

**Chateaux Board of Directors**  
**January 19<sup>th</sup>, 2008 9 a.m.**  
**Chateaux Clubhouse, Mt. Crested Butte, CO 81225**  
www.chateauxcb.com

The meeting was called to order by President, Paul Gamel, at 9:12 a.m.

**Roll call/Establish Quorum**

Board Members present: Paul Gamel  
Bill Hoitink  
Jack Patton  
Theresa Brooks

A quorum was established, having 4 of the 5 board members present.

Management present: Wanda Bearth  
Patrick Seaman  
Grant Benton  
Lee Friedman

Theresa made the following-

Motion: To keep board officer positions as they are, currently: Paul-  
President; Bill Hoitink-Vice President; Jack Patton-Treasurer;  
Theresa Brooks-Secretary; and Alan Adams-Member.  
2<sup>nd</sup>: Jack  
Vote: Unanimous approval

**Reading of the minutes**

Jack made the following-

Motion: Waive reading of the minutes from the July 21<sup>st</sup>, 2007 Board  
meeting and approve as presented.  
2<sup>nd</sup>: Theresa  
Vote: Unanimous approval

**Manager's report**

Wanda presented the following report:

**Administrative Items**

Taxes - At the July meeting, Crested Butte Lodging & Property Management (CBL) advised the board that we had received a past due notice from the IRS. At the advice of the auditor, we did not pay the penalty and he drafted a letter requesting that the penalties

be waived. In October, we received a 2nd past due notice from the IRS with no mention of our request that the penalties be waived. The auditor drafted a 2nd letter and advised that we should not pay the penalties. The IRS responded to the November letter (in December) and the tax preparer is responding and still advises the association not to pay any penalties.

### **Property maintenance**

DDA staircase - Joe Fitzpatrick, town Manager, is reviewing the language in the easement grant to determine if repair of the cement will fall within the scope of “repair and reconstruction” and would therefore, be the town’s responsibility. He will make a site visit and make a decision this spring.

Dumpster light - The light is not the town’s responsibility and we are researching solutions.

Action items from the summertime BOD meeting - All action items requested at the summertime meeting have been completed or are being attended to. Action items:

#### CBL

- Look for run away heaters in all the hallways.
- Leave padlock off the pool during off season for grill access.
- Change password every spring and fall.
- Check pool IDs at least DAILY to catch and kick out pool poachers.
- Walk property daily --into each building, each floor.

#### Wanda

- Order pool security system, intercom not to exceed \$2500.
- Create recommendation for clubhouse fees.
- Get debit card for association.
- Get Bill info on foreclosure of one unit in complex.

#### Wanda and Grant

- Integrate the construction rules with the general rules and regulations and edit Rule 6 under “Condominium Interiors and Balconies” to read “No owner may install any plumbing, wiring or air conditioning/heating equipment without the express written approval of the Management Company”, to include a 6 month

time limit within which construction must be completed and to increase the penalties for any rule violation to \$100 per day.

#### Grant

- See that Kathy tells Timberline that we'd like gas to a 3<sup>rd</sup> grill, when they are rerouting the pipeline.
- Amerispot-30 minute time limit, check for dead spots, get usage report.
- Get 6 mil ground barrier bid.
- Get vents working or at least closed.
- Get Current Electric to install heaters under buildings.
- Dumpster bid/order and new ash can.
- Bid for emergency and exit lights.
- Install wireless smoke detectors in each building.
- Find out how many fireplace liners that we had specially made for Chateaux, the fireplace people have and have we paid for all of them? If not, buy the balance and store them in clubhouse storage.

#### Grant/Theresa

- Evaluate the parking sticker that Grant selected.
- Get pricing on roller and box for pool cover.
- Permits for new signs.
- Solar light for sign at parking lot entrance.

#### Theresa

- Shop for another grill.
- Work with CBL in recommending appropriate, standardized deck furniture.
- Have Kathy stop landscape designer from proceeding.
- Order signs & install—1 at parking lot entrance, 1 at base Gothic stairs, 1 at Turnaround, Clubhouse sign & the wrought iron A, B, C, D, Es for ends of building.

#### Louie and Theresa

- Head up landscaping project.

Paul

- Ask Kathy to get Radio Shack back to check every unit's cable TV signal.
- Meet with Paul Greenburg and arrange loan for construction project.
- Letter to owners detailing capital project, add-ons, cost over runs & future assessment.
- Meet with Councilman, Kendall & Grant to discuss cost and scope of parking lot repairs.
- Meet with Angelo, Kathy & Dave to discuss Capital project schedule.

### **Financial report**

The board directed CBL to include only the most recent audited fiscal financial report in future homeowner meeting packets.

Lee advised the board of overages in December, attributed to the purchase of wildlife proof trash cans and excessive snow removal costs, given the heavy snow in December. Wanda explained that in the budgeting process, CBL uses a "high average" when estimating snow removal costs; the snowfall totaled 99 inches in December which is about twice the average amount in a given December.

Jack and Paul raised concerns that Chateaux is not building upon their capital reserves and asked that this be considered when preparing the next fiscal budget.

