

Agenda

Eagle's Nest Townhouses of Mt. Crested Butte
Board of Directors Meeting
Conference Call
April 25, 2023 ~ 5pm MT

Call to Order

Roll Call/Establish Quorum

Reading and Approval of Past Minutes

- February 27, 2023 (pg. 2 - 4)

Reports

- Manager's Report (verbal)
- Financial Report & Considerations (seperately attached)

Old Business

- 6" Service Main Break Invoice and Report (pg. 5 - 12)
 - Insurance Rider Request
- Window Egress Discussion
- Bulk WiFi Proposals - *Pending/Tabled* (pg 13 - 15)
- Short Term Rental Fee Survey - *Pending/Tabled* (pg. 16 - 19)
- Piezometer Report Discussion RE: Mud-jacking History & Future Plans - *Pending/Tabled* (pg. 20)

Unscheduled Business

Establish Next Meeting Date

Adjournment

Meeting Minutes

Eagle's Nest Townhouses of Mt. Crested Butte
Board of Directors Meeting
Conference Call
February 27, 2023 ~ 5pm MT

Call to Order

E. Clements called the meeting to order at 5:11pm MT.

Roll Call/Establish Quorum

In attendance:

Evans Clements
Patrick Johnson
Jackie Desposato
Anthony Perez
Mike Blagden

Also in attendance: Wanda Bearth, Sierra Bearth, and Matthew Hart Crested Butte Property and Management staff (CBL).

Reading and Approval of Past Minutes

-February 16, 2023

-J. Desposato made the following:

Motion: Waive the reading of the February 16, 2023 meeting minutes
2nd: P. Johnson
Discussion: None
Vote: The vote was passed unanimously.

Reports

-Manager's Report

S. Bearth reported that the excavation road is being cut behind the lower EN building for repair to the 6" water line. M. Hart shared that the upper EN hot tub will be opened as soon as we can replace a breaker that's potentially causing the issue. W. Bearth talked about the current roof shoveling operations, and egress issues posed by town due to the snow piling up after roof shoveling. P. Johnson asked about the potential for getting fined for not keeping egresses cleared. Board discussed clearances around egress windows, and the possibility of changing the code to allow for slider windows. Clearance of egress was discussed, and the cost of keeping the windows cleared on sliders vs. crank windows.

-Financial Report

S. Bearth reported that February's financials would look much different than January's, due to the emergency repair behind lower Eagles Nest. All but \$1k has been paid to Dietrich from the

capital account to cover the 50% down for the repair per contract. Budget discussion moved to costs related to snow removal and the potential for a much larger bill moving forward given the heavy snow months are potentially and historically ahead in the current fiscal year. Proceeds saved from the cancellation of cable will be minute, but helpful. A. Perez brought up the possibility of owners being able to make payments to pay down the cost of the emergency repair. E. Clements differentiated between an emergency assessment for repair, and an assessment for amenity improvements for example. W. Bearth mentioned the amended collection policies instituted by the state of Colorado, and that payment plans can hobble the payment-in-full for the repair. J. Desposato required clarification on the payment plan option for special assessments, and it having to line up with the new Colorado legislation changes.

W. Bearth discussed the need to be sure the special assessment covered enough to pad the reserves in order to prevent the possibility of a tenant suing the HOA for not remaining solvent, and neglecting the condition of the property. Concern was raised over the snow coming down the hill on the backside of the south building at lower Eagles Nest, and potentially coming through the back of the building/windows. A. Perez wanted to gain some more insight into how the board felt about a dues increase to build the capital and reserve accounts for future repairs and improvements, as well as covering the increases in cost on snow removal and amenity maintenance. E. Clements mentioned that the dues haven't been increased since 2016, and that he'd heard some homeowners discussing an increase rather than a desire to pay special assessments. Board agreed to gauge the HOA at the annual meeting to see if an increase is necessary and warranted. P. Johnson wondered if any other property managers have been discussing dues increases, and wondered if the HOA shouldn't review an increase. J. Desposato suggested tabling the Wi-Fi package discussion until next year to focus on savings given the current emergency.

Old Business

-6" Service Main Break Work, Progress and Special Meeting Prep

S. Bearth discussed the information that's been coming up regarding the repair, and some potential issues that may come up. P. Johnson asked about potential coverage for issues like this, and S. Bearth agreed to shop around to see if any other companies would provide more complete coverage. Board discussed the potential for another lawyer getting involved, but ultimately decided to stay with the HOA lawyer unless or until another opportunity comes up. In the effort to constrict the time of the meeting, the board agreed to limit the comment period for each owner to 3 minutes.

