeting notice to be sent to owners on June 21, 2007, to include

Cover letter

Official meeting notice / proxy

Agenda

Proposed operating budget 07-08

Minutes from 06-07 meeting

Ron Pfister and Bruce Douglas are up for re-election this year

-SRG instructed to hire Pug Ryans to cater the event.

-SRG instructed to send out a “Save the Date” for the annual meeting along with the May dues mailer.

D. Landscape Plans

The Landscape Committee has requested \$1500 for summer projects 07-08 (this can be funded from operating account)

Current Landscape Committee Plans

1. Hire a landscape design person to draw some plans for the front and back...
2. In general....build a brick wall at the corner of each driveway in the front...
3. Remove the weeds and tree in the back and plant some low maintenance bushes on the terraces in the back....
4. We don't think we would spend more than \$10,000 over three years...

SRG instructed to check with the Landscape Committee to possibly add to their plan the xero-scaping of the area in front of the Boat lot as well as irrigation upgrades to the lake side of the pool area.

E. Managers unit carpet clean – The Board permits the professional cleaning of the carpets in the managers unit as well as the painting of the walls in the managers unit.

F. SRG directed to purchase a table and chair patio set complete with umbrella for the pool area. SRG also directed to replace pool area lounge chairs as needed.

G. SRG instructed to get a plan / bids to install a locking handle on the pool gates.

7. Next Meeting Date – The next Anchorage West Board meeting will be held in June; SRG to email Board possible meeting dates.

8. Adjournment – with no further business, the meeting adjourned at 12:05 pm.