

**CAUSEWAY ON GULL
BOARD OF DIRECTORS MEETING
January 31, 2009**

1. Association President, Tom Kraus called the meeting to order at approx. 9:00 a.m. Also present from the Board were Bob Edstrom, Gloria Williamson, Jim Kirkpatrick, Mark Nagel, Glen Johnson, and Doug Johnson. Terry Miller and Pat O'Hara were absent. Ad Hoc Committee members present were Laura Johnson, Chuck Standfuss, and Dennis Nordstrand. Daryl Luthens and Robert Hanson were absent. Legal Counsel, Dick Hawke, and Narveson Management Representatives Neal Narveson and LeAnne Rundhaug were also present.
2. A motion was made and seconded to approve the minutes from the Meeting Before the Annual Meeting held November 23, 2008. The motion carried. A motion was made and seconded to approve the minutes from the Meeting Following the Annual Meeting held November 23, 2008. A motion was made and seconded to recommend the approval at the next Annual Meeting of the minutes from the November 23, 2008 Annual Meeting. The motion carried.
3. Committee Reports
 - A. Finance Committee – Mark reported that he reviewed the December 31, 2008 financial statement and commented on revenue and replacement expenses. Overall things looked good. Tom reported that he met with Steve from Springer Collections. As expected December and January were slow months but overall Springer is doing a good job. It looks as though the Association may need to consider taking some weeks back. There was also discussion on developing a resale program.

It was reported that Causeway Development is not paying their maintenance fees. Following discussion, a motion was made and seconded to authorize Dick to initiate the foreclosure procedures against Causeway Development pursuant to the settlement agreement. The motion carried. Neal was authorized to dispose of any Association owned week with Board approval.
 - B. House & Grounds Committee – Neal updated the Board on the progress of the hot tubs that were shut down by the Department of Health earlier this month because of drain violations. All have been corrected except for units 13 – 20. They have to have an additional drain installed so plans for each unit need to be submitted and approved before the work can begin. A roofing contractor has not been sought yet. Hair dryers were installed in the master bathrooms. Management was directed to make a more detailed list of the major upgrades or replacements in each unit.
 - C. Communications Committee – There was nothing new to report
 - D. Policy Committee – Bob reported on the Developer Agreement with COG Partners. They will begin paying maintenance fees February 1st but will receive a management fees discount on the units that are not occupied. Tom was authorized to sign the Developer Agreement.

4. Old Business:
 - A. There was discussion regarding developing a better rental program. Following discussion, a motion was made and seconded to convert the Association sponsored rental program from its existing state of operation to a NMI operated program where rentals are available to all owners at a 35%/65% owner split where NMI is to receive 10% and the Association will receive 25% of the rental proceeds. The Association has set a budget of \$10,000 for 2009 for the purposes of marketing rentals. Marketing will be coordinated with the executive committee of the Board. This program will be evaluated annually. The motion carried.
5. New Business:
 - A. Following discussion, a motion was made and seconded to pay Dick \$1,000.00 and accept his attorney retainer agreement as proposed. The motion carried.
 - B. Committees were assigned as follows:
House and Grounds: Chairperson – Glen, Laura, Gloria, and Dennis
Communications: Chairperson – Pat
Finance: Chairperson – Mark, Bob, Terry, Doug, Jim, Daryl, Rob
Policy: Chairperson – Bob, Pat, Mark, Chuck.
 - C. Tom gave a brief update on what's been happening at Izaty's.
6. Management Report: There were no additional issues to report.
7. A motion was made and seconded to adjourn. The motion carried and the meeting was adjourned.