

**CHATEAUX CONDOMINIUMS ASSOCIATION  
ANNUAL OWNER'S MEETING  
JANUARY 18, 2008  
CHATEAUX CONDOMINIUMS CLUBHOUSE  
MT. CRESTED BUTTE, COLORADO  
www.chateauxcb.com**

**Call to Order**

The meeting was called to order by the Board President, Paul Gamel, at 4:35 PM

**Proof of Notice**

Proof of Notice was mailed on December 13, 2007, which was 36 days prior to the meeting date.

**Roll Call/Establish Quorum**

**Members Present in Person**

<b>Name</b>	<b>Unit #</b>
Paul & Jayne Gamel	101
Susan Chambers	104
Luz Spann-LaBato	105
Steve Leary	108
Theresa & John Brooks	203
Cy & Janice Hoaglund	302
John Patton	303
Don & Linda Chapman	406
Marshal Taylor	409
Bob Hall	410
Greg, Georgine, & Jason Fries	501
Clif Walker	505
Bill Hoitink	508
Vince & Joanne Rogalski	511
Matt Hayes	512

**Members Represented by Proxy**

**Paul Gamel proxy for:**

Rogers Wilson	102
Jay Fairvalley	106
Betty Woods	202
Martin Cohen	204 & 311
John Doyle	208
Shadlee McTaggart	212
William Denenka	312
Steve Burke	402
Dennis & Pam Morris	408
John Calhoon	509

**William Hoitink proxy for:**

George Thomas	412
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**Theresa Brooks proxy for:**

Andrew Restivo 109

**Rolf Zienau proxy for:**

George Zienau 304

**Ian Leeming proxy for:**

Susan & Paul Leeming 404

**Cyrus Hoaglund proxy for:**

Huey Pierce 506

Robert Hollywood 507

**Clif Walker proxy for:**

Todd Young 307

**Greg Fries proxy for:**

Christine McCleary 309

James Bader 503

**Wanda Bearth proxy for:**

Keli & Mark Clayton 209

**Staci Lapi proxy for:**

Deanna Wenstrup 206

John Wheaton 211

**Patrick Seaman proxy for:**

Betty Moncrief 308

**Grant Benton proxy for:**

Robert Davis 201

A quorum was established with 67% of the membership represented in person or via proxy.

**Board Members Present:**

Paul Gamel  
William Hoitink  
Theresa Brooks  
Jack Patton

**Management Company Present:**

Wanda Bearth  
Grant Benton  
Lee Friedman  
Staci Lapi  
Patrick Seaman

## Reading and Approval of Past Minutes – January 19, 2007

Cyrus Hoaglund made the following-

**Motion:** To accept past minutes as submitted  
**Seconded:** Linda Chapman  
**Vote:** Unanimous Approval

## Reports

### Manager's Report

The following report was submitted in writing and reviewed orally by Wanda Bearth & Grant Benton.

### Administrative Items

**Insurance:** Travelers Insurance, the association's new carrier, had Insurance Services Office (ISO) perform a routine inspection of the property in August. We have received notification with 3 recommendations for reduction of hazard. These 3 items are:

1. Fire escape railing width. The width is 8 inches and they would like to see no more than 4 inches. We responded with the facts: those stairwells are fire exits only, not entrances, the doors are locked from the outside and they meet the local code because they are grandfathered until you remodel or replace the rails.
2. Pitted walking surface. ISO pointed out that the DDA stairwell has damage which may cause slip and fall accidents. We advised them that we would research suitable methods for patching. After reviewing the DDA contract we faxed it to ISO. The contract charges the town of Mt. Crested Butte with responsibility for repair to the stairwell.
3. Parking lot surfaces. The inspector noticed that there was settling and cracking in the asphalt and the sections had been removed. Of course, they inspected during the time that JCI was redoing the lot. This item was addressed with the work that JCI did.

At this point, the insurance company is not directing us to install new fire exit railings or to pour new concrete by the DDA stairwell. However, management is concerned about the fire escape railings, given that we are aware that a neighboring building recently lost their insurance because the deck railings are wider than 4 inches. The Board of Directors will review the situation during their regular board meeting.

