

Annual Meeting of
First Westwind at Vail Condominium Association, Inc.
10 September, 2011
Vail, Colorado

The meeting was called to order by Association President James Beedie at 9:03 am MDT.

Mr. Beedie directed that Jeff Jacobs call the roll of the members. Mr. Jacobs conducted a roll call and advised the Association that a quorum was present.

Mr. Beedie asked for and received a motion and second to approve the minutes of the annual meeting of August 21, 2010. The Association's members approved the resolution by unanimous consent.

Mr. Steve MacDonald reported on the budget and the Association's finances. He reported that the Association had a budget surplus due to savings on natural gas from the previous winter. Mr. Beedie moved and Mr. Peterson seconded a resolution to transfer this surplus to the capital reserve. The Association approved the resolution by unanimous consent. Mr. MacDonald then went through each budget item listed in the proposed budget contained in each Association member's pre-meeting packet. Mr. MacDonald reported to the Association that the new budget expenses for natural gas was based upon the utility's estimate that it provided the Association.

A motion was then made and seconded that the Association approve the budget and the Association passed the resolution by unanimous consent. Walter Yeates thanks the Board of Directors and Mr. MacDonald and Mr. Jacobs for their attention to maintenance issues during the past year.

Dawn Moe then presented a report on marketing and provided the members with a marketing report which was enclosed in the pre meeting materials. She noted that there are more units available for rent in Vail and that the recession is still affecting demand. While the rental income is down from the 2007-2008 peak, it is even with the previous year. She went through some of the new technology available for marketing and booking units.

Mr. Jacobs reported that other than the center court yard, the only capital expenditures that he foresaw were the installation of carbon monoxide detectors in the garage. These detectors would not have an alarm, but would activate the garages exhaust fan system. Mr. Jacobs noted that there are already carbon monoxide detectors in the living units. Mr. Jacobs also noted that the coating installed on the floor of the courtyard had cosmetic flaws and cracks; the engineers from the manufactures would be inspecting the courtyard floor to ascertain the cause and to repair the existing surface. Mr. Jacobs then noted that the heat exchangers and pumps for the hot tubs were approaching the manufacturer's estimate of useful life, but appeared to be in good shape otherwise. Finally, Mr. Jacobs reported on the new lobby improvements and the Association's membership was enthusiastic with their praise of these improvements.

Mr. Peterson moved and Mr. Beedie seconded to approve and ratified the Board of Directors actions for the previous year. Mr. Peterson noted that copies of the board of directors meeting minutes were enclosed in the pre meeting materials. The Association passed the resolution by unanimous consent.

Mr. Beedie then moved and Mr. Davenport seconded that the Association re-elect the incumbent directors, Jim Beedie, Mark Johnson, Ron Peterson, Jim Zetler, and Ed Davenport for an additional one year term. The Association passed the resolution by unanimous consent.

Next, Mr. Ed Davenport delivered a report on the courtyard. Mr. Davenport also supplied supporting information in the pre-meeting materials. Mr. Davenport proposed that the Association construct a natural gas fired fire pit in the north end of the courtyard. The fire pit would contain stone seats with backs which would be heated. Mr. Davenport indicated that this fire pit would be a phase one of a process to improve the building and make it more attractive for owners and renters. Mr. Davenport also noted that based upon a soon to be released structural engineer's report, the floor under the fire pit would have to be reinforced by adding steel girders in the ceiling of the garage. These girders would not change the height of the garage roof. Mr. Davenport supplied detailed cost estimates of this project in the pre meeting materials, but added a reserve to increase the estimated costs to \$60,000. While the members received the proposal with enthusiasm, Robert Wainger expressed concern about cost overruns and extras. Roger Marce expressed a concern that the project should fit within a more comprehensive plan and not done piece meal. After a lengthy constructive discussion, a motion was made and seconded to approve the appropriation of \$60,000 and to authorize the construction of the fire pit. The motion was approved by all of the Association's members except Roger Marce and Robert Wainger.

Ed Davenport thanked the members and then shared with the members his vision of the next phase of the development. Ed wanted to first concentrate on the outward appearance of the building. Does the building need to change color the next time it is painted? Should there be window accents. If so, should they be on all of the windows or just the north windows. Is there something more the Association can do with respect to curb appeal?

With respect to the court yard, Mr. Zetler expressed a desire to either eliminate or reduce the size of the storage shed at the north end of the court yard. Ed Davenport suggested an awning over the barbeque would help.

Finally, Mr. Davenport made a motion to install three to five planters in the courtyard and remove the existing half walls that are placed intermittently throughout the courtyard. Mr. Davenport estimated that it would cost \$5,000 per planter. Many of the members not only wanted flowers and plants for the planters, but winter lighting, particularly during the holiday season to brighten up the court yard. Mr. Marce suggested that the Association should approve \$25,000 for the project: \$5,000 per planter and \$5,000 for the design work. Mr. Beedie suggested that the Association add another \$3,000 for exterior design work. With the exception of Mr. Wainger and Mr. Litwak, the Association approved \$20,000 for these appropriations and \$8,000 for the retention of a designer to look at both the interior of the courtyard and the exterior of the building.

The meeting was concluded by Mr. Beedie announcing that the next year's annual meeting would be on LionsHead at annual Oktoberfest in September, 2012. Mr. Beedie indicated that he would advise the members of the date as soon as he heard from Vail Associates.

The meeting was then adjourned.

Respectfully submitted,

Ronald R. Peterson, Secretary.