

MINUTES OF REGULAR BOARD MEETING

Association: Lulu City Owner's Association.

Date: Wednesday, February 13, 2008

Location: Full Circle HOA Management, 560 Mountain Village Blvd,
#102B, Mountain Village, CO 81435

Directors Present: Mike Pippin, Kit Collins, Jen Hayes, Jan Davy, Dave Murphy,
Jenny Ward

Others Present: Julie Denny (Full Circle), Diane Wolfson (Full Circle), Elizabeth
Angstadt (Full Circle), Michael McAllister (Owner/Architect),
Lana Phippen (Owner)

Meeting called to order at 4:04 p.m.

Determination of a quorum (yes – 6 of 7 directors present).

Motion by Jen Hayes, second by Jan Davy, to approve the minutes of the January 9, 2008 board meeting. *Motion passed by unanimous vote.*

Motion by Jen Hayes, second by Kit Collins, to appoint Jenny Ward to replace Mike Rich's director vacancy. *Motion passed by unanimous vote.*

Motion by Jan Davy, second by Jen Hayes, to adopt the Meeting Rules of Conduct. *Motion passed by unanimous vote.*

Discussion of the interior remodels.

Mike Pippin & Lana Pippin joined the meeting at 4:15 p.m.

Diane Wolfson joined the meeting at 4:19 p.m.

Management Report by Diane Wolfson (Full Circle).

Discussion of the alarm system.

Discussion of ground and roof snow removal and draining into the garage.

Jen Hayes left the meeting at 4:48 p.m.

Jen Hayes returned to the meeting at 4:52 p.m.

Motion by Mike Pippin, second by Jan Davy, direct Full Circle to remove the snow from the pool area using manual labor (not a bobcat in the pool area) and to remove the ice from the west and south entrances of the building 6 garage, and at all building entrances and to further authorize Full Circle for safety and construction to perform whatever snow removal is necessary regardless of budget. *Motion passed by unanimous vote.*

Discussion of the Kriger finance charge issue.

Motion by Kit Collins, second by Mike Pippin, to approve the language of the consent dated January 15, 2008, from the Law Office of Diane Wolfson, which is as follows:

WHEREAS, in October 2006, the Board promulgated certain Rules and Regulations that have the following provision concerning interest on assessments to owners that are past due:

All amounts past due to the Association shall bear interest at the lower of 1.5% per month on the outstanding balance (inclusive of collection charges and fees but exclusive of interest) on the first day of the month that follows the due date.

WHEREAS, the Board has consistently interpreted this provision since October 2006 as to all owners and all assessments as follows:

- * The word “lower” is a typo that should be ignored for purposes of interpretation.
- * All amounts past due to the Association bear interest at the rate of 1.5% per month.
- * The rate of interest of 1.5% per month is on the outstanding balance that exists on the first day of the month (the date) that follows the due date. Therefore, interest begins accruing the day after the payment is due.

WHEREAS, owner Mark Kriger, who has outstanding balances due the Association, has asked the Board to waive interest on the outstanding balances because he challenges the Board’s interpretation of the interest provision of the Rules and Regulations.

NOW THEREFORE, the Board hereby makes the following findings.

- A. The Board has consistently applied its interpretation of the interest provision in the Rules and Regulations to all owners for all assessments, and there are no grounds to make an exception for Mark Kriger.
- B. Mark Kriger has failed to pay his assessments when due. In connection with the Association’s collection of interest from him, Mr. Kriger has challenged the Board’s interpretation of the interest provision in its

Rules and Regulations, and in so doing, has caused the association to incur charges from Full Circle HOA Management and the Law Office of Diane Wolfson. The Board deems these expenses costs of collection to be invoiced to Mr. Kriger by the Association pursuant to Section 20(E) of the Association's Declaration.

NOW THEREFORE, the Board hereby denies the request by Mark Kriger to waive interest and shall invoice Mark Kriger as collection costs the Associations expenses related to Mr. Kriger's challenge of the Rules and Regulations interest provisions, such expenses to include charges by Full Circle HOA Management and the Law Office of Diane Wolfson.

Motion passed by vote of 3 Directors; Jen Hayes opposed and Jenny Ward abstained.

Jenny Ward left the meeting at 5:10 p.m.

Jenny ward returned to the meeting at 5:15 p.m.

Discussion of the Brian Werner's finance charges.

Jenny Ward left the meeting at 5:22 p.m.

Jenny Ward returned to the meeting at 5:24 p.m.

Direction for Full Circle HOA to follow the collection policy and invite Brian Werner to the next board meeting to make a presentation for why the Board should exempt him from the finance charges.

Discussion on water damage and other construction damage.

Lana Pippin left the meeting at 5:32 p.m.

Direction for Michael McAllister to investigate water leaks due to the roof and for Full Circle to perform the initial investigation on any further leaks, involving Michael McAllister when it appears to be roof related.

Diane left the meeting at 5:41 p.m.

Motion by Mike Pippin, second by Kit Collins, to direct Full Circle to assemble a facilities manual of the systems and buildings not to exceed \$500. *Motion passed by unanimous vote.*

Discussion of the satellite situation.

Discussion of Spring Clean-up.

Discussion of building 6 garage access. Initial proposal by Mike McAllister to install a tollbooth arm that would have a garage door opener in combination to the key pad for the short term rentals.

Discussion of the remodel construction report.

Discussion of the remodel budget. There is \$180,000 remaining in the budget for landscaping/hardscaping.

Presentation of the Pacific Street plan by Michael McAllister.

Discussion of the kitchen and dryer venting issue.

Direction for Full Circle to work with a venting contractor to identify the venting problems in buildings 3, 4 and 5 and propose solutions to the board.

Discussion of the roofed over dryer vent.

Discussion of the roof maintenance. Recommendation for Summit Roofing to contract to provide roof snow removal for the duration of the warranty.

Discussion of the punch list committee. Board members will provide support to Michael McAllister regarding the final stages of construction.

Motion by Kit Collins, second by Mike Phippen, to provide Mountain Builders authorization through Michael McAllister to remove the snow if need be by Monday February 18, 2008. *Motion passed by unanimous consent.*

Meeting adjourned at 6:30 p.m.

Next meeting is set for Thursday March 6, 2008 at 4:00 p.m.

THE FOREGOING MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT ITS MEETING HELD MARCH 6, 2008.

Signed: /s/Michelle Aplin, Manager
July 20, 2009