

Lake Dillon Condominiums
Board of Directors
Meeting Minutes
August 8, 2008

The meeting was called to order at 2:05 p.m. Board members present were Dave Love, Forrest Scruggs, Marilyn Yeager, Carl Botti, Lynn Berggren and Jim Swift. A quorum was present. Peter Schutz and Sandy Greenhut were present on behalf of Summit Resort Group.

1. The minutes of the April 18, 2008 Board Meeting were distributed and reviewed. A motion was made by Lynn Berggren, 2nd by Carl Botti, to approve the minutes as written. The motion passed.
2. Dave Love gave the financial report. The association's cash position was analyzed, as well as income/expenses through the second quarter of 2008. The total cash position is good and on target. Our water and sewer account came in under budget, as well as our insurance account. This is due to the fact that we changed the LDC deductible to \$5000. This policy allows for charging the individual owner for the problem if the issue was caused by the owner. The owner may then go to their individual policy for coverage. Peter will take care of the paperwork needed to be completed.
3. Peter Schutz gave the management company report. He noted that an owner is renting their unit on their own rather than using SRG services. The Board very strongly feels that owners renting their units should abide by the good-faith agreement LDC has with Peter and thoroughly discourages the practice of renting on their own. Use of the SRG-contracted cleaning service and extensive use of SRG personnel in this situation were discussed. It was moved by Lynn Berggren, with a 2nd from Carl Botti that if Peter/SRG is contacted by a self-renting owner for cleaning services, or if their guest requires extensive assistance from the front desk, Peter may refuse or charge for these services at a rate which he feels is fair, as Peter/SRG have the right to be compensated for their time and service. The motion passed.

It was noted by Peter and the Board that Bernie, our on-site manager, is doing a good job. Bernie works for LDC 20 hours/week (4 hours/day). He does a major amount of maintenance around the building and the yard looks better than it has for quite awhile. Bernie is not responsible for taking care of painting, carpeting, siding, etc.

4. Under old business, pet issues were discussed again. Owners may have up to two animals in their unit. Renters are not allowed to have animals on the property. If an owner's animal is on the deck, it must be on a leash, per Dillon's leash law. The leash needs to be of a length to keep the animal from any adjoining unit space. If a renter or owner complains about an objectionable pet being present on site, the owner

will first receive a verbal warning, then a written warning, followed by a fine. Please be aware of when your pets may be bothering another owner or guest.

Peter continues working with the Town of Dillon on a simple agreement to have LDC care for the city lawn and to continue an ongoing positive relationship with the town. An attorney is involved at this point, as the Town Manager would like for LDC to sign a contract which would put our insurance liability at risk. SRG and the LDC board all feel that this would be a major mistake.

Some units in the building still have aluminum wiring which needs to be pigtailed with copper in order to meet code. Forrest had a master electrician check one of the units that the owner had upgraded after they remodeled. He said the work was done according to code and suggested that if owners want to upgrade their units, the on site manager, Bernie, could do the work because he is a licensed electrician. This would save owners considerable expense rather than having an electrical contractor do the work. Forrest and Peter will work together to get a bid for what it would cost to redo each unit. We can have a master electrician oversee the job, while Bernie can do the actual work. Owners also have the option of hiring their own electrician, if they so choose. Individual owners will be responsible for the cost of the rewiring. It was moved by Dave Love with a 2nd from Marilyn Yeager that the wiring must be completed, with proof to the board, by the end of 2008.

5. Under new business, progress of the Building Upgrade Committee was discussed. A base proposal and three additional options were mailed to owners in July. These will be discussed and voted upon at the annual meeting on August 9, 2008. Dave and Peter spoke with the Alpine Bank in Dillon. The bank is willing to offer financing at 6.5% interest. This information will also be presented to owners at the annual meeting.

It was noted that LDC used to have a rental committee to help address issues and complaints from owners and guests. It was moved by Dave Love, with a 2nd from Carl Botti, that Jim Swift become the rental representative on the board. The motion passed.

6. The next board meeting will be held in November. With no further business, the meeting adjourned at 4:00.