

**SUMMIT YACHT CLUB CONDOMINIUMS
ANNUAL HOMEOWNER MEETING**

September 9, 2006

Dillon, Colorado

I. CALL TO ORDER

The meeting was called to order at 9:05 a.m.

Board members present were:

Susan Cunningham, #2/37

Robert Hilbrecht, #43

Ron Pearce, #34

Owners present were:

J. Christopher Cox, #7

Diana Nice and Steven Ringquist, #15

James Margolis, #25

Laurel Edwards, #33

Joseph and Beverly Ramputi, #14

Kimberly Nicoletti, #19/20

Peter Schutz, #30

Elizabeth Hermes, #42

Thirteen units were represented in person and nine by proxy.

Representing Summit Resort Group was Peter Schutz. Erika Krainz of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE

Notice of the meeting was sent August 9, 2006 in accordance with the Bylaws. A copy was included in the meeting packet.

III. APPROVE PREVIOUS MEETING MINUTES

Ron Pearce made a motion to approve the minutes of the September 10, 2005 Annual Meeting as presented. Robert Hilbrecht seconded and the motion carried.

IV. TREASURER'S REPORT

A. Balance Sheet as of August 31, 2006

As of August 31, 2006 the Association had total liquid assets of \$81,878.

Accounts Receivable were \$4,536 and Accounts Payable were \$328. There is one owner who is seriously delinquent and a lien has been filed on the unit.

B. Year-to-Date Profit and Loss

Peter Schutz said it had been an aggressive year for repairs and projects to get the physical plant in better condition. The exterior lights were replaced with more contemporary fixtures. Snowplowing was a significant expense due to the heavy snowfall. The Association was budgeted for a \$742 net loss for the month against an actual net loss of \$9,569, resulting in an \$8,827 deficit. Peter did not anticipate

any more large expenses for the year and projected the deficit would be reduced by year end.

The curb was redesigned as a "California" curb. The biggest challenge was finding a contractor to do the brickwork. The work will be finished in front of Building 4 next year at an estimated cost of \$8,000 – 10,000.

An owner was concerned that the Reserve monies were being spent on little projects instead of on remodeling the building as discussed several years ago. Peter felt the money was well spent and the complex looked good. He noted the painting cycle would start again next year as well as roof replacement. Asphalt replacement is probably three to five years out. He estimated these projects would cost about \$100,000. Robert Hilbrecht said he thought the buildings looked better than he has ever seen, as an owner since 1989.

Peter pointed out the Association had about \$82,000 in the bank last year and has about the same this year, despite all the project expenses.

Joseph Ramputi also felt the Reserve monies should be used for a major upgrade of the building. Robert Hilbrecht said the Board had explored a major upgrade. The estimated cost was \$500,000 assuming all structural elements were in good condition. Any major project such as this could also entail compliance with current building codes. He said the assessment would end up being at least \$10,000 per owner.

Peter Schutz did not anticipate a dues increase in the 2006/2007 Budget.

V. **MANAGING AGENT'S REPORT**

Peter Schutz reviewed the management structure of his organization and provided contact information for key personnel in the meeting packet.

Peter said the exterior lights still were not functioning properly. The photo cells have been replaced four times but still turn on and off at random.

A. *Completed Projects*

A list of completed projects was provided in the meeting packet.

B. *Major Projects*

1. There were three significant incidents of freezing pipes in December and January. All claims were paid by Farmer's, less the \$1,000 per occurrence deductible. Management will be proactive this fall, checking airlocks and ensuring that the heat is working properly. Reoccurring claims could result in the Association being excluded from the bulk insurance coverage and subject to individual coverage at higher rates.

2. The curb was replaced in front of Buildings 5 and 6. Some areas of broken curb were repaired on the section adjacent to The Moorings.
3. Repaired broken concrete.
4. Tried to repair the irrigation system. The system runs off the outside spigot so there is not enough pressure to water the flat lawn. The irrigation system will need to be upgraded at some point in the future.

C. Future Projects

1. Start the painting cycle with Building 4.
2. Finish curb replacement in front of Building 4.
3. Preventative maintenance by Turner Morris on all three roofs.
4. Upgrade balconies and steps and replace shake shingles.

D. Owner Requests

1. Investigate possibility of having the Lakeview Association, which shares the dumpster, pay for the entire cost of the dumpster service in exchange for not having a dumpster in their parking lot taking up a parking space. Peter said there was a "Neighborhood Agreement" signed when the dumpster enclosure was built. Peter recommended revisiting the issue with a Lakeview representative once the new Board is elected.
2. Provide an update on when decks will be painted.
3. Cut down dead and dying trees in line of sight and prune healthy trees. Peter said he talked to the town and they said any dead trees in the green belt would be removed.
4. Investigate lawn health and determine if the water cycle needs to be modified. Peter said the lawn was fed three times this summer. The poor appearance is related to the problem with the irrigation system discussed earlier.

