

MINUTES OF REGULAR BOARD MEETING

Association: Lulu City Owners Association, Inc.
Date: Monday, October 3, 2011
Location: Via Conference Call
Directors Present: Steve Turoff, Jan Davy, Peter McGinty, Dave Murphy, Mike Rich
Others Present: Diane Wolfson and Dan Witkowski (Full Circle)

Meeting called to order at 4:39 p.m. M ST.

Determination that a quorum of 4 of 6 directors are present to start the meeting.

Motion by Jan Davy, second Dave Murphy, to approve the minutes of board meeting held August 30, 2011.

Motion by Steve Turoff, second by Jan Davy, to approve a settlement agreement between the association and the Zutlers (Unit 5F) on the following terms, and authorizing Peter McGinty sign as board president once the final document has been circulated to the board

- The Zutlers have been paying full monthly assessments since August 1, 2011, and will continue to make full monthly payments
- Past due amounts, plus attorneys fees and escrow costs, will be in a note that will be due in full at the same time as the Alpine Bank Loan
- Deed-in-lieu to be held in escrow to secure payment

Motion passed by unanimous vote.

Mike Rich joined the meeting.

Management report by Dan Witkowski:

- Pool update: higher use this summer; main drain is broken which leads to less filtering capacity; in Spring will drain, clean and fix drain for next season, and will repaint coping
- Hot tub update: cracks in hot tub for years, leaking and filling pit up with water, expect to replace hot tub in another 2 years

- Exterior stairwells Buildings 3 and 4: not done in remodel; older colors, peeling, drywall damage from old roof leaks,
- Buildings 3 and 4 decks and timbers not holding up well, not holding paint; some need to be replaced
- Hot tub lighting would be better to replace when hot tub is replaced
- Domestic hot water piping in Building 6; main circulation loop in ceiling of second floor is worn out and caused 5 or 6 leaks in 2011
 - To try to preserve pipes longer, replace circulation pump with 2 smaller pumps that circulate fewer gallons per minute and on a timer so not active all night long (estimated \$2,075 + drywall repair \$550)
 - To replace circulation loop \$2,500 that can get reasonable access to + drywall/paint repair (estimated if 40 hours \$2,200)
 - Total \$7,325 + FM fee = \$8,205
- Some of alarm system components need replacement; Masters proposal to hard wire Building 5; consensus to wait

Review of proposed 2012 budget.

Peter McGinty, Steve Turoff, and Jan Davy volunteered to meet on October 12, 2011, at 4:30 p.m., to review budget line items for savings, and then work with Full Circle on a revised budget for presentation to owners.

Meeting adjourned at 6:37 p.m. MDT.

THE FOREGOING MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT ITS MEETING HELD November 2, 2011.

Signed: /s/ Diane Wolfson
 Manager