

**CHATEAUX CONDOMINIUMS ASSOCIATION  
ANNUAL OWNER'S MEETING  
AUGUST 2<sup>ND</sup>, 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 9:06 A.M.

**Proof of Notice**

Proof of Notice was mailed on June 25<sup>th</sup>, 2008 which was 39 days prior to the meeting date.

**Roll Call/Establish Quorum  
Members Present in Person**

<b>Name</b>	<b>Unit #</b>
Paul & Jayne Gamel	101
Dwayne Lehnertz	107
Steve Leary	108
Robert Davis	201
Betty Woods	202
Theresa & John Brooks	203
John & Lucia Doyle	208
John Patton	303
Rory & Mary Baruth	407
Marshal Taylor	409
Alan Adams	504 & 511
Bob Hollywood	507
Bill Hoitink	508
Matt Hayes	512

**Members Represented by Proxy**

**Paul Gamel proxy for:**

Rogers Wilson	102
Jay Fairvalley	106
Pam Stanley	110
Fred & Meredith Barrow	112
Shadlee McTaggart	212
Joyce Raven	401
Linda & Don Chapman	406
Dennis Morris	408
Sue Ann Louis	502
John Calhoon	509

**John Patton proxy for:**

Betty Moncrief	308
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**William Hoitink proxy for:**

Cyrus Hoaglund	302
Sharon Dobson	305
Glenda Thomas	412

**Theresa Brooks proxy for:**

Deanna Wenstrup	206
Christine McCleary	309
Georgine Fries	501
James Bader	503

**Ian Leeming proxy for:**

Susan & Paul Leeming	404
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A quorum was established with 57% of the membership represented in person or via proxy.

**Board Members Present:**

Paul Gamel  
 William Hoytink  
 Theresa Brooks  
 Jack Patton  
 Alan Adams

**Management Company Present:**

Wanda Bearth  
 Grant Benton  
 Lee Friedman  
 Patrick Seaman

**Reading and Approval of Past Minutes – January 18, 2008**

Bill Hoytink made the following -

<b>Motion:</b>	To waive formal reading and accept past minutes as submitted.
<b>Seconded:</b>	Jay Doyle
<b>Vote:</b>	Unanimous Approval

**Reports**

**Manager’s Report**

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

**Administrative Items**

**Insurance Claim** - Last season, the record amount of snowfall resulted in six windows being damaged and some of the fire escape railings were crushed. The insurance adjuster, Mark Brooks, has visited the property once to evaluate the damage. He was unable to view the fire escapes in their entirety due to the immense amount of snowfall received that almost reached the 3<sup>rd</sup> bedroom windows. Mark Brooks returned late June and walked the property with Grant Benton and Terry Kluge of Cowboy Steel. As of 7/15/08 we are awaiting Mr. Brooks’ report.

**Declaration Amendments** - The two declaration amendments have now been recorded at the county level. This included the addition of section 12a (prohibiting additional deed restricted units) and the re-wording of section 21 (reducing the number of mortgages’ approval, in order to amend the Declaration).

**Rules and Regulations Revisions** - At the January Board meeting, your rules and regulations were amended to allow log furniture in addition to dark colored iron furniture on the decks. Gas grills have always been allowed but the rule now clarifies that the 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.

**Website** - Remember that [www.ChateauxCB.com](http://www.ChateauxCB.com) is a great resource for homeowners to find required disclosures (including operating documents and meeting minutes) in addition to announcements and updates relevant to Chateaux homeowners.

**E-mail** - Please be sure to provide CBL your e-mail address for the purpose of association correspondence if you have not done so.

**Internet** - Password was changed in June, 2008, If you need the password, please call CBL Office. Past problems have seemed to mostly disappear; Alan with Amerisport has been responsive and very helpful with our guests and owners when any issues have arisen.

### **Property Maintenance**

**Pool Cover** - CBL has replaced the old 12 mm cover with a new 16 mm clear cover. The new clear cover should help with heat conservation by allowing solar penetration without allowing heat loss. In addition, the new pool cover should help to reduce Chateaux's gas bill. The new pool cover is stronger and reinforced which should increase the lifespan of the pool cover.

**Pool** - We had problems with the pool keycard system and worked closely with the manufacturer to remedy the issues. It is currently working, although several swipes of the card might be needed to access the pool area. Master keys were not functioning, room keys would not allow entry, and CBL, as always, closely monitored the pool for trespassers and other security issues.

**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. The repair job has failed, several cracks have appeared, CBL has spoken with the contractors involved and they are willing to warranty the work once again. We will ask them to attend to the gap in front of the A and B buildings when they are here for the warranty work.

**Parking Lot Bank** - CBL has maintained the cleanliness of the entire bank while the exchange of ownership is taking place at The Marcellina Apartments.

