

**CAUSEWAY ON GULL**  
**BOARD OF DIRECTORS MEETING**  
**July 23, 2011**

1. The meeting was called to order by Association President, Mark Nagel. Also present from the Board were Pat O'Hara, Gloria Williamson, Glen Johnson, Doug Johnson, Dennis Nordstrand, Bob Edstrom, and Terry Miller. Daryl Luthens was absent. Ad Hoc Committee members present were Roy Jensen, Rob Hanson, Steve Wagner, Chuck Standfuss, and Laura Johnson. Joe Lanz was absent. Legal Counsel, Dick Hawke, and Narveson Management representatives Neal Narveson, Carrie Elling, and LeAnne Rundhaug were also present.
2. A motion was made and seconded to approve the Minutes of the Board Meeting held April 30, 2011. The motion carried.
3. Committee Reports:
  - A. Finance Committee - Dennis reported that the cash remains down from last year. The 2011 fees were credited from all of the foreclosed intervals, and the remaining balance was moved to a foreclosed receivables account. Any money received from the sale of the intervals will be applied to that account. Dennis reviewed specific line items from the second quarter financial statement.
  - B. House and Ground Committee – Gloria asked that everyone make a detailed list of needed improvements to their unit during their stays. This helps both maintenance and housekeeping know what needs to be done in the unit. Glen presented a list of maintenance items that he identified as future projects that could potentially be completed in 2011, depending on funds.

The Board reviewed a bid to install steps from the indoor pool building to the 6-plex, and to clear the wooded area at the top of the hill, bring in black dirt, grade, and seed the lawn at the 6-plex. It was mentioned that there was never a plan to install a path or steps on that hill. The path that has been created, was formed when the sewer system for the 6-plex was installed. It was decided that steps should not be installed at this time, but any funds available should be put towards the lawn, if possible, this year. Some of the Board members will look at the area after the meeting.

The Board reviewed bids for replacing the roof on the marina building. Funds are not available to complete the project at this time. Options to get the project done were discussed, but no action was taken at this time.

Mark thanked Glen for the trees he donated, and thanked him for his efforts on the committee.
  - C. Communications Committee – Pat reported that the Spring Newsletter has been posted on the [causewayongull.org](http://causewayongull.org) website. There was discussion regarding what articles could be included in the Fall Newsletter, which will be mailed to the membership with their statement.
  - D. Policy Committee – Bob reported that at the last meeting the policy committee was instructed to create a form for employees to sign regarding use of the computers. There was discussion regarding the Narveson Management existing policies. It was determined that a separate form was not necessary.

4. Management Report:

- A. Neal reported that the resale company is fully functional and taking listing agreements. He hopes that a member of that staff will be able to start making onsite visits within the next few weeks. Deb Kessler, who is the A/R Supervisor and handles collections, is also a licensed realtor and will be working part-time for Vacation Ownership For Less. A website will also be created for the company. There was discussion regarding specific details of the company. Neal also mentioned that the \$10 per owner contribution may be needed again in 2012.
- B. LeAnne reported that things are going well with the staff. She identified some specific problems that owners had during their stays. Mark commended LeAnne and Carrie for the expert handling of a couple of these situations in the best interest of both the individual owners and the owners association.

5. Old Business:

- A. The Board reviewed the Ninth Supplement Declaration, which references COG Partners (the Gull Five units) and will become part of the Association CCR's.
- B. The Board reviewed the Interim Agreement with Frandsen Bank & Trust. This document included execution of the Ninth Supplement Declaration reviewed earlier in the meeting. The Board thanked Dick for his efforts. Board members were encouraged to further review the documents and contact Dick with any questions. Following discussion, a motion was made and seconded to authorize Mark and Bob to sign the document when Dick and Neal have it finalized with the bank. The motion carried.

6. New Business:

- A. LeAnne explained the procedures that were followed if an individual purchased a foreclosed interval from Causeway Development during the foreclosure process. (Causeway Development continued to sell in spite of the foreclosure process) One individual, who has already spent a significant amount of money, purchased one of these foreclosed intervals and is asking for the Board to forgive the past maintenance fees owed on the unit, and let him be an owner. Following a lengthy discussion, it was determined that the Board would forgive the past due fees in the interest of keeping a paying "owner"; however, because the foreclosure action cleared up several judgments against the intervals, they are requiring payment of the per interval share of the foreclosure action, \$500, to obtain a deed from the Association. It was also noted that the Association could not issue a deed until the CapitalSource lien is cleared.
- B. Following discussion, Steve volunteered to check into the causewayongull.com domain name.
- C. There was a brief discussion regarding rental rates. Several Board members feel that the nightly rate should be reduced.
- D. There was discussion about golf carts with head lights being purchased in the future. Right now it is against the rules to drive them at night.

7. A motion was made and seconded to adjourn. The meeting adjourned.