-Amended Governance Policies for Adoption

- Amendment to Bylaws Article 4 Section 2F

M. Blagden made the following-

Motion: Approve the amendments to bylaws article 4 section 2F to reflect the collection policies set forth by new 2022 legislation.

2nd: J. Desposato
Discussion: Board has all read and agreed to the Bylaw amendments.
Vote: The motion passed unanimously.

-Bulk Wi-Fi Proposals

J. Desposato made the following-

Motion: Table the discussion regarding the Wi-Fi proposal until a more appropriate time.

2nd: E. Clements

Discussion: None

Vote: The motion passed unanimously.

-Short Term Rental Fee Survey

The board agreed to table the discussion based on the current financial climate, and until following the special meeting scheduled for 3-1-2023.

-Piezometer Report Discussion RE: Mud-jacking History & Future Plans

The board felt that due to the current circumstances, they should further discuss and explore the connection between the current flooding situation and the history of water in the lot and water testing.

Unscheduled Business

There was no unscheduled business to discuss at this time.

Establish Next Meeting Date

The board agreed to meet Tuesday, April 4th 2023 at 5pm MT.

Adjournment

E. Clements made the following-

Motion: Adjourn meeting

2nd: A. Perez

Discussion: None

Vote: Motion passed unanimously

The meeting was adjourned at 6:47pm MT.



PO Box 4372
Crested Butte, CO 81224 US
970-275-0201
dietrichdirtworks@hotmail.com

Invoice 1568

BILL TO
Crested Butte Lodging

DATE
04/06/2023

PLEASE PAY
\$165,508.26

DUE DATE
05/01/2023

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	Job Details: Eagles Nest Waterline Repair			
Mobilize	Mobilization	1	7,500.00	7,500.00
Labor	Hrs Foreman Labor	67	100.00	6,700.00
Labor	Hrs Labor - Unloaded trench boxes, shoveled and removed snow, located waterline, found utilities, assisted with traffic control, parts runs, waterline repaired, bedded and backfilled new waterline, flow tests and disinfection, pressure testing, set up ground heater and blankets, backfilled hole w/ compaction, cleaned up site, mobe equipment and parts out of job	162	80.00	12,960.00
Excavator (135)	Hrs Excavator (135) - Walked machine to pick up site, built access road and moved snow to other machines, dug up waterline, bedded and backfilled hole, site clean up	69.50	200.00	13,900.00
Excavator (300)	Hrs Excavator (300) - Walked machine to pick up site, built access road, loaded out snow and dirt, assisted digging up waterline, set T-boxes, bedded and backfilled, walked out	63	350.00	22,050.00
Loader (644)	Hrs Loader (644) - Plowed road ways and removed snow for waterline repair, plowed out lot for dirt storage, built access road, trammed snow from site, pushed up excess snow, backfilled waterline/trammed material for backfill, pushed out dirt where we hauled too (Includes mobilization)	76	250.00	19,000.00
Plate compactor/Jumping jack	Plate compactor/Jumping jack/Gen	7.50	80.00	600.00
Trucking	Class 1 Material	653.67	18.20	11,896.79
Trucking	3/8 Squeegee	27.08	24.70	668.88
Trucking	Trucking - Hauling snow, excess dirt from dig to CBS dump site, class 1, squeegee	123.50	200.00	24,700.00
Parts and Materials	6" X 1"Saddle/CC, clamps, ball corp, inserts, pure core pipe and fittings, c-tape, L-water tape, thread tape, 11/2" corp stops, CXC 11/2 couplings, Mt CB dig permit, insulation, disinfection, testing, overnight shipping, hot-shot runs, returns, misc materials	1	8,515.59	8,515.59
Misc.	Ground Heater & Blankets	1	3,000.00	3,000.00
Misc.	TCS Invoice - Traffic Control	1	24,172.00	24,172.00

If payment is not timely made, Contractor/Client will be responsible for interest on the unpaid amount at the rate of 2% per month, together with all attorney's fees and costs of collection of any amounts due.