**Declaration amendments:** We received 3 "no" votes from Mortgagees to the proposed amendments which were the addition of section 12a (restricting deed restricted units) and the re-wording of section 21 (reducing the number of mortgages' approval, in order to amend the Declaration). We found 33 recorded first mortgages. Of the 3 Mortgagees voting no, we have persuaded 2 to reconsider and we have received their signed consents. The remaining bank is Wells Fargo who holds first mortgages on 9 Chateaux units. Wells Fargo has agreed to consent only if their homeowner consents as well. At the time of this writing, we have not yet received all of the additional consents.

### Property Maintenance

**Pool cover:** The plastic cover was replaced this fall. The previous plastic held up well and endured an entire season. We will continue to leave the cover on in periods of low occupancy and/or extremely cold weather. The new roller has made removal and storage of the cover easier.

**Pool security:** A new pool security system has been installed. This system is monitored by HVM Security and CBL is dispatched in the event that the alarm is tripped. The 2 way intercom will allow CBL to listen to and speak with the intruders. We have authorized the police to charge pool poachers with trespassing.

**Parking lot repair:** This fall, the cracked sections of asphalt were removed and replaced with a thicker layer, at the recommendation of John Councilman. The original asphalt was replaced under the warranty from JCI, so the association only paid for the additional thickness. JCI also added French drains along the west drive on the C, D, E end and along the bus route and turn around.

**Parking lot bank:** At the prompting of Paul Gamel and CBL, the owner of the Marcellina Apartments has made improvements to the bank at the southwest corner of the Chateaux lot, which was eroding, during heavy rains last fall.

**Internet:** The password was changed recently and we plan to change it seasonally and more often as deemed necessary; The 30 minute time limit was removed.

**Dumpster:** The bear proof dumpster, required by town ordinance, has arrived. We remind everyone to place the trash inside the dumpster and slide the door closed after each use. Bear proof recycling bins are available at the entrance to the clubhouse. Please remind your tenants, friends, and family members to not use the HOA dumpster for construction debris.

**Parking stickers:** Following recommendations from homeowners at the last meeting, CBL has distributed parking stickers. Display either this new sticker *or* see CBL at the 3 Seasons for a temporary permit. Please remember that CBL will try to track down cars that do not have a proper parking sticker, but if the owner cannot be found the car will be booted or towed!

**Grills:** The new grills were installed last fall. CBL has had many good comments from owners and guests.

**Crawl space:** New heaters and vapor barrier have been installed under each of the buildings, the vents have been closed and the insulation has been repaired. These efforts were inspected and approved by Spence Schneider with Dragon Sheet Metal (HVAC).

**Exit signs:** New battery-powered exit signs have been installed and tested on each floor of each building.

**Smoke/fire alarms:** Wireless smoke detectors have been installed on each floor in each building. These will cause an alarm to sound on each floor regardless of which floor smoke or fire is detected on.

### **Area update**

**Mtn Square North:** The 4<sup>th</sup> public hearing for the development of the lots directly to the east of Chateaux was held November 28, 2007.

The development currently has planned 467 residential units and 33 employee housing units. The open space is 47% of the total space and the applicant has asked for a height variance, stating that lower building heights would result in reduced open space.

Changes to the original proposal included moving buildings 6 and 7, located at the NW corner of the parcel away from Gothic Road to eliminate shadows onto Gothic Road; the Grand Lodge entrance is proposed to be from the north of the building, encircling the hotel; a pedestrian bridge is proposed in the general area of the current stairwell, leading from Chateaux and terminating at the tower which would also house a water slide.

Shadows from the tall buildings and the building heights are areas of concern for the planning commission.

## **Rental Update**

The abundant snowfall resulted in strong 'short lead' reservations for December-folks booking in 30 days or less prior to arrival. Historically, 21% of our bookings are received less than 30 days prior to arrival. In months and years when the snow is less than 'epic', we notice a sharp decline in the short lead bookings. Make no mistake, our advertising campaigns do much better when they are complimented by plenty of fresh snow.

