

SURF CLUB III CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
May 21, 2005

The meeting was called to order by Bill Strawn at 9:02 a.m.

The board members present were: Bill Strawn, Larry Newkirk, Hal Seymour, and Pam Neal

| The board members absent were: Steve Weintraub

Lea Stokes of Preferred Management Services, Inc. was also present.

Bill Strawn confirmed that a quorum has been established and the association has complied with the notice requirements for the meeting.

A motion was made by Pam Neal the minutes of the board meeting held April 16, 2005 and the special board meeting held on April 30, 2005. The motion was seconded by Larry Newkirk and carried unanimously.

Manager's Report – Lea Stokes presented the Manager's Report (copy attached).

- The board approved the purchase of a pressure cleaner in conjunction with Surf Club III and the Pool & Spa.

Committee Reports

- ARC – Lea presented the board with the specifications that have been approved in Surf Club II. A motion was made by Hal Seymour and seconded by Pam Neal to approve the aluminum shutter specifications as presented. The motion was carried unanimously.
- Rules & Regulations – Lea presented the board with proposed changes to the association documents. A motion was made by Larry Newkirk and seconded by Hal Seymour to present the proposed amendments to the members at their annual meeting to be held on June 25, 2005. The motion carried unanimously.
- Insurance – Bill Strawn and the board members thanked the committee for all their hard work on the securing insurance coverage for the association.
- Social Committee – NTR

Old Business:

1. Consulting & Engineering Fee and Contract – Lea advised the board that Mr. Blackwell negotiated and executed the contract with John Barber. The final amount exceeded the amount approved by the board by \$1,400.00. A motion was made Larry Newkirk to authorize the additional payment to Mr. Barber in the amount of \$1,400.00. The motion was seconded by Hal Seymour and carried unanimously.
2. Update on dune walkover – Bill Strawn indicated that he is waiting on a final proposal. The board authorized expenditure not to exceed \$13,000.00 for this project under Mr. Strawn's direction.

New Business

1. Mr. Barber presented the board with the drawing of the work to be done on the roof coping. A motion was made by Hal Seymour to approve the drawing and authorize Mr. Barber to present this information to Haskell. The motion was seconded by Larry Newkirk and carried unanimously. Mr. Barber advised that he is continuing to work with Haskell on the punch list items.
2. Lea presented the board with a proposal to alter the landscape on the NE corner of the building due to severe wash out problems. The board requested that management refer this problem to Haskell.
3. Lea presented the board with proposals to have an insurance appraisal of the building. The board agreed to table this issue for the 2006 budget.

There being no further business to bring before the board the meeting was adjourned at 10:40 a.m.

Respectfully submitted to the board of directors of the Surf Club III Condominium Association, Inc.,

Lea A. Stokes
Community Association Manager