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
Misc.	Shorring & Rigging	1	7,000.00	7,000.00
Misc.	Utility Technical Services Invoice - Leak Detection	1	1,410.00	1,410.00
Misc.	NCW & Associates Invoice - Waterline leak observations	1	1,435.00	1,435.00

Thank you for your business

TOTAL DUE	\$165,508.26
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THANK YOU.

If payment is not timely made, Contractor/Client will be responsible for interest on the unpaid amount at the rate of 2% per month, together with all attorney's fees and costs of collection of any amounts due.

Estimate

For: Crested Butte Lodging ,	Project: Eagles Nest Revegetation Est. Start: 4/7/2023 Est. End: 4/7/2024	Prepared By: Brant Gruber gruber.dietrichdirtworks@gmail.com 4/7/2023
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	QTY	PRICE	SUBTOTAL
Mobilization*			\$2,700.00
Mobilization	2.00	\$600.00	\$1,200.00
Labor	20.00	\$75.00	\$1,500.00
Topsoil and cleanup*			\$36,680.00
screened topsoil	280.00	\$58.50	\$16,380.00
23.03 - John Deere 333G	30.00	\$150.00	\$4,500.00
Labor	60.00	\$80.00	\$4,800.00
50.03 - Kenworth Quad	25.00	\$200.00	\$5,000.00
31.02 - Hitachi 135	30.00	\$200.00	\$6,000.00
Hydroseed and Mulch*			\$10,200.00
hydroseed and mulch	2.00	\$4,500.00	\$9,000.00
Labor	16.00	\$75.00	\$1,200.00
		Subtotal	\$49,580.00
		Sales Tax	\$0.00
		Credit	\$0.00
		TOTAL	\$49,580.00

Project Description

Revegetate all disturbed areas following the winter time water line fix.

Description of Services

1. Mobilization

Mobilization to and from the project.

*Note: The final cost of this item or service may differ from the estimated cost. We have estimated a total cost of \$2,700.00, but to the extent that the actual time and/or materials required to complete the project differ from our estimate, the following rate(s) will apply: Labor, \$75.00/hr.

2. Topsoil and cleanup

Topsoil the access road and cleanup any damage caused by fixing the water line this winter.

*Note: The final cost of this item or service may differ from the estimated cost. We have estimated a total cost of \$36,680.00, but to the extent that the actual time and/or materials required to complete the project differ from our estimate, the following rate(s) will apply: 31.02 - Hitachi 135, \$200.00/hr; 50.03 - Kenworth Quad, \$200.00/hr; Labor, \$80.00/hr; 23.03 - John Deere 333G, \$150.00/hr.

3. Hydroseed and Mulch

Hydroseed and mulch all disturbed areas.

*Note: The final cost of this item or service may differ from the estimated cost. We have estimated a total cost of \$10,200.00, but to the extent that the actual time and/or materials required to complete the project differ from our estimate, the following rate(s) will apply: Labor, \$75.00/hr.

Terms and Conditions

If payment is not timely made, GVP will be responsible for interest on the unpaid amount at the rate of 2% per month, together with all attorney's fees and costs of collection of any amounts due.

Estimate Accepted By:

Crested Butte Lodging

Date

NCW & Associates, Inc.

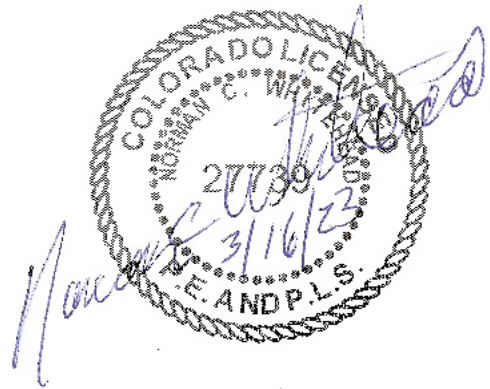
Crested Butte, CO

(970) 349-6384

Project: Eagle's Nest Townhouses

Re: Waterline Leak Observations

Date: 3/16/23



I visited the site and observed the service line tap that is teed off the main into the building behind Unit 27. At that time, the main line was turned off and drained. The employees of Dietrich Dirtworks and Construction (DDC) then opened the valve and began pressuring up the main. When the main was pressured up, water began leaking out of the tap at the area of the threads at the saddle. DDC then turned off the main and the water stopped leaking from that location. There was no sign of any other leaks in the excavation.