Paul led a discussion regarding the property's maintenance schedule. Although the 5 year plan has not been formally updated since 2004, many items have been attended to through the special project. CBL will prepare a draft for a 5 year plan covering 2008-2013 and present to the board at the next meeting.

Wanda asked the board for a motion to correct the negative allocation of the capital reserve fund balance.

Jack made the following-

Motion: To accept the auditor's suggested reclass of \$91,281 from the operating fund to the capital reserve fund.

2<sup>nd</sup>: Theresa  
Vote: Unanimous approval

Jack made the following-

Motion: To accept December's financial report pending the above motion.  
2<sup>nd</sup>: Bill  
Vote: Unanimous approval

Bill made the following-

Motion: To accept and sign the excess income resolution for revenues collected in excess of expenses for the fiscal year ending June 2007.  
2<sup>nd</sup>: Theresa  
Vote: Unanimous approval

## **OLD BUSINESS**

IRS - Lee explained to the board that he is working with the auditor, Don McNurlin, in resolving the issue with the IRS regarding penalties for late payment of the taxes due following the sale of unit 104.

Dumpster light - Grant advised the board that the local electricians have investigated why the light above the dumpster is not working. Theresa mentioned that Kathy Morgan had said the power to the light might have been cut by JCI when the parking lots were being re-surfaced, because she saw a Quest service truck in the parking lot repairing some lines about that time. Options of what to do about the light would be discussed later.

Pool monitoring - Theresa requested that the swimming pool and clubhouse be monitored more frequently by CBL.

Internet - The dead spots for the wi-fi service have not been checked by Amerisport and will be the next time Alan Klein returns to Crested Butte.

Entrance lights - Theresa pointed out that some of the pendulum lights that have been installed under the entrances have failed. Paul pointed out that 2 of the 7 are bad. Bill thought all of the lights should be replaced. There was general agreement and Theresa said she would work with Kathy to get all of the lights replaced. Paul asked that they be hung a little higher when re-hung since 1 of the glass globes outside the D building was already broken.

Signage - Theresa has received the clubhouse and parking lot signs and will be overseeing the installation as weather permits.

Paul asked where the A building ‘no parking’ signs were, and Grant responded that CBL had only received 8 from Dave Morgan. Paul asked that 2 more be ordered. Theresa said that she will order, paint the backs of the signs, and bring them personally to Grant to install. Grant asked the Board that if any products are to be shipped to Crested Butte for Chateaux that they use Crested Butte Lodging’s address and label “Attention: Grant Benton / Three Seasons Front Desk”.

Cable TV - Theresa asked if Radio Shack had been back to test the cable. Grant said the cable was checked in the units CBL was aware of. Both Paul and Bill thought the cable seemed better now.

Fire Escapes – The board looked at the proposal that had been drafted by Cowboy Steel and decided to file the proposal until the issue needs to be addressed. Jack asked that the fire escapes should be added to the 5-10 year plan.

## **NEW BUSINESS**

Deck Furniture – Paul thought that log-wood furniture is appropriate and could be allowed. Theresa pointed out that homeowners can purchase affordable wrought iron furniture at stores such as Home Depot, Costco, Target and Walmart, and they’ll even deliver the furniture. The board decided log-wood furniture should be allowed.

Jack made the following-

- Motion: Amend the Rules and Regulations’ deck furniture rule (point 5 under Condominium Interiors/Balconies) to allow wood log furniture on decks.
- 2<sup>nd</sup>: Bill
- Vote: Unanimous approval

Gas Grills – The board discussed the fact that the way the rule is stated, gas grills are not currently prohibited. There was concern for the maintenance and up-keep of the grills so that they do not affect neighboring units (i.e. grease spilling over to decks below). Also, there was concern that animals including bears and foxes may attempt to get access to the grills. It was decided that the wording of the grill rule would be changed to make homeowners responsible for the general maintenance of their grills. CBL would help with the maintenance and re-filling of propane tanks for units that have grills and are within CBL’s interior management program.

Theresa made the following-

- Motion: Amend the rule regarding the use of grills (point 7 under Condominium Interiors/Balconies) to state: Smokers, charcoal and

other solid fuel burning grills are not permitted in any interior, balcony or common area. Gas grills are allowed but maintenance is the responsibility of each owner; careful attention must be paid to the grease trap to avoid attracting wild life. While grilling, care must be used to avoid any nuisance to fellow occupants.

2<sup>nd</sup>. Bill  
Vote: Unanimous approval

Units with maintenance problems that damage other units – Paul wanted to address the fact that this has happened a few times and inquired whether there are procedures in place to handle situations when they arise. Wanda explained that CBL does what it can to stop the cause of the problem and clean it up. Immediately professionals are contacted to assess the situation including who/what was at fault. The unit that is the cause is liable for all damages per the Declaration. CBL and the homeowner of the damaged unit work out who will handle contract work for repairs. If the homeowner at fault does not pay for repairs immediately, the HOA can pay for the repairs, and the charges will be levied on the unit which was at fault.