Short term rentals are pacing ahead of last year by approximately 12% at the Chateaux.

## **Financial Report**

The audited fiscal year-end financial statements and capital project summaries were discussed by Jack Patton.

At fiscal year ending June 30, 2007, the ending fund balances were:

- Operating fund: \$32,584
- Capital replacement fund: \$89,543
- Special project fund: \$355,918

Management will mail the membership the financial statement and post to the association's website (chateauxcb.com).

Jack presented current financial information related to the special project, which is included on the following 3 sheets:

Financial Summary

January 18, 2008

The Capital Project Summary is reflected below:

Phase I: \$1,262,394 Project Expenses to Date  
      19,923 Projected Cost to Complete  
      \$1,282,316 Total for Phase I  
      -1,038,068 Original Budget Amount  
      \$244,248 Phase I Excess

Phase II: \$718,740 Project Expenses to Date  
      184,727 Projected Cost to Complete  
      \$ 903,467 Total for Phase II  
      -758,000 Original Budget Estimate  
      145,467 Phase II Excess

<u>Summary</u>	<u>Phase I</u>	<u>Phase II</u>	<u>Total</u>
Original Project Cost Estimate	\$1,038,068	\$758,000	\$1,796,068
Redesigns/Price Increases/Add-Ons	127,406	115,790	243,196
Overruns	<u>116,842</u>	<u>29,677</u>	<u>146,519</u>
New Project Cost Estimate	\$1,282,316	\$903,467	\$2,185,783
Total Excess	\$ 244,248	\$ 145,467	\$ 389,715

**SUMMARY PHASE 1 and 2 - CHATEAUX CAPITAL PROJECT**

Acct #	Description	Original Budget	Jul-08 Current Budget	1/17/2008 Paid-to-Date Actuals	Outstanding Pending Pmt.	Over/Under	REVISED Forecast 1/17/2008
Phase 1							
	Windows/Doors	475,650.00	443,873.00		576.00	475,074.00	576.00
	Other Angelo Labor				5,000.00	(5,000.00)	5,000.00
	Carpet Transitions				1,600.00	(1,600.00)	1,600.00
	Decks	308,900.00	466,845.00			308,900.00	
	Labor and Supplies						
	Deck Steel		51,094.00				
	Rail Fabrication to complete		58,130.00				
	Powder Coater		63,735.00				
	Add'l Material				19,250.00	(19,250.00)	19,250.00
	Angelo Staging Labor				10,500.00	(10,500.00)	10,500.00
	Install C, D&E				1,700.00	(1,700.00)	1,700.00
	Roof Metal		24,582.00		9,000.00	(9,000.00)	9,000.00
	Dirtwork		1,500.00				
	Fire Escapes		1,886.00			18,600.00	
	Entryways	18,600.00	1,886.00			60,000.00	
	Rewire cable	60,000.00	58,200.00			12,000.00	
	Cable Dist	12,000.00	11,607.00			3,500.00	
	Abandon Lights	3,500.00	0.00			4,860.00	
	Construction Mgt.	19,000.00	5,354.00			19,000.00	
	Permits	18,500.00	10,191.00			18,500.00	
	Trash	17,058.00	13,785.00			17,058.00	
	Total Paid to Date			1,262,393.88		(1,262,393.88)	1,262,393.88
	Contingency	100,000.00	52,406.00			100,000.00	
	Port-a-Potty		128.00				
	<b>TOTAL PHASE 1</b>	<b>1,038,068.00</b>	<b>1,282,316.00</b>	<b>1,262,393.88</b>	<b>48,626.00</b>	<b>(272,951.88)</b>	<b>1,311,019.88</b>

