

PACIFIC ISLAND VIEW HOA  
SPECIAL MEETING OF THE BOARD OF DIRECTORS

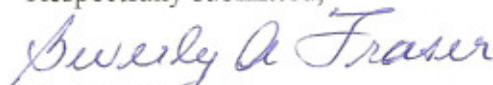
July 20, 2005

The three members of the Board and Ed Ruckle met with Mike Patterson at 6:45 p.m., at Don Crater's home, to go over Mr. Patterson's proposal for painting the townhouse buildings.

Mr. Patterson was asked why his bid changed from \$38,300.00 to \$42,500.00? He responded that his original bid did not include front doors, chimney caps and the red curbs. Mike suggested paying the \$28,000.00 in our reserve and the balance of \$14,500.00 a few months later; he agreed to wait six months for the balance, which would be February 1, 2006. Ed Ruckle suggested raising dues to \$300.00 for the townhouses as of October 1<sup>st</sup> (\$107.00 for the three houses). Ed stated we had kept increases to a bare minimum for a number of years and they needed to be brought up to where reserves have sufficient funds to cope with increased costs and to offset special assessments. In any case, dues will have to be raised as of January 2006; the increase stated and earlier due date would offset the need for a special assessment for painting. A letter and ballot will have to be sent to all owners for approval regarding the increase and earlier due date. If not approved by a majority, complete painting will not be possible.

Under the above-described arrangement with Mr. Patterson, his contract for painting was agreed to by the Board. The meeting adjourned at 7:30 p.m.

Respectfully submitted,



Beverly A. Fraser  
Director/Secretary

Read/approved: 8-15-05