

**Wentworth Resort Condominium Association
Board of Directors Meeting
October 19, 2013
E. G. Chandler, Inc. Offices**

WRCA BOD: Jack Kwesell, Mike Dinneen, Blake Smith, David Treadwell, DD Warren, and Rosemary O'Brien

Management: Erik Chandler

Guests: John Bruni, Peggie Dinneen, Stephen & Diane Crane, Michael & Marjie Evans, Lori Keenan

The meeting was called to order at 9:30 A.M. by Jack Kwesell, President.

Roofing

The Board discussed roofs first to try to develop an action plan for repair/replacement and funding. Several owners from buildings with leaking roofs would be joining the meeting at 10:30. In addition Dan and Kristine Coughlin had been in touch with Management, Mike, and DD about the condition of the roof in their building and would be calling Erik post meeting to find out what plans are made.

We summarized where we are to date. The Association has been implementing a program over the past five years to replace the most critical roofs. We have been averaging replacement of three half roofs per year. The three scheduled for calendar year 2013 were the front sides of 180 Main Street, and 10 and 14 Georgia Lane. There was also some indication that the back of 180 Main should be replaced, but this would require budget beyond what we have been allotting annually. Roof replacement is normally scheduled for late September/Early October coincident with the new fiscal year when CAPEX funds become available. This year, because of the timing of the Management change, the work was not scheduled.

Erik presented results of work he just completed property wide and included in his Management Report to the Board.

He spoke with owners at 180 Main, 10, and 14 Georgia who have reported leaks along with one owner at 6 Fox View Lane, who reports a leak. He plans to contact the remaining owners at 6 Fox View but is hoping it is just a repair at the one unit (6D) at this time.

He has identified issues with the existing roofs which could have contributed to their premature failure. A contributing issue is inadequate venting, which causes ice dams. The original construction included soffit/gable vents on the buildings but since then, ridge vents are considered essential in combination with soffit vents.

He spoke with Jason Brown, the contractor who has completed roofs at Wentworth for the past 5 years. To Brown's knowledge there have not been any issues with the new roofs. Brown said that he had proposed additional venting but Management at the time decided to proceed without additional

venting. When Erik asked if he had availability for upcoming work Brown indicated he had. It was then that he learned that Brown has neither general liability nor worker's compensation insurance, and by his own admission, never has. This could have been problematic for the Association. Some contractors don't have worker's comp, but all should have general liability insurance. Erik doesn't recommend doing further business with Jason Brown because of the lack of insurance.

Another issue identified is the lack of specifications and contracts for work done in the past. This could be problematic if an issue comes up a few years in the future, basically lack of warranty.

Going forward Erik recommends that for all major work, specifications and contracts be developed and three competitive bids be procured. However, there is insufficient time for this process for the current roofing project. If we want it implemented before winter, he recommends waiving the bid cycle and proceeding with a firm he has done business with for the past ten years and with whom he has a high degree of confidence.

Our choices are to do nothing, rake the roofs, and deal with interior repairs or try to get the contractor on board without competitive bids.

Cost information based on quotation from Addison Mason was provided for two buildings (180 and 10). 10 and 14 are assumed to be the same. Costs included all material, installation, disposal and management.

Alternatives are

- All of 180 and half of 10 Georgia and repairs at 14A (Evans) only.
- Three half roofs 180, 10, 14.
- All of 180, and half of 10 and 14 (this is more than we would have budgeted for as part of our regular replacement program).

If we are going to do all of 180, ridge vent(s) would be included. It would be most cost effective to do all of the front of 14 at once.

The cost of ridge vents is \$800-\$1000 per building. Ridge vents can be added at any time.

We believe there may have been other leaks in 14 Georgia but status (repaired or not) is unknown.

Erik will follow up at 180 Main to determine need to do the entire building and contact other owners in 14 Georgia.

Financing options were discussed including raising dues, special assessments, or delaying other maintenance. We have one increase in dues in eleven years. The dues were raised in 2004. We would like to start building up our reserve fund.

Erik presented a summary of comparison of dues and special assessments from other Associations. Special assessments for roofs at other Associations are common. He also has additional information about what is included in dues (windows, doors, skylights). John Bruni is putting together assessment information versus dues and fees.