Acct #	Description	Original Budget	Jul-08 Current Budget	1/17/2008 Paid-to-Date Actuals	Outstanding Pending Pmt.	Over/Under	REVISED Forecast 1/17/2008
	815 Management	15,000.00	22,000.00	18,000.00	4,000.00	(7,000.00)	22,000.00
	820 Walkways	29,000.00	29,000.00	21,600.00	2,400.00	5,000.00	24,000.00
	825 Siding	285,000.00	377,100.00	352,514.19	24,585.81	(92,100.00)	377,100.00
	830 Rock	323,000.00	343,500.00	292,000.00	51,500.00	(20,500.00)	343,500.00
#	835 Permits/Trash	5,300.00	5,300.00	-	-	5,300.00	-
#	840 Signs	8,700.00	8,700.00	5,353.46	15.00	3,331.54	5,368.46
	845 Drainage	32,000.00	7,000.00	5,000.01	-	26,999.99	5,000.01
	850 Landscaping	40,000.00	40,000.00	1,500.00	38,500.00	-	40,000.00
	860 Other Expenses	-	1,790.00	3,107.94	1,000.00	(4,107.94)	4,107.94
	865 Architectural Fees	20,000.00	2,205.00	2,205.18	-	17,794.82	2,205.18
	870 Septic	-	1,472.00	1,070.00	-	(1,070.00)	1,070.00
	880 Clubhouse Extension	-	13,600.00	-	14,500.00	(14,500.00)	14,500.00
	885 Replace Utility Doors	-	6,300.00	5,437.39	675.00	(6,112.39)	6,112.39
	890 Paint Fire Escapes	-	7,500.00	6,400.00	600.00	(7,000.00)	7,000.00
	900 Move Gas Lines-CH	-	1,000.00	-	3,085.00	(3,085.00)	3,085.00
	905 Loan Org. & Int.	-	12,000.00	4,552.10	5,000.00	(9,552.10)	9,552.10
	910 CONTINGENCY	-	25,000.00	-	10,000.00	(10,000.00)	10,000.00
	<b>TOTAL PHASE 2</b>	<b>758,000.00</b>	<b>903,467.00</b>	<b>718,740.27</b>	<b>155,860.81</b>	<b>(116,601.08)</b>	<b>874,601.08</b>
	<b>TOTAL PROJECT</b>	<b>1,796,068.00</b>	<b>2,185,783.00</b>	<b>1,981,134.15</b>	<b>204,486.81</b>	<b>(389,552.96)</b>	<b>2,185,620.96</b>



## Old Business

Paul Gamel updated homeowners on the status of the capital project. There is still a punch list of items to attend to, but the list has gotten smaller. The majority of the punch list items are external things that cannot be assessed at this time due to the huge amount of snow around the buildings. The deck railings still need to be completed. There are several logistical difficulties that have delayed the completion of the decks—and the overall project:

- 1) At the beginning of the project, the board extensively researched railings and elected to install custom railings that would enhance the Chateaux name and lend a distinct, unique look. \*The proposed railings, siding color and rock were unveiled for owner comments at the Jan 2007 home owners meeting and nobody objected to any of the materials. Unfortunately, the board did not realize that the balusters (spindles) were manufactured outside of the US and would be difficult to procure in the quantities we needed.
- 2) Because each deck is a slightly different size, each railing piece had to be measured and tailor-made. Even those decks above and below are slightly different sizes.
- 3) Then in an effort to save money, Chateaux bought the balusters ourselves, and instead of having the welder get them powder coated—and paying his commission on this service, we decided to try and save that money and pay for the powder coating separately.

Hence, the board entered a complicated 6-step process of 1) buying the balusters, 2) the welder welded them together to each deck's specific measurements, 3) then the railing pieces were hauled to Canon City to get powder coated (to prevent rusting and the necessity of painting again soon), 4) then hauled them back to Chateaux, 5) where each piece had to be staged--placed on each individual deck (which proved to be a challenge on the 2<sup>nd</sup> and 3<sup>rd</sup> floors, when trying to maneuver around the huge amounts of snow and the guests), 6) at which time the welder could then weld the finished railings into place. Also in a small resort community such as Crested Butte, the board ran into the difficulty of finding quality workmen with good, solid work ethics.

