

SnowCrest Annual HOA Meeting Minutes from August 3, 2007

MANAGEMENT COMPANY REPRESENTATIVES PRESENT:

Kendall Collins
Will Gleockler

BOARD MEMBERS PRESENT:

Randy Leeds, President
William Buck, Vice President
David Miller, Treasurer

Call to Order

Randy Leeds called the meeting to order at 8:52 am.

Confirmation of Notice

Kendall Collins confirmed that notification of the annual HOA meeting and Proxy requests were sent out in the second week of May, 2007.

Roll Call

William Buck held roll call and a quorum was established.
23 units were represented either by attendance or proxy.

Reading of Last Year's Minutes

Ken Schoenebeck made a motion to waive the reading of the minutes and approve them as published.

Stacy Leeds seconded the motion.

Motion was approved by a majority vote.

Management Report

Will Gleockler presented the manager's report as follows:

Crested Butte Company has done routine maintenance throughout the year such as repair steps, parking lot and hallway sweeping, screen door and window repair, and the replacement of batteries in all smoke detectors.

This year snow was minimal with only 70% of pack. With this amount of snow, plowing and snow shoveling has come in under budget. Flowerbeds are starting to fill out due to planting of perennials in previous years. The lack of rain this year has made much of the area dry, which requires constant watering.

Last year the laundry room got quite a face-lift with new vinyl floor and new laundry machines. After a closer look the vinyl was poorly installed by Mountain Surfaces and will be replaced. The problem with the drain in the laundry room is in the process of being repaired.

With the constant visitation by bears, the Town of Crested Butte passed an ordinance requiring the use of bear proof dumpsters. The dumpsters were not anticipated on any budgets, so there will most likely be an increase in trash removal.

Crested Butte Company looks forward to another great year of being the property manager of Snowcrest Condominiums.

Kendall Collins presented a few additional comments and responded to questions from the floor. Kendall noted that he has bids for the painting projects; however he is finding it difficult getting a stucco repair bid. It was noted that the bridge railing repairs are complete; most of the large sign will be refurbished this year; and more construction on the Villa's immediately behind Snowcrest should kick off soon. It was asked if the Villa's construction was causing additional work and maintenance, to which Will responded that it was mostly shoveling mud and clean-up in the parking lot.

Officers' Reports

PRESIDENT'S REPORT:

Randy Leeds stated that this last year has brought on a lot of extra personal commitments that have somewhat interfered with the amount of time he was able to spend on Snowcrest business. On the positive side, there were fewer issues that needed his attention than in years past.

Randy noted that the owner's packets did not have the latest Rules and Regulations. The current document is always available on the Snowcrest web site.

Roof bid drawings were prepared and issued to three local contractors, all of which responded. The low bid was accepted, but unfortunately the contractor's schedule would most likely not allow a 2007 construction start. The association has a signed letter of intent with the contractor committing him to complete the roof construction in 2008. Randy has met with Mountain Fireplace Specialists to begin the coordination efforts with the roofing contractor. Randy will discuss this further during new business discussions.

In light of the delayed roof construction, the board is actively seeking bids on the stucco repairs and repainting project in hopes to have one or both completed this year.

This spring Chuck and Carolyn Mitchell sold their Snowcrest unit, which has created another open Board position that will hopefully be filled later in the meeting.

Last fall Randy worked with Snowcrest's web site manager to make it more user friendly, easier to update and to bring it current with all the latest minutes, mailings, newsletters, annual operating budget, and owner contact information. Randy will work to keep this information updated on a quarterly basis.

The bridge railing safety upgrades have been completed. Randy encouraged everyone give the new railing sections a little test push as they pass by to see how much they have strengthened.

TREASURER'S REPORT:

David Miller gave an overview report on the balance sheet, budget projections, and the other financial documents included in the homeowner packets.

David noted that there were no issues identified in our last certified audit, which was performed in April, 2006. Next year's operating budget now shows a positive balance rather than the deficit of years past; this is partly due to low snow fall last year, which left us under budget for snow removal.

It was inquired if the A/R Aging Summary was fairly typical. To which, David responded that it was only a little higher than typical as a result of the special assessment. Several units are being sent certified letters notifying them that a lien will be filed if their balance is not brought current.

Old Business Discussions

VILLAS CONSTRUCTION

Several questions arose regarding the Villas Construction.

- It was asked if the new road behind Snowcrest will be private, to which William Buck answered yes and that general public use may be restricted.
- Will Marcellina Lane be repaved after construction is finished? Kendall Collins said he did not know the answer; that would be up to the town.
- Once the construction is finished, will this create more usage of the Snowcrest bridge? Randy Leeds stated that it would be inevitable, and that there is a public access easement across the bridge, which means we have no control over whom or how many use our bridge.

BRIDGE OWNERSHIP

There was a question regarding last year's discussions with the town and the ski area as to whether they had any interest in taking over the ownership of the bridge. This could save Snowcrest significant dollars spent on maintenance, snow removal, and possibly even in insurance liability costs. It was noted that the discussion ended with neither the town nor the ski area interested in pursuing ownership of the bridge at this time. However, they did not completely reject the idea and left the door open for the possibility of something that they might consider in the future.

New Business Discussions

LAUNDRY ROOM

It was asked what was being done about the drainage problems in the laundry room. Kendall Collins stated that they believe the sewer line is crushed somewhere down stream. They have tried snaking it, but hit a blockage that can't be removed. They have scheduled the line to have a video camera used to identify and locate the problem. At that time repairs can be performed. In the mean time, only one washing machine can be used

so as not to overload the drain line. It was also mentioned that there seemed to be an electrical problem in the room as well. Kendall said he would have it checked out.