On 3/6/23, DDC notified me that they had completed the repairs and were purging the units of air. When I got to the site, I observed the repaired tap for approximately 5 minutes and did not see any water leaking from the repair or from any other location within the excavation. At that time, the pressure of the main after the repair was approximately 155 psi.

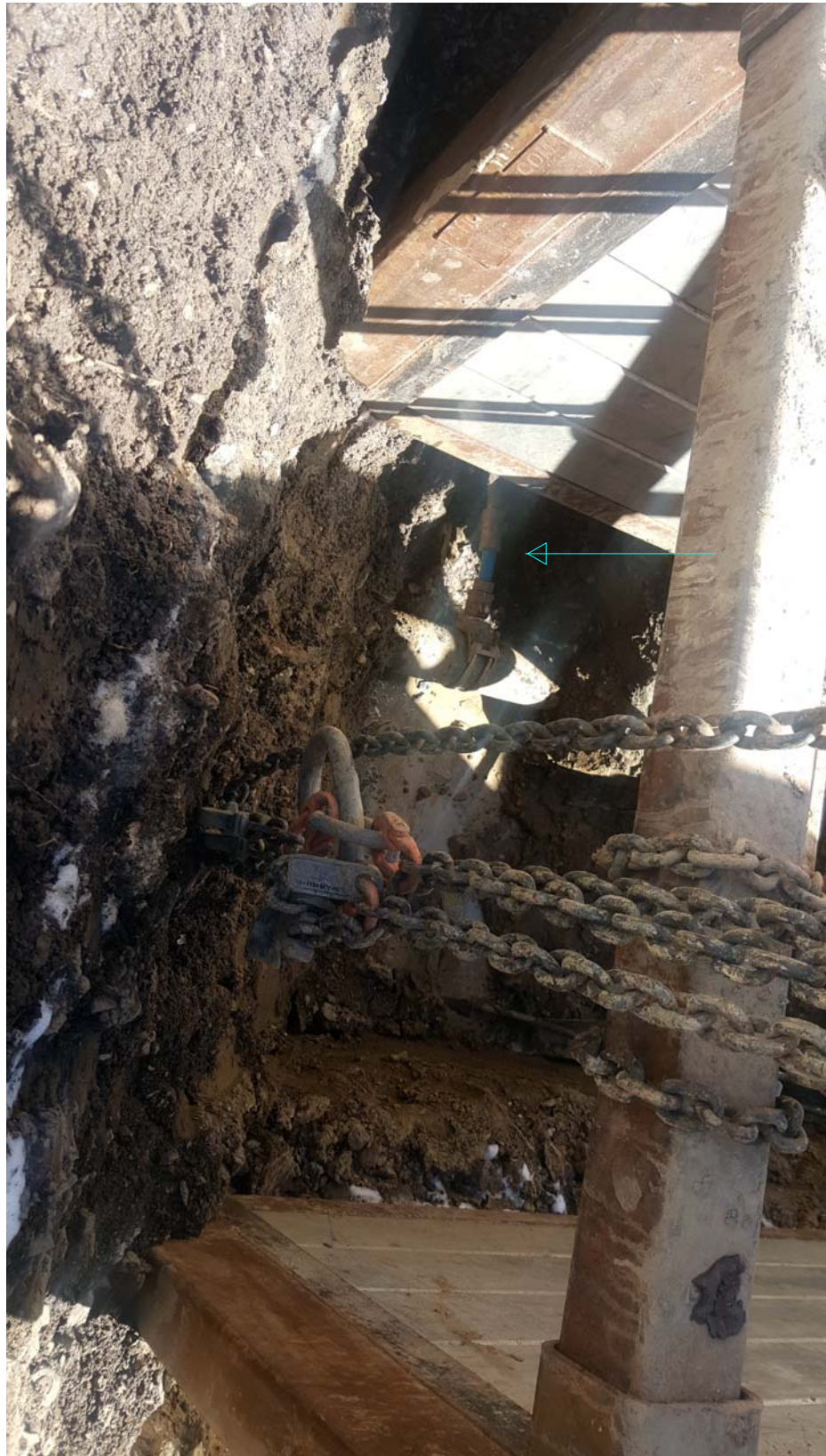


Eagle's Nest - Waterline Leak Observations



Leak at Main – 3/3/23

Eagle's Nest - Waterline Leak Observations



Post Repair 3/6/23



Fire Hydrant With Pressure Gauge - Post Repair

Spectrum Pricing when JUST WIFI requested:

Notes from Spectrum Sales:

Below is a new proposal with our Ultra 500M Internet service for the property in which I kept TV essentials on the offer as a means to counter the issues with residents that still want some type of TV service to be provided by the property. TV essentials is our streaming service with 60+ channels.