Blake mentioned his neighbor 8B Fox View has reported a roof leak issue, the same one Blake (8A) has experienced. 6 Fox View is on the building repair (punch) list as needing a new roof.

As a minimum we are doing half of 180 Main and half of 10 Georgia before winter.

The budget was discussed briefly – we will save on management fees – this could free up some funds for roofs.

Stephen and Diane Crane (10BG), Michael and Marjie Evans (14AG), and Lori Keenan (10CG) joined the meeting at approximately 10:30 A. M.

Jack explained the Association's re-roofing program, which in the past has included three half roofs per fiscal year, which begins in the fall of the calendar year. He explained we need more information on 180 Main Street, which may need both sides replaced. He also indicated we needed more information on 14 Georgia.

Michael Evans indicated that interior repairs were made by our former Property Manager. The interior repairs were made assuming that the roof was to be replaced in (calendar year) 2013. To his knowledge no exterior repairs were made. As of a few days ago, the roof is still leaking. He indicated that the leak is near the skylight and coming down the front wall. We need to confirm with Marcel that no repairs were made. Information provided by Mr. Crane seemed to indicate there were no exterior repairs made at his unit pending roof replacement. The roof leaks when it is raining. Lori Keenan reported an active leak in her unit.

The Board explained that cheek walls have been a source of leaks due to inadequate or lack of flashing. Many cheek walls have been repaired throughout the complex.

Jack confirmed that the three half roofs (180, 10 and 14) were in the fiscal 2014 budget (2013 fall expenditure) but because of the change in Management there was a delay in implementation.

Jack summarized the Board's plan as follows: 180 is being evaluated. One side will definitely be done but possibly both sides will be done. 10 Georgia will be done, 14A will be evaluated and repairs made to 14A and the rest of the building if necessary.

If 180 needs a complete roof we will have to determine best method to fund the project. Options were discussed. Special assessments versus dues increases were discussed. Ms. Keenan, Mr. and Mrs. Evans, and Mr. and Mrs. Crane left the meeting at approximately 10:50 A.M.

We discussed other funding options – loans from reserve, bank loan, reducing other CAPEX, increase fees in combination with a loan, etc. A small increase in fee could pay for the additional roofing the first year and then could be used to buildup reserves the following years.

It may be cost effective to approach maintenance differently – concentrate on several buildings a year, rather than a piecemeal approach. We discussed cleaning up all the small lingering items on the Building Repair List (BRL) at once. Once the list has been addressed, we can then start on a scheduled whole building approach. It was agreed that the BRL needs a revamp.

A couple of items on the BRL were discussed. Doors are the responsibility of owners and if they install the wrong color they are responsible for painting or the cost for painting. Windows are also the responsibility of owners. We have standard models/colors (products) for doors and windows. Marcel

should be able to provide the list to Erik. Erik should check with local codes as to window replacements (new fire codes require bigger windows).

Management Report

Erik is in the process of updating his Quickbooks (2010) to a more recent version to be compatible with Wentworth's (2013 version). The updates are expected to be in place before the end of the month.

The budget is still being developed. The budget is to be revised to reflect the lower management fee and apportioned elsewhere. Jack confirmed that insurance costs have come in as budgeted.

It was agreed that it may be worthwhile to go out to bid for our insurance to confirm cost. We have regular insurance, umbrella, and flood.

Checks need two signatures – Erik and one BOD member – it is usually Jack - DD and Dave who are full time residents, are backup after Jack approves. The Wentworth's signing authority needs to be removed. We need to include Erik, Jack, DD, John, Mike, and Dave.

Erik evaluated the master key situation. There were two master keys (1, 2) provided to Erik by the Wentworth and he quickly found out that they did not work for all units. He was then provided two additional master keys (3, 4). He went door to door to assign a master key to each unit. A few units are not accessible with any of the master keys. Erik provided spreadsheets with results of his work - units/master keys. He proposes getting every unit on one of the two original masters and doing some lock maintenance for hard to operate locks. The Board approved an estimated \$1,200 expenditure by Intervale Lock to get all units on one of two masters. At some point we will need to inform owners that they need to stay on the master if they re-key.

We reviewed the owners list and identified the units that are occupied full time. For full time occupants, they won't do heat checks. For spot rentals they will.