E. Administrative

1. House Rules compliance.
2. Tenant problems – there have been some very challenging tenants. Peter said one particularly difficult tenant was evicted and there is now a nice group of residents. He encouraged owners to help enforce the rules by either confronting violators or calling management for assistance.
3. Cooperation from owners

An owner mentioned a window that has been broken since last year. Peter said Kevin Lovett told him about it and notified the owner but the owner has not made the repair. He will send the owner a letter informing him it will be replaced and he will be billed.

Parking regulations will be enforced as winter approaches. Parking decals and passes will be distributed and information will be included about overflow parking in the town lots.

VI. OLD BUSINESS

A. *Reserve Study*

An owner said there was no Reserve Study for the Association and he wondered if the Board was considering having one done. Peter Schutz said a Reserve Study could be done for the Association for all physical components of the property. Peter noted that significant projects would necessitate additional Reserve contribution, which would mean a dues increase. He said the Board would need to get a feeling from the membership which items are highest priority.

There was discussion about renovating the property. Peter said the remodeling idea was derailed due to the replacement of the steps, stairs and landing on the parking lot side. When it was first considered, an architect was engaged and plans were drawn up. The estimated cost of the project came close to \$500,000 plus about \$200,000 for the stairs alone. Peter tried to get a loan and could not secure funding for the entire project. It would have necessitated a \$5,000 – 6,000 Special Assessment.

Peter will review the old report and the Board can take it on as a project. They will look at the cost of each component, prioritize the list and poll the owners regarding the list and costs.

Robert Hilbrecht suggested starting with replacing the stair treads and railings on the decks first. An owner thought there could be a middle ground, perhaps not in compliance with all codes, but agreed to through negotiation with the Building Department. Peter was not optimistic about getting any concessions from the Building Department.

B. *Stairs and Railings*

An owner suggested building the Reserve with the goal of complete replacement of the wooden stairs and railings with metal. Robert Hilbrecht noted that replacing the steps could be a code issue as they are too narrow. The owner said his main concern was safety.

C. *Landscaping*

Peter Schutz thought there should be consideration to xeriscaping if the entire irrigation system would have to be replaced.

D. *Lights*

An owner said he liked the new lights. More will be ordered for the sides of the building.

E. Funding Projects

An owner felt the money put aside for projects, as voted a few years ago, should not be part of the dues but rather a Special Assessment so the money is segregated and not spent on anything else.

F. Siding

An owner thought the siding needed to be replaced. Robert Hilbrecht said curling or split boards could be replaced. Replacement with a different material was included in the original plans with new colors.

G. Windows

An owner suggested window replacement. Peter Schutz said there were already some second generation windows. He can get a contractor to provide a bid. The windows must be white vinyl clad and would be an owner expense.

H. First Right of Refusal

An owner asked about the first right of refusal clause. Peter Schutz said there were several of the older complexes that still had this clause and it has been upheld by an attorney.

VII. NEW BUSINESS

A. Website

The website address is summitresortgroup.com.

B. Comcast

Peter Schutz signed an agreement with Comcast with a small rate increase to include rewiring the entire complex. Peter will follow up with Comcast and will determine if the signal will be digital.

C. Chimney Sweeping

Peter Schutz said it was time to clean the chimneys. It will be an Association expense. He mentioned he was having a hard time finding an ethical contractor.

D. Washing Machines

An owner asked if it was possible to hook up a washer/dryer in a one bedroom unit. Peter Schutz recommended he call Tom Hill. He thought Unit 22 might have one.

VIII. ELECTION OF OFFICERS

There are three vacancies on the Board. Robert Hilbrecht is willing to run again for a three year term. One of the remaining seats is a two year term and the other is a one year term.

A motion was made to nominate Robert Hilbrecht. The motion was seconded. A motion was made to nominate John Vanderpool (#8). The motion was seconded. A motion was made to nominate Diana Nice (#15). The motion was seconded.

A motion was made and seconded to close nominations.

A motion was made to elect the slate by acclamation. Kim Nicoletti seconded and the motion carried.

IX. RATIFY BOARD ACTIONS

JC Cox made a motion to ratify the actions of the Board over the past year. The motion was seconded and carried.

X. ADJOURNMENT

With no further business, the meeting was adjourned at 10:55 a.m.

Approved By: _____ Date: _____
Board Member Signature