The HOA has the power to impose a lien if repairs are not paid for. Wanda offered to write a draft of these procedures for the board to review including a timeline for payment and a penalty system for not paying on time.

Homeowner correspondence - Paul brought up a couple concerns that Robert Davis had put in a letter for the board to consider.

1. Robert wanted to know if anything was to be done regarding the fire escapes and whether they would be enclosed. The board had already discussed the issue earlier in the meeting, and nothing is going to be done now.
2. Robert raised the concern that trash pick-up has been somewhat of an issue. It was pointed out that Chateaux trash is already being picked up the maximum amount of days a week possible. The only way Chateaux could have more pick-ups is if they scheduled multiple pick-ups on the 3 days that the trash is already being picked up. Wanda said that CBL would do everything it can to stay on top of the trash issue. Currently, the driver will call Grant before arrival so that Grant can meet the driver and make sure the area around the dumpster is clean. The driver will do 2 dumps while here if there is excess trash that can't fit in the dumpster – usually at no extra cost. This is an issue that should arise only during the very busiest times of the year for Chateaux. Another option would be to purchase another dumpster, which would only be used and dumped during peak seasons.

Homeowner Association Annual Meeting Date – The board agreed to change the meeting to a date in late July or early August based on the comments from owners at the meeting held the previous night. Paul suggested having the meeting the same day as the board meeting. Bill pointed out that this will make the summer meeting the official “Annual meeting.” Theresa suggested August 2<sup>nd</sup>, 2008 for this year's meeting.

Jack made the following-

Motion: The official Annual Meeting for The Chateaux Condominiums will be moved to the last week of July or 1<sup>st</sup> week of August. Notices will be mailed out 30-50 days prior to meeting date. The Board of Director's annual meeting for 2008 will be held August 2<sup>nd</sup>, 2008 at 9 a.m. and the Homeowner's annual meeting will be held at 4 p.m. the same day.

2<sup>nd</sup>: Theresa

Vote: Unanimous approval

Proxies - Paul asked that in the future CBL decline to accept Chateaux homeowner's proxies. Wanda agreed that although it is legal for an owner to appoint a management employee as proxy, it can potentially pose a conflict of interest and would decline future proxies.

Homeowner communication - A short discussion took place on how to keep homeowners more informed of updates to the property. Theresa offered to include quarterly highlights in CBL's monthly management report that is sent out with statements.

Landscaping – Theresa referred to a supplement regarding the different phases and options for the landscaping project proposal. Theresa suggested that initially Chateaux do Phase 1 of the project or plant trees only. Also, she thought that a landscaping company should handle the maintenance of the plants, shrubs, and trees to insure that proper care is given. A landscaping company could do this in about 4 hours per month at \$35/hour. Paul asked if there was money available to pay the \$50,000 proposed for Phase 1. Jack thought there could be a way to do Phase 1 for \$40,000 initially and if more money is available upon completion of the capital project, more could be allocated to the landscaping. Paul agreed that it should be kept to \$40,000.

Jack made the following-

Motion: To proceed with Phase 1 of the landscape project concerning the West side of The Chateaux Condominiums with a budget of \$40,000.

2<sup>nd</sup>: Bill

Vote: Unanimous approval

Noxious weed control - The board directed CBL to consider weed spraying/eradication for the next budget. Wanda mentioned that CBL is already planning on doing eradication by cutting down weeds before they seed. It will take approximately 3 years to remove all weeds by using this method. CBL will evaluate all options and present them to the board in the spring.

Telephonic meeting attendance - Wanda asked if the board would be interested in making it an option for homeowners to dial in to be able to listen to and participate in the annual meetings. CBL has the ability to facilitate this in the future. For now, the board decided against allowing meeting attendance via telephone.



Special assessment - Lee advised that nearly one half of the owners have paid the assessment, but that some have missed the January 10<sup>th</sup> due date, which was the earliest of 3 possible due dates.

Jack made the following-

Motion: Do not impose late fees on any capital project assessment received in the month of January 2008.  
2<sup>nd</sup>: Paul  
Vote: Unanimous approval

Management contract - CBL presented a 1 year management contract proposal which was discussed and accepted by the board. Wanda informed the board that they would be interested in paying to remodel the foyer of the Chateaux clubhouse to house CBL's front desk. She pointed out the mutual benefits including closer and easier pool monitoring, the convenience of an on-site check-in location, and that CBL would pay for the renovation. The board expressed interested and planned to discuss the proposal during an executive session.

Jack made the following-

Motion: To approve CBL's management contract with noted hourly rate increases (Hot Tub Maintenance \$25/hour to \$26.25/hour, General Maintenance \$25/hour to \$26.25/hour, and Skilled Maintenance from \$40/hour to \$45/hour).  
2<sup>nd</sup>: Theresa  
Vote: Unanimous approval

### **Establish Date of Next Meeting**

The date of the next Board of Director's meeting is set for August 2<sup>nd</sup>, 2008 at 9 a.m. in the Chateaux Clubhouse.

Meeting adjourned at 1:58 p.m.

**Approved:** \_\_\_\_\_  
**Theresa Brooks, Secretary**

**Date:** \_\_\_\_\_