

**SUMMIT HOUSE EAST CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTOR'S MEETING  
JANUARY 2, 2008**

Call to order:

The meeting was called to order at the office of Carbonate Property Management at 9:05 AM by Jim Ginther, president, per the notice distributed to all board members.

Board Members Participating:

Jim Ginther  
Anita Gray  
John Finley  
John Wade  
Mark Rackley (via Telephone)

Others:

Tom Malmgren

Signage Project:

Tom reported that the permanent plastic signs have all been obtained and installed per the board's direction last fall. Mark supplied several plastic sleeves/holders for posting temporary signs. Only one has been needed thus far.

Hallway Art Project:

John Finley reported that new art has been installed in the hallway (near the elevator door) on levels one, two and three. An additional wall hanging was installed at the stairway landing adjacent to the main entrance. John is working with the photographer to replace some of the matting that was used and to relocate some of the items were mounted too high. Additional wall hangings are in the process of being installed in the garage level hallway. With concrete walls, a different installation procedure is required. John suggested that the temporary wall hangings installed on level two, received from an owner redecorating, be removed. Opinions differed regarding that action.

Homeowner's association dues comparison:

John Wade submitted a report that he completed regarding comparison of HOA dues for like buildings throughout the resort. Based upon John's survey/research he reported that the association dues at Summit House East work out to approximately 48.5 cents per square foot per month. Comparing that to buildings at Copper Mountain where heat is included in the dues and similar common facilities exist, Summit House East is below the average of 62 cents per square foot in association dues. The board thanked John for his research and expressed the importance of communicating this information to the full membership.

### Financial Report:

Tom e-mailed a preliminary/estimated year end financial report and proposed budget to the full board a couple of weeks prior to the meeting. Thus, the board had time to review this information and most of their questions were answered prior to the meeting. As part of this discussion the board talked extensively about the reserve funding process. A motion was made by John Finley that the board has adequately reviewed the Reserve Funding process and philosophy that has been followed at Summit House East and feels comfortable and accepts the past practices. This motion was seconded by Anita Gray and passed unanimously. As a follow up to this discussion management was asked to obtain some ball park bid numbers for major replacement components including the boilers, the roofs and the elevator as well as formulating realistic remaining useful life of these and other major components.

Regarding the 2008 proposed budget, Tom pointed out that there were several increases. The Copper Mountain Consolidated Metropolitan District is raising the monthly Television Cable charge by \$5.00 per unit per month. A 5% prepayment discount is offered if the entire year's cable fees are paid by the end of January. Management fees were proposed to be increased by 3%. After thorough discussion regarding the proposed budget, John Finley moved that the dues be increased by 3%. This was seconded by Mark Rackley. After discussion, the motion carried unanimously.

### Covenant Violations:

Tom reported that a relatively new owner in the complex on the second floor has created some on-going challenges for management by not following the rules and regulations of the complex. Specifically, noise issues late at night, dogs barking when left unattended, parking violations and ignoring several warnings from management are the major issues. After lengthy discussion, the board authorized the president to draft a letter to be delivered to the owner, as well as sent certified mail. Jim Ginther will outline the board's requirement that the Rules and Regulation be followed and advise the owner of fines if the problems continue. Notification of continued violations to the Mortgagee will also be exercised as appropriate.

### New Business:

John Wade submitted a one page memo with several topics of discussion he and other owners in the complex wished to be addressed.

- Consideration of allowing owners to extend out their front walls to the edge of their exterior balconies. The board expressed their opposition to this being allowed.

- Possible replacement of the 'END WINDOWS' that are made of plexiglass and exist in the 4 corner units on the west side (streamside) of the building. The board feels that these windows should not be modified. However, if a joint proposal from all four owners is submitted to the board they will review it. Owners were reminded that all windows in the complex are the responsibility of the owners, not the HOA.

- Consideration of allowing owners to 'raise their upper windows' to coincide with the floor level where lofts have been extended outward. The board stated that the uniformity of all of these windows being at the same level must continue. No modification of this will be allowed.

- The board entered into a detailed discussion of what can and can't be done in the building without a building permit. While it was acknowledged that past practices were probably a bit liberal in allowing modifications, the board will put in place "NEW POLICIES" requiring building permits, as required by the Summit County Building Department. The existing Rules and Regulations require owners to notify the Association (board and/or management) of any and all proposed changes that owners wish to make to their condominium units. This MUST be adhered to. Consideration of insurance coverage, safety issues, etc. all play into this.

- Encouraging owners to obtain and utilize remote controls for the garage door was discussed. Those with remotes are able to close the door with the remote after exiting or entering the garage. All are urged to do this to minimize the amount of time the garage door stays open.

- A suggestion to re-key the elevator / storage room area to work with the unit entry keys was answered with an explanation as to why it is keyed separately. The desire was to keep this area for owners only. If keyed so that every entry door key opened this room, rental guests would have access which is contrary to the owner's desires. Thus, no change will be made.

- Separate water shut offs for each unit would be a great idea but unrealistic at this point. That is something that should have been done when the building was built. The periodic need to shut off water for plumbing repairs is not that big an issue.

- Consideration of unlocking the south entry door to the building was not endorsed by the board. Requiring visitors to the building without keys to enter the main entry door is a positive from the board's perspective.

- Smoking in the building was the next topic. The board expressed their desire that Summit House East become a 'smoke-free building'. Understanding that the board cannot control what individual owners allow within their own condominium units, the board will encourage no smoking in common areas. As such, management was instructed to relocate the ash tray from the elevator side of the garage to the dumpster side of the garage.

Mark Rackley moved that the ash tray be relocated from the garage lobby door area to the south end of the garage near the dumpster room. The board will monitor this compromise prior to going to a full NON-SMOKING building policy. John Wade seconded the motion. When voted upon by the board four voted in favor of the motion with John Finley voting against.

#### Management Contract:

Tom submitted an updated management contract for the president to sign, renewing the agreement between Summit House East HOA and Carbonate Property Management. Jim Ginther volunteered to take care of this after the meeting.

#### Next Meeting:

The board will schedule the next board meeting in early April. The exact date will be determined after the board members check their calendars.

Adjournment:

The meeting was adjourned at 11:20 AM.

Respectfully submitted,

Accepted,

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Thomas J. Malmgren, Managing Agent

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Jim Ginther, President