

March 8, 2007

Glen to Bob and Greg

Subject: Maintenance Management

At this evening's Association meeting, I shall introduce for discussion the question of what we should do regarding maintenance management.

The management options available to us are the following:

1. Continue what we have with Glen acting as manager and Jerry doing the work on an ad hoc basis.
2. Continue with Glen as MM and look for someone else to replace Jerry.
3. Consider Greg or Bob as MM with or without Jerry.
4. Consider appointing Jerry as MM without a contract.
5. Consider appointing Jerry as MM with a contract.
6. Other

Personal factors - my recent illnesses and forthcoming travel plans indicate that we should consider having someone else take over the operational details of maintenance management especially as we enter a demanding spring and summer period. If we did have someone else serve as MM, I would be happy to monitor plans and activities as long as I am not continuously on call to check details on all occasions (as is now the case).

Comments on Jerry's performance - I have witnessed Jerry's skills and aptitudes in both the work effort and the person-to-person aspect. I would rate him as very good in both areas. Comments coming to me from unit owners have been highly favorable - I have not yet received a negative comment.

The one area that we must clarify with Jerry (or with any potential MM) is the "comments to unit owners" area when it comes to Association policy matters/questions. We must make it very clear that Jerry (or whoever is MM) has no authority to speak for the Board regarding Association guidelines (such as, is the Association responsible for a certain cost incurred or to be incurred by a unit owner).

The Board must consider the merits and drawbacks of having or not having Jerry as MM, then (if positive toward Jerry) consider whether to enter into a contract with him at this time or later.

Nature of contract - if we decide to enter into an agreement with Jerry, then we must consider the nature of the agreement. Should it be similar to the one with Paul? If not, what should we include? What rate per hour is acceptable? (Jerry is now charging \$35 per hour). What provision (if any) should we have regarding a monthly retainer fee? With Paul I believe the monthly retainer was based on a \$10 per unit equation (\$360 per month); the \$360 covered the first \$360 of services that Paul billed for the month; if his services totaled less than \$360 for the month, he still collected \$360.00.

Please note - I have not informed Jerry that we may be considering him this evening for the MM position. I do believe, however, that he is looking forward to helping us in that capacity. The open question, then, is if he is not encouraged along the MM path, will Jerry look for other, more attractive options.

Attached is a copy of the contract we had with Paul.

Regards,



Glen