Paul pointed out that the project was scheduled to run through November, so it really isn't too far behind schedule. He believed the decks/railings would be completed in 4-5 weeks—weather permitting. The board waited until they knew as much as possible regarding the final total for cost of the project, and absolutely needed the money, before levying the \$6,500 additional assessment so that there wouldn't have to be another assessment due to other unforeseen events. The board also encouraged homeowners to call or email them with any concerns regarding the project or association. BOD contact information is on the website or CBL can send complete owner list information upon request. We are hoping to have all owner contact information posted on the Owners Only section of the website (which is password protected), but want specific owner approval to post it.

Linda Chapman commended the board on the amazing job they have done, and she commented on how great the buildings look. Don Chapman mentioned that he had measured the buildings initially and estimated that the project would cost approximately \$30,000 per owner, were he to complete these renovations independently. The project has not exceeded this amount by much and he believes the project looks good and the price is fair.

Steve Leary noted that the project cost was 20% over original estimates and thought it seemed excessive.

The board pointed to the following to explain the cost overruns:

- It was known—and told to the owners at last year's homeowners meeting and put in the minutes mailed out to every owner and posted on the website at [www.chateauxcb.com](http://www.chateauxcb.com) that the project was going to be significantly more expensive than first thought. And the Board detailed the reasons why this was.

- The board operated with the best knowledge they had at the time but the project ran into some unforeseen obstacles--mostly related to the findings noted in the geological survey.
- There were significant cost increases in both the siding, steel, and rock.
  - There was not a fixed contract on the siding until 1 year into the project and the siding cost increased approximately 30% in that time which was approximately \$92,000 and explains about ¼ of the project overruns.
- There were foundation issues with regards to supporting the decks and the engineering study that was done recommended that helical piers be installed which was not originally planned on nor budgeted for.

Several homeowners including Steve Leary, Jason Fries, Matt Hayes, Clif Walker, & Luz LaBato brought up other concerns regarding the project:

- What quality control was done throughout the project?
- Were the right materials used in the right places?
- Where did we find the contractor used and what were his qualifications?
- The appearance that corners were being cut to save money.
- The difficulty of tracking down Kathy Morgan (Construction Project Manager).
- The fact that Dave Morgan (Kathy's husband) was a foreman for the general contractor.
- New windows do not seem to be very efficient and cold air can be felt drafting around them.
- Heated sidewalks were never installed.
- Concerns about the qualifications of the construction crews and that they didn't seem to care much about the project, thus necessitating quality control.
- Do we have a warranty? When does the warranty end so that issues can be addressed while still under warranty?
- Can the homeowners receive monthly updates on the project?
- Does Chateaux have a 5 or 10 year plan to address further capital project issues?
- Could other materials have been used to save money?
- Shouldn't the general contractor absorb the costs due to the initial incorrect measurement of the siding?
- Who did the original study for the decks and can they be held accountable?

The Board addressed many of the concerns that were brought up. The Board did a walk thru August 2006 to assess phase 1, then 5 separate extensive walk thrus Fall '07 and Jan '08 to try to catch problems, gain some quality control, and meet the time table. The Board plans to carefully go through the entire project in the spring when all of the buildings are visible before signing off on the project and completely paying the contractor. The costs of the initial incorrect measurements of the siding were absorbed by the general contractor (High Mountain Improvements). The materials that were chosen for the project are of high quality and meant to last for a long time. If alternative materials were used to save costs, they would not last as long. Due to weather and scheduling difficulties, the busy Geotech engineers were unable to analyze the property in a timely manner, so we went ahead and designed the capital project renovations without the benefit of this report. A certified, reputable architect initially designed the decks and made recommendations about the deck foundations without knowledge of the soil and foundation issues. Once we got the report, engineering adjustments to the foundations needed to be made to assure the safety and reliability of the new decks. The decision to not install heated sidewalks came about primarily because we discovered that the electricity output for the Chateaux buildings is at capacity, and heated sidewalks would require more than is available. Also, the additions of the extended awnings cover much of the sidewalks. Additionally, all electrical systems to heat the walkways sounded unreliable. The board offered to post monthly updates of the capital project on the Chateaux website—[www.chateauxcb.com](http://www.chateauxcb.com).