WIRELESS INTERNET

Kendall Collins noted that a proposal from a wireless Internet provider has been included in the owner's packets. It was discussed that more and more facilities around Snowcrest will be providing this service. Most of the association members in attendance didn't feel this was something that needed to be pursued.

HOT TUB

A comment was made that the hot tub jets were not working properly. Kendall Collins said he would have it looked into. Randy Leeds noted that his experience has been that the jets have never operated properly, even after several service calls.

TRAILERS IN PARKING LOT

It was noted that two trailers had been parked in the lot during the last couple of weeks. Management Company stated that they were already working on having them removed. One of the trailers is a new owner who claimed not to be aware of the restriction against the storage of trailers and recreational vehicles in the parking lot.

STAIRWAYS

One owner mentioned that there was a loose handrail on the right side of the bottom stair as you approach the bridge. This led into another discussion regarding the safety of the existing stairs, the snow shoveling cost for the stairs, and possible redesign and construction. Randy Leeds requested the management company to have the town's building inspector examine the stairs to identify if there are any structural and/or safety issues that need to be addressed. Any further discussions on redesign or construction will be deferred until after the inspection and recommendations are made.

SATELLITE VS CABLE

Kendall Collins mentioned that several units had been experiencing troubles with their cable TV service. Most the problems were due to old and failing cable lines within Snowcrest. Many of the lines are in excess of 30 years old and will need to be replaced sometime in the near future. The cable company offered to replace the cables for free on the condition that Snowcrest agree to a 10-year contract for cable service.

This brought up discussions about alternatives, such as satellite service. William Buck said he would check into costs, services, and options that a satellite vendor would offer us. He indicated that he would report back to the Board by October 1st with whatever information he could obtain, so that a decision could be made on what type of TV service Snowcrest will have.

CHIMNENY S

Randy Leeds noted that he had met with Mountain Fireplace Specialists (the company that has been servicing Snowcrest's chimneys for the past 5 years) to investigate what coordination needs to be done with the new roof construction and the possibilities of replacing old chimney flues and making them more uniform for both appearance and maintenance concerns.

The chimney flues are independent of the roof system and cricket. They pass through a steel sleeve that is anchored to roof support structure. This means that there is very little coordination needed for the new roofing.

Unfortunately, making the chimneys uniform is not as simple as it might seem. Chimneys, their caps, and fireplaces are designed as an assembly. They cannot always be mixed and matched. Approximately half of the original circular metal fireplaces are still in use. Mountain Fireplace Specialists noted that these old fireplaces are potentially very dangerous. If one of the glass panels becomes broken, the fireplace will not draft properly exposing the occupants to carbon monoxide dangers. Due to age of these fireplaces and the new restrictions and designs of current fireplaces, the replacement chimneys for these old units can only be purchased through one supplier. This makes them twice as expensive as chimney replacements for newer units. The only way it would make sense for Snowcrest to pay for replacement of all the old chimneys would be to do so with newer style chimneys and disconnect all the old original circular fireplaces. This would lower an owner's replacement costs from \$5,000 +/- to \$3,000 +/- for just the fireplace or stove; saving the cost of a new chimney. These new chimneys would be usable for almost all new fireplaces or stoves that the an owner would want to purchase, but in the meantime, half of Snowcrest owners would have a fireplace that they could not use. Randy expressed his opinion that this would be pretty heavy handed for the Board to do, and didn't feel it was appropriate.

In conclusion, it was determined that the association will not pursue a general replacement of the old chimneys and that individual owners would be responsible for replacement and upgrades to their fireplaces.

Board Member Elections

Three positions are open for election.

1. A three-year term (currently held by David Miller)
2. A one-year term (currently held by William Buck)
3. A one-year term (currently vacant)

*Randy Leeds has one year remaining on a three-year term.

*Carl Polesky has two years remaining on a three-year term.

Randy Leeds opened the floor for nominations to fill the vacant three-year term that expires in 2010.

David Miller was nominated by William Buck;
the nomination was seconded by Ken Schoenebeck.

No other nominations were made.

Nominations were closed and David Miller was elected to the vacant three-year term by majority vote.

****The floor was opened for nominations to fill one of the vacant single year terms.

William Buck was nominated by Jennifer Powers;
the nomination was seconded by David Miller.

No other nominations were made.

Nominations were closed and William Buck was elected to a one-year term by majority vote.

****The floor was opened for nominations to fill one of the vacant single year terms.

Jennifer Powers was nominated by Stacy Leeds;
the nomination was seconded by Cathy Kobernik.

No other nominations were made.

Nominations were closed and Jennifer Powers was elected to a one year term by majority vote.

THE 2008 SNOWCREST BOARD MEMBERS ARE:

Randy Leeds – three-year term (expires 2008)

Carl Polesky – three-year term (expires 2009)

David Miller – three-year term (expires 2010)

William Buck – one-year term

Jennifer Powers – one-year term

Establishment of next year's Annual Homeowners Meeting

Stacy Leeds made a motion to have the Homeowner Meeting in August on the Friday prior to the Art Festival FOR THE NEXT FIVE CONSECUTIVE YEARS.

The nomination was seconded by Ken Schoenebeck.

MOTION failed by majority vote.

Cathy Kobernik made a motion to have next year's Homeowner Meeting in August on the Friday prior to the Art Festival.

The nomination was seconded by Stacy Leeds.

MOTION was approved by majority vote.

Adjournment

Randy Leeds made a motion to adjourn the meeting.

The motion was seconded.

MOTION was approved by majority vote.

*Randy Leeds adjourned the 2007 Homeowner Meeting at 11:05 AM.

Accepted by:

Randy Leeds, Board President

September 27, 2007