**Dumpster** - Per town ordinance, CBL had more secure locking mechanisms installed on dumpster doors to prevent wildlife tampering (and more importantly...fines!). Along with CBL's housekeepers and maintenance staff maintaining the parking lots, Grant and Patrick have personally been monitoring and picking up trash around the complex on a daily basis in order to help with the upkeep and appearance of the property. We remind everyone to place the trash inside the dumpster and slide the door closed after each use. Please remind your tenants, friends, and family members to not use the HOA dumpster for construction debris.

**Crawl Space** - New heaters and vapor barrier were installed under each of the buildings last fall. Those efforts worked exceptionally well through this past record-breaking winter. The heaters have been shut down for the summer.

**Landscaping** - Theresa and Chateaux's landscaper have been diligent in their efforts to beautify the front of each building and around the clubhouse. CBL is maintaining the backside of each building by watering once a month in order to encourage growth of natural foliage. Weed control efforts have been implemented.

**Signage** - The Chateaux now has new signage at the entrance of the complex and at the bottom of the Gothic stairwell. The Chateaux sign on the Gothic side of E building has emerged from months of snow cover and the lighting has been tested and adjusted for better viewing from Gothic Road.

**Water Main** - The water main for the entire complex, located in front of the E-building, broke in March. Most of the concrete had to be busted up and removed from the entry of the E building. The water main has been repaired and the entry-way has new concrete.

**Unit Damage Caused by a Neighboring Unit (i.e. water leaks or fire)** - The Chateaux BOD is taking the initiative on creating the correct protocol for managing future occurrences.

**Railings** - Terry of Cowboy Steel worked diligently to install the final deck rails. A big thank you goes out to owner Louie and Joyce Raven for delivering the last of the rails to Cowboy Steel to install.

### Area update

**Mountaineer Square North** - As reported by The Crested Butte News on June 19, 2008 - Crested Butte Mountain Resort (CBMR) is heading into the final planning stage for the proposed Mountaineer Square North development. The Mt. Crested Butte Town Council approved the preliminary plans for the development following a public hearing on Tuesday, June 17.

Mountaineer Square North is comprised of six main buildings, including the town's proposed aquatic recreation center, and several smaller buildings. The plans include 402 residential units, 834 parking spaces (in garages), a 10,000-square-foot conference center, retail and restaurants, office space, and affordable housing, located at the site of the resort's current main parking lot. The town is listed as a joint applicant, due to its responsibility in designing and constructing the proposed recreation center.

At the hearing, which owners Theresa Brooks (B 203) and Louie and Joyce Raven (D 401) attended, public concerns centered on a pedestrian bridge depicted in the plans, the overall height and mass of the buildings, and whether additional residential units were necessary. Most of the concerns were brought forth by unit owners in the Chateaux condominium complex. The town also received several letters from Chateaux owners regarding the pedestrian bridge (some in favor and some against) and building heights. Dunn gave an overview of how building heights were measured, and compared their final height in relation to the elevation of Gothic Road. Dunn explained that compared to the road, only the proposed hotel building on the southern end of the development would be taller than the Grand Lodge. Dunn also noted that the Grand Lodge has a flat roof, and all of the proposed buildings had varying angles of roof-lines.

Dunn said CBMR had no intention of funding or constructing the pedestrian bridge between the Chateaux area and Mountaineer Square North, but was willing to prepare a site for the bridge to land on their property. "If we were to make it part of our application we would have to bring in the (homeowners association) of Chateaux. We really don't want to do that," he said.

### Rental Update

We are happy to report good news concerning short-term rentals at the Chateaux. As of July 16<sup>th</sup>, rental revenues for the summer of 2008 were 71% ahead of revenues for the prior year at the same point in time. Group bookings for the summer are ahead of last summer by \$22,201 accounting for a significant portion of the improved revenues.

The news is also pleasing looking ahead to this coming winter. There are already 1,629 nights of lodging booked at the Chateaux for the winter. Revenues are ahead of last year's pace by more than 8%.

We are anticipating a strong finish to the summer and are excited for what this coming winter may bring. As always, if you have any questions regarding your rental revenues, or if you are interested in knowing what it would take to upgrade your unit and receive more rental revenue, please give us a call and we will be happy to assist you.

## Financial Report

The financial report was delivered by Jack Patton. 3 handouts were distributed including a “rolled up” version of the preliminary Association Budget for fiscal year 2008-2009, an updated Capital Project Budget, and a dues comparison sheet comparing Chateaux’s monthly dues to that of other Mt. Crested Butte associations.

Jack reported to the Membership that the net margin of the operating budget was over \$60,000 in fiscal year ending in 2006, almost \$19,000 in fiscal year ending 2007, and that there will be a deficit this year due to snow removal costs of approximately \$50,000.