### **Open Forum**

Clif Walker inquired if Chateaux has any affordable housing. Chateaux has 2 units that are deed restricted (affordable housing) and currently the HOA is trying to amend its declaration to keep it at 2.

Susan Chambers read a letter she had prepared in case she was unable to attend the meeting. The letter stated her disappointment and frustrations with purchasing her unit without any knowledge of an assessment. She claims that her realtor, the assessor, nor the association informed her that there was the possibility of an upcoming assessment which ended up being levied the day after she closed on her condo. Paul requested that the discussion continue with him after the meeting.

Bob Hall asked if there are any plans to enclose the fire escapes. Paul explained that it was in the original plans, but is no longer due to the significant additional expense of supporting them properly, now that we have the Geotech Engineering report. The entire fire escapes may have to be replaced in the future in order for the association to retain insurance. The concrete pads that hold the fire escapes are inadequate and could be condemned eventually. The Board is exploring the most cost-effective—yet safe, way to deal with this ongoing issue.

Bob Hall asked if the deck furniture has to be wrought iron on the decks. Paul stated that deck furniture would be talked about at the board meeting. The board is trying to be reasonable and is acting on the suggestion of an owner to ensure that tasteful furniture is chosen for the decks.

Luz LaBato asked if grills would be allowed on decks. Paul mentioned that gas grills were to be discussed at the board meeting. Wanda Bearth read the rule concerning grills on decks which is as follows, “Charcoal and other solid fuel burning grills are not permitted in any interior, balcony or common area...” It was determined that the rule does *not* restrict homeowners from having gas grills on their decks, but it was still to be discussed at the board meeting.

Clif Walker voiced a couple items on behalf of Todd Young who could not attend the meeting. Todd wanted to know if there were plans to upgrade to gas. He also wanted to know why each unit pays the same amount in assessments despite the fact that unit sizes range from 2 bedrooms to 4 bedrooms. Paul said the infrastructure was installed to upgrade to gas sometime in the future but as each fireplace is now up to code, it is no longer necessary to have this done immediately. Each unit pays the same amount in assessments per Chateaux’s declaration.

Paul asked if the homeowners in attendance had any thoughts about moving the annual meeting to the summer so that more homeowners may be able to attend. The general consensus was that it would be a good idea to move the meeting, and the board would address it and come up with a date at the board meeting.

Greg Fries stressed that communication is the key to keeping everyone involved. If homeowners have any issues with the project, they are encouraged to contact the board. If the board doesn’t know about a problem, they are unable to address it.

Luz LaBato mentioned that she and Anthony love the project and how it is turning out. She echoed earlier sentiments that the board should put together a 5-10 year capital improvement plan.

Paul wrapped up the open forum by noting that Chateaux was built in 1974. The only major project done since was to replace the roof and pave the parking lot so Chateaux is playing—and paying-- catch-up now.

## **New Business**

Theresa presented a handout of the “Possible Phasing of Chateaux Landscape Installation,” which is included in these minutes:

## *Possible Phasing of Chateaux Landscape Installation*

### *Ongoing Landscape effort- Gothic Road hillside*

- Multi-year program to get rid of noxious weeds—Scentless Chamomile
- Seed hillside with wild grasses & wildflower mix once noxious weeds under control

### *Any phase-*

- Install concrete pavers to replace gravel on staircase between Three Season & Chateaux
- Window boxes with annuals, to provide full summer color all summer.

### *Alternate Phase 1: Installation of all trees & shrubs\**

- 5 Sprinkler taps & multiprogram timers (clubhouse to come off C Bldg)
- 65 Trees—purchased, installed & dripped
- 49 Shrubs—purchased, installed & dripped
- Clubhouse perennials, weed barrier & gravel

\*Point to consider: Additional expense to go back in there—not significant to the overall cost—get weeds out of way, may need additional compaction to deal with erosion & settling—not clean raw site as is now.