Property Name

Eagles Nest Condos

Current Cost

Doors	Bulk Service	Per Door		Total
42	Bulk Rate (Excl. Surcharge)	\$	33.83	\$ 1,420.86
42	Current Bill Total (Incl. Surcharge)	\$	39.72	\$ 1,668.03

Proposed Cost

Doors	Bulk Service	Per Door		Total
42	New Bulk Rate (Excl. Surcharge)	\$	36.50	\$ 1,533.00
42	New Bill Total (Incl. Surcharge)	\$	36.50	\$ 1,533.00

Proposed Monthly Savings

		Per Door		Total
		\$	3.22	\$ 135.03

One-time Payout

		Per Door		Total
Door Fee (We Pay You!!)		\$	-	\$ -

Crested Butte Eagles Nest Townhomes WiFi Proposal with Cat6 Data Cabling Installation

Eagles Nest Townhomes
31 Marcellina Lane / 11 Morning Glory Way
Crested Butte, CO 81225

ResorNet LLC is excited to offer Eagles Nest Townhomes, a full property WiFi upgrade including new cat6 data cabling infrastructure to each unit and commercial grade wireless access point deployment for optimal WiFi coverage.

Solution:

WiFi

- Brand new cat6 data cabling run to each unit on property.
 - Becomes property asset at end of contract term.
- Commercial grade wireless access points installed inside each unit.
 - 802.11AX – WiFi6 protocol wireless access points
 - MU-MIMO – Multiple Input Multiple Output
 - Beamforming technology – Dynamic wireless antenna pattern shifting
 - Dual Band 2.4Ghz and 5 Ghz
- **300 Mbps download / 50 Mbps upload per unit speeds.**
- Option for unit specific SSID and Password.
- Speed tier and configuration upgrades available for each unit.

Customer Service/SLA/Warranty

Customer and Technical Support Hours

Telephone Support

24 hours daily, via toll-free number

On-Site Support

8:00am – 7:00pm daily

Mean Time to Respond

On-site unit repair

48 hours from reported

On-site property outage

24 hours from reported

SLA

99% service uptime

Chris Proctor – Business Development – 970.389.6339 – cproctor@resortinternet.com

Pricing:

<u>WiFi Service</u> 60-Month Term	Price
NRC – Non-Recurring Charges (Up Front Cost)	\$0.00
MRC – Monthly Recurring Charges	\$33.00 / unit / month

- Includes data cabling infrastructure to every unit on property at NO UP-FRONT COST!
- Pricing valid for 60-month term only.
- Proposal valid through 3/31/23 and may be subject to change after this date.

Short Term Rental Fee Survey

The prospect of a fee charged to owners who short term rent their condos at Eagles Nest was brought up in this year's annual meeting in August. In order to charge such a fee, the association would have to amend the Declaration, which requires engaging the association's attorney and spending some money. The Board of Directors is interested in surveying owners for input on this fee before spending any funds. We appreciate your participation and comments to this survey.

Background information -

Why is a potential short-term rental fee being discussed?

The idea of charging a fee to owners who short term rent their units arose in the annual meeting as we discussed the increase in expenses, especially hot tub maintenance. Last fiscal year, maintenance and repair on the hot tubs cost \$23,825. The association also spent \$870 last fiscal year on cleaning up improperly disposed of trash – trash left in the parking lot, on top of the dumpster, in the sand barrel or anywhere besides inside the dumpster. These expenses are not solely caused by short term renters, but there is belief that owners tend to take better care of the property, which could result in lower maintenance costs. Additionally, several expenses increase each year that are out of our control including water and sanitation and insurance. This fee could alleviate some of the operating expenses and keep operating dues low and competitive.

Are other association's charging a short term rental fee in Mt. Crested Butte?

TOAD Property Management shared that they manage several properties in Mt. Crested Butte that charge short term rental fees, including Pitch Fork and Timbers. The fees varied greatly depending on the association. Some associations were charging a \$10 per night fee, but are starting to move away from that to an annual structure, because they found attempting to collect accurately nightly data on rentals difficult and time consuming. The most common trend TOAD sees among the properties they manage is a \$450 - \$500 per year fee. CBMR shared that they do not manage any condominiums in the valley that charge a short-term rental fee, but they have several properties considering implementing such a fee.

