

**LIONSHEAD PHASE II
CONDOMINIUM ASSOCIATION
BOARD OF DIRECTOR MEETING MINUTES
January 26, 2016**

The Board of Directors meeting was called to order by President, Bob Lichtenstein, at 4:00 pm, in the Lodge at Lionshead conference room. In attendance were Board Members Bob Lichtenstein, Peggy Sciotto, Mike Steele, Katy Lichtenstein and Crys Margolis. Also present was Jeff Bailey of Peak Resort Services, Inc.

Presence of a quorum was established with 100% of Board Members in attendance.

Board reviewed the proof of meeting notice.

Board reviewed the minutes of the previous Board of Director Meetings of July 23rd & 25th, 2015. Mike Steele requested that a change be made on the July 23, 2015 minutes. Management will make the change requested. Motion made by Bob Lichtenstein to approve the prior minutes as amended. Motion seconded and passed unanimously.

FINANCIAL REVIEW

Management reviewed with the Board the December YTD operating account budget vs. actual statement. Association is \$8,490 under budget through December 2015.

OLD BUSINESS

Management reviewed with the Board reports recapping the siding and fascia replacement project. Management explained that the final project costs are still being finalized. Best information available to date estimates the project was completed successfully, on-time and approximately \$102,000 or 18% under budget.

Bob provided the Board with an update on the Association's litigation with CertainTeed and the status of the payments received to date from the settlement and the class action claims administrator. The Association has received a settlement payment of \$112,500 and the first of two payments from the class action fund. First payment was in the amount of \$24,656.58. Amount of the second future payment in approximately 6 years is unknown. Bob also noted that the Association's attorney has filed an appeal, requesting the payments be

increased by reason of the nature of our building versus that of a single family home. We do not know the results of that appeal.

Management reviewed a capital replacement project budget to actual report for projects completed year to date.

Board reviewed with management the status of the sound mitigation efforts to date on the south end mechanical and pool equipment rooms. Management reported that the mitigating steps taken to date have resolved the problem. No further action is needed at this time.

Board reviewed with management the engineering report from B2CE on the ongoing corrosion problem and leaks in the fire sprinkler system. The most recent pipe failure occurred in October 2015 (#5) in the management office ceiling. Management reviewed with the Board the work undertaken in December that was specified by B2CE and performed by Western States Fire Protection. Additional testing will occur in April 2016, to determine if the glycol migration between zones has been stopped and if additional mitigation efforts are needed.

Management reviewed with the Board the completion of the loft additions to units #320 & #330. The additions added 150 sq. ft to each of the units. The resulting payment to the Association, based on the prior approved lease agreement and formula, was \$38,250 per condo or \$76,500 in total. These payments have been received and deposited in the Associations capital replacement fund.

Management reviewed with the Board the process for amending or preparing a new Condominium Map for the Association. The purpose of the project would be to bring the old map up to current standard and to incorporate the six long term leases that owners have with the Association, into their unit ownership (also the expansion that occurred in unit #160). Two options were presented. Option 1 is for an amendment to the existing map and a reallocation of ownership interest chart. Option 2 is for new condominium plat of the entire property, including all units and common elements and the reallocation chart. Both options will require a vote in favor by 67% of ownership via ballot or at a properly noticed, meeting of ownership. The pros and cons of the options were discussed at length. The Board directed management to do a square footage comparison of the County records, to the As-Built measurements performed in 2006, on a sampling of units. Management is to share this information with the Board and set up a conference call to discuss, prior to making any

further decisions. A follow-up conference call will be set once this information is available.

NEW BUSINESS

Bob informed the Board of some research that had been done by management on the availability of Comcast phone service for the property. After discussion the Board directed management to pursue a bulk phone proposal, like the one the Association has for cable television, for all of the units. Management will look into this at the end of the ski season.

Management explained to the Board, a problem occurring on the properties south walkways, due to paver upheaval caused by large cottonwood tree root systems. This property and walkways are shared by Phase I & II. Management presented cost proposals from High Country Forestry for tree removal and a root barrier system to address the problem. More information is needed in order to make a more educated decision on the best course of action. Management will continue to gather information and costs to share with the Phase I & II ownership meetings in July, if not sooner.

Management reviewed with the Board information on the failing snowmelt system in the shared driveway with Phase II & III. There is a use agreement in place that requires the maintenance and replacement costs be shared equally. Management will gather more information on this project and report back to the Boards of the Associations.

The meeting moved outside to view the recently completed stucco addition on the penthouse level and the color scheme. The Board decided that no repainting need take place at this time.

Nominating Committee

The Board appointed Mike Steele to serve as Nominating Committee Chairperson to fill the upcoming vacancies on the Board. Crys and Katy's terms expire in July and both expressed interest in continuing to serve on the Board.

Meeting Dates

The Board scheduled their next meeting for Thursday, July 28, 2016 at 4:00 pm.

Adjournment

Peggy Sciotto made a motion to adjourn the meeting at 6:00 pm. The motion was seconded and passed unanimously.