### *2<sup>nd</sup> Alternate Phase 1: Installation all trees & Clubhouse only*

- 5 Sprinkler taps & multiprogram timers (clubhouse to come off C Bldg)
- 65 Trees—purchased, installed & dripped
- Clubhouse perennials, weed barrier & gravel

### *Phase 2: East—Gothic Road Side*

- Existing Timber walls either buried or removed per design plan while grading properly per drainage plan
- Existing drainage system replaced with stronger, more effective materials, buried to achieve better positive drainage
- Boulders (corner B bldg) and Modular engineered retaining walls installed
- Accompanying hardscape—rock streams to be installed

### *Phase 3: Plantings—Gothic side & Between buildings*

- Foundation compaction
- Plantings completed with drip systems, weed barrier, gravel & mulch
- Areas between buildings policed of debris, leveled and seeded with erosion control fabric installed as needed.

### *Phase 4: Gothic Staircase*

- Hardscape completed—dry rock stream bed
- Existing sprinkler system—if any, revamped to meet quality of rest of property
- All trees, shrubs, perennials (including existing), dripped
- Weed barrier, gravel & mulch installed per plan
- Replacing failing city concrete walkway with pavers

Theresa explained that she spoke to 3 different landscaping companies and all thought that Chateaux had a number of challenging problems that need to be addressed in any landscaping effort, namely the lack of proper grading throughout the property, the drainage/water issues given that we have natural streams running under the property and very close to the surface in spots, and that all the retaining walls are 30 years old—which is their life expectancy.

There is money for the capital project that is allocated to landscaping but it is not enough to pay for the entire long-term plan that is presented above. Theresa said that the first phase of the project would cost approximately \$40,000-\$50,000 which is close to what will be left from the capital project for landscaping. The association could elect to only do Phase 1, but Chateaux will have to address the retaining walls at some time which is included in Phase 2 of the long-term plan.

The plan, while being aesthetically pleasing, is by no means extravagant or frivolous. It was extremely well thought out and designed to be functional, addressing all of Chateaux's problems as well as help support the hillsides and maintain banks. Theresa also noted that the general rule of thumb with landscaping is to spend 10% of the property's value. As the average unit at Chateaux is worth approximately \$274,000, the entire 60 units are worth \$16,440,000—not including the clubhouse and pool. 10% of that is approximately \$1,600,000. According to standard landscaping budgeting, Chateaux should spend approximately 1.6 million dollars on landscaping. If the association were to see all phases through, this project would cost \$300,000-\$500,000 total.

Along the same vein, Theresa noted that the association also has to address weed issues as the town will now be imposing fines on properties with noxious weeds. These weeds will take approximately 3 years to eradicate.

Luz LaBato asked why the drainage is to be fixed in Phase II if it needs to be addressed. Theresa said that it is not a "must do" at the moment.

Steve Leary asked if the phases could be switched around. Theresa responded that other segments of Phase II support the grading and it would not be financially possible at this time to have it all done.

### **Election of Officers**

Paul Gamel and Louie Raven's terms on the board had expired. Paul offered to run again for the board so that he would be able to see the capital project through. Louie respectfully declined to run for a board position at this time. Letters were read by Paul from Robert Davis and Alan Adams indicating that they were both interested in running for a board position. The floor was then opened for nominations.

Nominations were accepted by Bob Hall for Paul Gamel; Paul Gamel for Robert Davis and Paul Gamel for Alan Adams.

Linda Chapman made the following-

**Motion:** to accept the board nominations  
**Seconded:** Clif Walker  
**Vote:** Unanimous Approval

After voting by secret ballot, Paul Gamel and Alan Adams were elected to the Board of Directors for a 3 year term.

Board of Directors:	Term Expiration
Paul Gamel	2011
William C. Hoitink	2010
John (Jack ) Patton	2010
Theresa Brooks	2009
Alan Adams	2011

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

It was agreed that the Annual Homeowner's Meeting be moved to the summer in either late July or early August. The board will determine a date at their next meeting and notify homeowners by mail and post to the Chateaux website.

**Adjournment**

Greg Fries made the following-

**Motion:** to adjourn the 2008 Annual Homeowner's Meeting  
**Seconded:** Linda Chapman  
**Vote:** Unanimous Approval

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

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