Jack reviewed the proposed budget in brief as it hadn’t been approved by the BOD as of yet. Part of the upcoming fiscal year’s budget will include paying off the line of credit that was secured at the end of last winter due to the operating budget deficit.

Actual expenses from the capital project currently amount to \$2,164,910 which is \$20,874 below budget. There are plans for the remaining funds to be put into the landscaping portion of the capital project.

## Old Business

**Construction Update** – Paul Gamel delivered the update to the members. He mentioned that the BOD has made many walk-through’s of the entire project including a walk-through the week prior to the Annual Meeting with the contractor. The project is mostly finalized, but the BOD still needs to meet with contractor so that each Board Member will have the chance to speak with the contractor one more time. Almost all “punch-list” items have been attended to, and if any owner has items to add, they should speak to Grant with CBL.

Paul mentioned that the decks have been the “Achilles Heel” of the project and required a lot of time and effort. The BOD bought the balusters, railings, and posts separately. The balusters were purchased from Italy. All items needed to be powder coated, delivered, welded, and installed in place. Each deck is unique in its own dimensions which meant individual measurements had to be made as well.

Paul asked the membership for feedback regarding the project. Several owners responded with positive comments including:

- how great the buildings look
- very happy with results
- love the decorative bowed out railings
- landscaping looks great

**Landscaping** – Theresa Brooks addressed the membership with the landscaping update. She informed everyone that the landscaping had begun and that it would take \$32,000 to finish the project. All plantings are being put on a drip system. It appears that the balance of the capital project fund will be able to fund the remainder of the landscaping project phase 1 (west side of the buildings and surrounding the clubhouse) as it was intended to do.

The area around the DDA stairwell is Chateaux’s responsibility to maintain, but the existing irrigation system (micro sprays) was poorly installed and nonfunctioning, hence most of the existing plant material and trees were struggling—if not almost dead. The Town of Mt. Crested Butte agreed to pay (\$1,200) for a new irrigation drip system, to be installed by Chateaux’s landscaper, that is much more effective and consistent with Chateaux’s system.

Theresa Brooks has worked diligently with the Town of Mount Crested Butte, and feels that the Town will be open to helping fund more of the landscaping on the Gothic Road side of the complex. Theresa will

continue to work closely with the Town to seek approximately \$15,000 more in funding to install a dry rock stream that will disguise Chateaux's drainage system coming from grading slopes and crawl spaces.

Owner, Ian Leeming, was concerned with the location of some of the trees planted close to the parking lots, and questioned if snow plowing/removal would endanger the trees. Theresa noted that Chateaux's plow company would be trained to plow away from the building, and it shouldn't be an issue. She also mentioned that all landscaping is under warranty at a 50/50 replacement rate for the first year.

#### **New Business**

There was no new business.

#### **Member's Open Forum**

Robert Davis expressed his desire to see protocol in place that would help mitigate the process when one unit causes damage to another unit. He suggested distinguishing between whether it was due to negligence or not that the problem occurred. Grant mentioned that the insurance companies do pay when negligence is found, but when there is no negligence, the insurance companies tend to cover only what it damaged within the originating unit. The issue would be taken up again at the BOD Meeting, but Paul did point out that the Homeowners do have some responsibility for having insurance on the interior of their unit.

Steve Leary asked about the firescape/emergency lighting, and why it needs to be on 24/7. Grant explained that it is mandated by code that the lights function for 24 hours every day.

It was asked if the Association would have any window washing done. The BOD said it would be discussed at the BOD Meeting. The cost would be approximately \$4,000 to have it done.

The Doyles asked if the drainage between the D & E buildings would be fixed. Theresa explained that it is part of the landscaping plan, and the slope between A & B had already been fixed. She mentioned that it would get done, if and when, the money becomes available.

Robert Davis was concerned about the cable reception within his unit. This concern was echoed among many homeowners. Robert had all of the cable servicing his unit changed out by the local Radio Shack technicians and still has poor reception. The BOD said they would discuss the issue at the BOD Meeting, but the first thing we could try would be to threaten Time Warner that we make take service away from them if they don't help remedy the problem.

Several Homeowners thanked Paul Gamel for his time and dedication to the capital project and to the Association in general. It was noted that Paul had been the "Point" person throughout the entire project, and owners commented on how proud they are of the BOD and for their hard work and time invested.

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

Paul asked the Membership when they would like to have the next Annual Meeting. After some feedback, Jack said it would be scheduled for August 1<sup>st</sup>, 2009 tentatively.

#### **Adjournment**

Association President, Paul Gamel, adjourned the meeting at 11:02 a.m.

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

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