

**Smugglers' Notch Homeowners' Association, Inc**

Board of Directors

12-14-09 Board Meeting – Teleconference

Minutes

<b>Members present</b>			
<b>X = In attendance</b>			
<b>DIRECTORS</b>		<b>ASSOCIATE DIRECTORS</b>	
Gerry Sunderland	X	Lonny Gee	X
Tom Gangi	X	Michael Conte	X
John Mooney		David Ritchie	
Herb Lewis		Florrie Paige	
Eric Kotch			
Jay Kahn	X		
Bob Oehrlein	X	<b>SNHA Staff</b>	
Steve Hoey	X		
Jon Donahue	X	Michael Russell Legal Counsel	
Craig Greene	X	Joe Ingram Executive Director	X
Kevin Rohrbacher	X		

Gerry – A quorum being present, Gerry opened the Teleconference meeting at 8 PM

1. Legal issues – Homeowner rights - Craig Greene – Updated the Board on progress with the settlement. He will be in the resort soon and will meet with Bill Stritzler to resume discussions.
2. Fees – Steve Hoey reported that he is awaiting the results of an audit promised by Smugglers' Notch Management Company at meetings earlier in the fall. The audit would look at the costs to provide the Utilities Services (formerly those provided for payment of the “Village Fee”). The audit is to focus on the question “if the listed costs” represent
  - a. A legitimate expense with appropriate back up contracts, invoices, etc...
  - b. An expense that belongs in the Utility Service group. The Utility Services should contain only services to property that is common and available to all homeowners in the resort (main roads, grassy areas not owned by building groups or individual Townhouses, etc....)
3. Quality Home Program – Jay Kahn reported that his committees’ review of the current information provided by Smugglers’ has been completed and comments have been presented to Lisa Howe. The focus has been on:
  - a. Qualitative descriptions of criteria. The star rating program document will tend to be more subjective describing the intent of various items in homes.
  - b. Quantitative tools to rate homes – The Committee desires to have worksheets for each home group that would be objective and allow a rating to be made on observable and measurable data.
  - c. Recent ratings by Kimberly Hubbard are proposed and should not result in changes in the reservations listing for this fall. Homeowners who have a question about their current rating should contact Kimberly to confirm the rating that is listed in the reservations computer.

4. SNHA Newsletter – Kevin reported that he will compile a newsletter for January distribution.
5. Regime Property Management – Jay Kahn has been working with Lisa Howe of Smugglers' Management to obtain closure with the concerns about contract language. These concerns were articulated by the Regime Directors at their conference call in November. Jay reported that satisfactory agreement has been obtained on all the issues but the "indemnity" language. Carl Lisman, Smugglers' lawyer has insisted that the terms "intentional willful or grossly negligent" be retained in the contract. Some Regime directors and Board members are concerned about the use of those terms. Jay has discussed the language with our Insurance Agents at Associates of Glens Falls, Craig Greene, and recently with Richard Cassidy, SNHA legal counsel. Craig's position is that the use of these terms renders the indemnity clause useless. He believes a simpler term describing negligence would be much more workable and fair to both parties of the agreement.
  - a. Jay and Craig will continue to work on obtaining a satisfactory resolution to the indemnity clause for the Regime Property Services contract. In the meantime, Smugglers' has begun to provide the services to all the buildings and townhouses.
  - b. Other open issues for Regime Directors:
    1. Payment to Smugglers – Will SNHA collect the Property Management fees due to Smugglers' and pay on their behalf, or will the Regime authorize Smugglers' to collect directly from the homeowners? When will the first payments be made?
    2. SNHA agency for Regimes – Will the Regime extend the existing agency relationship that SNHA has with the Regimes to include the assignment of SNHA as their representative and contact point for Smugglers for day to day issues in the provision of the services for these contracts?
    3. SNHA will organize a Regime Director conference call to update the directors on these issues.
6. Master Policy Insurance Program – Joe Ingram and Mike Conte reported that the group of homeowners who have declared their non-membership to SNHA is creating a new challenge for 2010 and approach renewal date of the master policy program. There are 22 non-members who own homes within several of the Regimes. We will need to get a clear direction as soon as possible as to if Regime Directors will support the Board's policy that master policy participation by the building will require homeowners to pay their SNHA dues or a non-member management fee in lieu of dues. If the Regime Directors do not support that policy, they will be looking for alternate insurance, which will change the complexion of the master policy group. The sooner we know who will be participating in the SNHA program, the better the deal will be for all homeowners. The SNHA Board will ask Regime Directors in the upcoming teleconference, and a deadline needs to be set for the declaration of a position by the building.
7. SNHA Budget – 2010 – The Board members present at the meeting reviewed the 12-14-09 draft. Jay Kahn moved to approve the draft as presented, and Steve Hoey seconded. Dues for 2010 are \$685/yr in two payments. All approved.
8. Office Staff – Madonna Belval, SNHA Office manager will be retiring as of 12-31-09. Donna Farnham of Morrisville has been employed to perform some of her tasks and duties. Joe is in the process of sorting out and restructuring the office functions that have been performed by Madonna. Those not covered by Donna

- Farnham will need to be reassigned. He will assume some and some will be assigned to Darin George who began employment in August.
9. Web Site – Tom Gangi was recognized as the creator and web master for the SNHA.net site. The site has now grown to a level beyond being easily managed by Tom as a volunteer. Joe will inquire about what cost and opportunities for outside web service are available in order to ease the pressure on Tom in getting materials posted. We will still rely on Tom and others to organize and develop reports and materials to be posted.
  10. Maintenance Access Fee – Bob Oehrlein asked that a communication be sent to the homeowners explaining the QHP fee that was charged to non-renters and self renters in the third qtr. As he understands from Smugglers', this fee will serve as an access to maintenance service to non-renters and self renters with certain restrictions. The agreement to extend services in this way was agreed upon in discussions between Craig Greene and Bill Stritzler. The arrangement needs to be clarified and communicated to the non-renter and self renter homeowners. Joe will follow up with Craig, who negotiated the arrangement with Bill Stritzler.

There being no other business, the meeting was adjourned at 9:30 PM.

Respectfully submitted,

Joe Hester Ingram, Executive Director  
Bob Oehrlein, Secretary