

LONG HILL ESTATES CONDOMINIUM ASSOCIATION

Special Meeting of Unit Owners

re:

Possible Emergency Generator Purchase

August 23, 1999

A Special Meeting of the Unit Owners of the Long Hill Condominium Association was held on Monday, August 23, 199 at the Peterborough Recreation Center, 64 Union Street, Peterborough.

Present: President, Jonathan Hampson; Director, Rob Trowbridge; Cal and Ted Davison of Cardiff Management, Inc.; and eighteen (18) Unit Owners, detail on record. Additionally, eleven (11) Owners were represented by proxy, detail on record.

Call to Order

The Meeting was called to order at 7:34 p.m. by President, Jonathan Hampson.

Confirmation of Quorum Requirements/Notice of Meeting

With information provided by Cal Davison, Jonathan Hampson confirmed that the Quorum requirements for the Meeting had been met. Cal further added that the requirements for notice of the Meeting had been met as confirmed by Association counsel.

Opening Remarks

Jonathan Hampson welcomed everyone to the Meeting.

He then reviewed the background leading to the Meeting, including the straw vote taken at the Annual Meeting that research into possible purchase of an emergency generator continue. He further confirmed that as the Board did not have the authority to make a decision regarding such a purchase, per the Bylaws, no such decision had been made. Rather, an affirmative vote of 51% of the Unit Owners was required and accordingly, the Special Meeting of Unit Owners had been scheduled primarily to take such a vote.

Confirmation of Notice of Meeting

Cal Davison confirmed that the Notice of Meeting had been forwarded to all Owners of record, as required. Further, she advised that as someone had questioned whether the Notice had been properly forwarded, that the Notice had been reviewed by Counsel and had been determined to have met all requirements for Notice.

When there was a challenge that the attorney was a lawyer and not a judge, Cal reminded the membership that the attorney representing the Association was one of the most well respected attorneys in the State, including for condominium law issues, by both his peers and the Attorney General's office. There was no further debate on this issue.

Inquiries/Requests

Mr. Caradonna, representing by Proxy Mr. and Mrs. Goodyear, challenged the Notice of Meeting stating that an attorney was not a Judge. In response, Cal reminded the membership that the attorney representing the Association who many had met at the Informational Meeting held on August 4, 1999, was one of the most well respected attorneys in the State, including for condominium law issues, by both his peers and the Attorney General's office. There was no further debate on this issue.

Mr. Cardadonna then questioned whether the Bylaws would be followed as to the Meeting being conducted under Robert's Rules arguing for strict adherence. There was ultimately agreement that the extreme formality of Robert's Rules appropriately used in forums such as the U.S. Congress or State government, can appropriately be modified for a small group such as any meeting of the Long Hill Estates Unit Owners Association.

When Mrs. Britton asked why there would be a time limit on questions and answers, she understood when advised that the time for which the room was available was the factor.

Rob Trowbridge suggested a show of hands to determine how many people were in favor of the generator purchase as a demonstration of whether the Meeting should go forward or not. While he was reminded that whenever a special meeting is called, the published agenda had to be followed so as to not violate the requirements for the meeting, he continued to debate this stating that the Board and membership should have the right to alter the agenda if they so chose. Jonathan then asked that the next Agenda item be stated. While Rob again suggested that the straw vote be taken, there was general agreement by the membership that the Agenda be followed.

Review of Information Obtained Since August 4 Informational Meeting

Jonathan then invited Tom Forman to review the technical information available.

Tom then reviewed what the proposed generator would service and what it could not, the approximate costs of yearly maintenance, the quality of the proposed installation vendor, how it would be activated, the proposed location, the estimated differences in cost of individual rather than a central generator, etc.

There were several questions then raised including, but not limited to, the estimated life span of the proposed machine, if purchase and installation could be completed in time for Y2K particularly if a Public Hearing was required by the Town of Peterborough, what the noise levels would be, whether the noise levels would violate the Association Bylaws, etc.

Whalen Dunn was then asked to briefly comment regarding the possible financing. He clarified that he could not represent any official position of his bank, but could offer some thoughts regarding the factors that would likely be considered for such a loan. He further confirmed that the Association, not the individual unit owners would be the obligated party to the lender,

however, acknowledging that the Owners would be obligated to pay for the loan via payments to the Association.

There were then general questions regarding how owners would be obligated to fund the Association to meet the loan payments and repayment of any funds borrowed from the Association Capital Reserve fund.

Further debate regarding the benefits of the generator vs other uses for funds continued until 8:31 p.m.

Vote on Purchase of Generator

There was a reminder that per the Long Hill Estates Condominium governing documents as supported by NH RSA 356-B, an affirmative vote of 51% was required, and that an absent vote was, therefore, determined to be a "no" vote. Accordingly, only those in favor of the purchase were required to cast a vote.

Following reading of the Ballot and the associated Ballot Notes, Jonathan then called for the vote at 8:33 p.m. and advised voting would continue until 8:45 p.m.

Result of Vote for Purchase of Emergency Generator

Cal did the initial count, Jonathan re-counted, and Glen Myhaver of Unit #14 then confirmed the count.

Jonathan then announced that having received only eight (8) affirmative votes of a required 19 to realize the required approval by 51% of the membership, the proposal for purchase of an emergency generator had failed.

Adjournment

Jonathan thanked everyone for their attendance and the Meeting was then adjourned at 8:47 p.m.