Pope Security – the alarm codes will be updated. The personal code and hotel (if applicable) stay the same. There will be a new code for Chandler and a subcontractor code. If an owner needs another code, for example for a cleaner, they can request from Pope. Owners with ADT and Wells Fargo have been reminded to provide codes. Owners need to be reminded that they have to have a working alarm system and a working landline.

Electronic records and digital logs exist. Chandler will obtain from the Wentworth.

The Website has been updated for the new Property Manager information.

John Sevee has scans of the original site plans – they should be in PDF format. Some have been updated digitally.

Erik will walk around the property with Marcel when he is back from vacation.

Owner Issues:

Squirrel issues – Erik can handle trapping and will call in Presidential as needed.

31D Barrett – there is minor mold under the stairs. Erik will treat and monitor.

The Board approved the cost to power wash exterior mold on the front of 13 Chipper Point.

There was a power outage resulting from a failure of underground power line cable – this could be an anomaly – N. H. Electric Coop repaired at no cost to the Association.

Pest control was discussed. We had used Presidential in the past and Wentworth Management handled in-house. Initially there was a cost advantage but this advantage went away. We can revisit external pest control.

Painters – Erik uses three firms. We discussed a painter whom we had used in the past and were not entirely happy with – Erik indicated that he has gotten much better.

Dumpster building maintenance: The building is in a highly visible location and needs attention. Management removed brush encroaching on the building. Erik recommends that the earth against the side of the building be removed by re-grading to prevent rot. If the cost is nominal he will just proceed. The snow plow is in the way – it belongs to the hotel and should be removed. We discussed repairs of damage to the front of the building caused by the truck cabling system and damage resulting from the bear break-in. Erik recommended addressing the building repairs and will develop a plan and budget for the Board's approval.

Erik recommended and the Board approved limited removal (by his crew) of dead trees and limbs blocking light posts, or, causing line of sight issues. These are safety issues and should be addressed. This work is not within Eastern Green's scope of work.

The master list should not be sent to all owners – there are a few owners who do not want their personal info sent out to all owners. This will be addressed going forward.

Financial Report

Jack requested that Erik review the budget proposed by Fritz for reallocation of funds. The reduced management fee could go into roofing.

The 2014 budget should include contingency. Lenders require 10% of the dues going into reserves. It doesn't prevent a loan but makes the loan more expensive for the borrower. The \$109K going into CAPEX is equivalent to adding to reserves. We might label contingency as reserve.

There is agreement that there is a need to separate the small maintenance items from the CAPEX. The smaller items should be classified as building repairs. This would be a good time to do this. Erik will attempt to re-categorize with input from John and Jack.

Approval of September 14, 2013 BOD Meeting Minutes:

The minutes of the September 14, 2013 meeting were approved.

Old Business:

Grass/Lawn at 84B/C WW Hall Ave. The repairs done by Wentworth were not effective. The lawn repairs will be addressed in the spring.

Eastern Green: Although there are no changes, we need to have our own contract with Eastern Green. We are under a three year agreement since the contract was part of Wentworth's contract. We should clarify their scope of work, as there are items that may have been overlooked. We also need to clarify that there is one point of contact. Chandler will work out communication with Eastern Green (Sean). We will consider re-bidding when Eastern Green's contract is up for renewal. We will provide the portion of the Wentworth contract to Erik to assist him.

Ice melt and buckets in the dumpster building: these belong to the Association.

WMO Propane Supply Contract Renewal: the contract has been completed and is ready to finalize.

New Business

Outside faucet winterization – Huntley Allen (at no charge to the Association) will go building to building with Erik. Lines need to be blown out to prevent freeze-ups.

Annual Meeting Date:

The date for meeting and dinner is December 7, 2013. The annual dinner menu has been finalized. Thanks go to DD for her work. DD will work with Red Fox on the reservation form.

Set up for annual meeting: Red Fox will be hosting the meeting and has provided a price \$6.29 per person for refreshments.

Erik confirmed his availability for the Dec 7th Annual Meeting (Dec. 7, 2013 at 9:30 AM).

We discussed the agenda and presentation for the annual meeting. The meeting notification (with notification, proxy and dinner reservation form) goes by regular mail. Erik will obtain templates from Irina. The rest of the annual meeting package will be by email.

Next Meeting:

The next BOD meeting is scheduled for Friday November 8, 2013 at EG Chandler's offices.

Adjourn:

The meeting was adjourned at approximately 12:54 P.M.