

**MINUTES OF SPECIAL MEETING OF BOARD OF DIRECTORS  
OF SUNSET POINT HOMEOWNERS' ASSOCIATION OCTOBER 5, 2017**

A special meeting of the Board of Directors of Sunset Point Homeowners' Association was held on October 5, 2017 at 1:00 P.M. Michael Hart, Mary Ellen Turmell, and Manager David Roberts were present in person. President David Russell, Guy Rogers and Gary W. Bjelland participated by conference call.

The purpose of the meeting was to discuss the contract submitted by CK Builders. Mike Hart voiced several objections or questions regarding the contract.

1. In Section 4 it was noted that while the interest rate was changed from 30% to 15% with respect to the numeral, the word "thirty" had not been changed to "fifteen".

2. With respect to Section 7, Mike noted that the 10-day notice requirement following discovery of a warranty claim was too short, and suggested a longer period of time. After discussion it was agreed that a 30-day period would be appropriate, which period is consistent with that which is recited by the manufacturer of the product, Metro.

3. With respect to the warranty exclusions, Mike stated that the "poor design" exclusion and the "skylight penetrations" exclusion should be deleted. After discussion, the Board agreed that such exclusions should be removed.

4. Mike noted in Section 9, the fourth line, that travel expenses should not be paid for with respect to change orders. The Board agreed with this.

5. Mike raised a question as to a dollar limitation in the warranty. During the discussion we were not able to locate that language in the draft contract.

6. A question was raised as to whether "ice and water shield" should be purchased with respect to this product. A question was also raised as to whether or not a performance bond should be required of the contractor. Finally, a question was raised as to the timeline on ordering the product, its shipping and installation by the contractor.

7. Following discussion of these items, Brady Davis of CK Builders joined the meeting in person. The above points were discussed with Mr. Davis. He agreed to make the changes in the contract with respect to the interest rate noted above, the 30-day discovery notification period, and the deletion of the poor design and skylight penetration exclusions from the warranty coverage. He also stated that in the event a notification was not made within 30 days of discovery, that his company would still honor the warranty. The Company simply wants to be notified in a timely fashion and not have a significant period between time of discovery and notification such that his company can honor its warranty and do any necessary repair work in a timely fashion for the benefit of Sunset Point. He also stated that with respect to the 30-day time period, he would look at it as

being 30 days from discovery by the Board of Directors of Sunset Point having knowledge of the defect.

8. Brady was not aware of a dollar limitation in the warranty but agreed to look into it, as did Mike.

9. We discussed with Ray whether high temperature ice and water shield was appropriate or not. He said it was not necessary due to the fact that there would be a 2 ½ to 3" gap between the roofing material and the underlying roof. With that gap there is no concern with respect to high temperature melting items, etc.

10. Brady was not aware of offering or working with performance bonds.

11. With respect to a timeline, if the contract was signed on October 6, and the product ordered immediately (Brady indicated that the manufacturer Metro had already been put on notice that a contract order would probably be forthcoming), manufacturing the product would be commenced immediately, and he estimated that the product would be here within 2 ½ to 3 weeks. It would be shipped here by truck. Upon receipt, he indicated that his two crews would commence work immediately. He thought it would take between 2 and 3 weeks, with 3 weeks max, for the time to get the project completed.

12. We also had discussion concerning the 25 year appearance warranty, which basically has to do with color fading. He said if there is stone coating loss, that roof replacement is the standard warranty remedy. He indicated that the wind warranty is for 155 miles per hour winds as opposed to 120 mile per hour winds, as his roof is installed with screws as opposed to nails.

13. Following this discussion, Brady was excused from the meeting. A general discussion then ensued, and upon motion made and seconded, it was agreed that subject to appropriate answers to those questions posed above, that the contract be signed and the project proceed forward immediately. All Directors other than Mike Hart voted in favor of the motion. Mike Hart abstained from voting.

There being no further business to discuss, the meeting adjourned.

Respectfully submitted,



Gary W. Bjelland, Secretary