- Jackie? Mentioned one or two in last meeting?
- Mike O'Loughlin, association attorney in the valley, was not aware of any

Wording to be changed pending more information

How many units short term rent at Eagles Nest and how much revenue could a short-term rental fee bring in?

Based on the "Approval to Rent" letters provided last year, 20 units, half of the total units, at Eagles Nest are short term renting. Of that, 8 units at upper and 12 units at lower are short term renting or have applied for a short-term rental license.

The amount of revenue collected would greatly depend on the fee. The fee structure and amount has not been determined, and the Board would like your feedback on the fee through this survey.

For example - The fee could be a flat fee of \$500 per unit per year, which would amount in \$10,000 additional funds. That could cover 42% of the hot tub maintenance and repair expense. The fee could also be levied based on a percentage of the total expenses budgeted for the year. For example, the fee could be 0.1% of the total operating expenses, so for this fiscal year, the fee would be \$299 per owner short term renting. These fee structures are not currently proposed, this is for example purposes only.

How long and how often would this fee be charged?

This fee would be a Declaration amendment, so it would be charged until removed from the Declaration via another amendment. It's permanent until made otherwise. The fee could be charged on a one-time basis, a monthly basis or an annual basis.

What is the cost and process of levying such a fee?

In order to implement a fee applied to owners short term renting their units, the association would have to amend the Declaration. A Declaration amendment would require at least 67% approval from the total membership and be drafted by an attorney. The association's attorney would charge hourly for his services, including drafting the amendment, assisting with questions from the Board and filing the amendment with the county, if approved. The amount of time involved can vary depending on the amount of changes and questions from the Board and other factors in the governing documents. However, it would be unlikely that this amendment cost more than \$3,000.00.

Considering the information provided, please complete the following survey and return to Sierra@CrestedButteLodging.com

Thank you!

Eagles Nest Short Term Rental Fee Survey

1. Do you currently short term rent your Eagles Nest unit?
 - a. Yes
 - b. Yes, but infrequently
 - c. No
2. If you short term rent, how important would you say the hot tub is to your guests, on a scale of 1 – 10?
 - a. 1 – Not important / no intention of using it
 - b. 5 – Important / would like to use it
 - c. 10 – Very important / That's why they booked this condo
 - d. I don't short term rent

3. If you short term rent, approximately, how much money have you had to refund to guests for the hot tub being closed?
 - a. \$1 - \$100
 - b. \$100 - \$500
 - c. \$500 or more
 - d. None / I don't short term rent
4. If the short term rental fee was collected specifically to keep the hot tubs maintained and open 7 days a week during busy season, how much would you be willing to pay on an annual basis?
 - a. \$0
 - b. \$100 - \$499
 - c. \$500 - \$999
 - d. \$1,000 or more
 - e. Not applicable, I don't short term rent
5. If you short term rent, how much would you be willing to pay towards a short term rental fee on an annual basis?
 - a. 0.1% of the total annual operating expenses per year (this would equal \$299 for the 2022/2023 fiscal year)
 - b. 0.5% of the total annual operating expenses per year (this would equal \$1,495 for the 2022/2023 fiscal year)
 - c. A flat fee around \$500 per year
 - d. A flat fee around \$1,000 per year
 - e. Other {enter suggestion here}: _____
 - f. Not applicable, I do not short term rent
6. If you do **not** short term rent your unit, would you be in favor of charging a fee to owners that do short term rent their units?
 - a. Yes, but only if the fee is a reasonable amount
 - b. Yes, at any amount to keep dues low
 - c. Maybe, it would depend on the fee structure
 - d. No, a fee should not be charged to owners who short term rent
 - e. Not applicable / I do short term rent
7. If you do **not** short term rent, what do you think a fair amount to charge owners who short term rent would be on an annual basis?
 - a. 0.1% of the total annual operating expenses per year (this would equal \$299 for the 2022/2023 fiscal year)
 - b. 0.5% of the total annual operating expenses per year (this would equal \$1,495 for the 2022/2023 fiscal year)
 - c. A flat fee around \$500 per year
 - d. A flat fee around \$1,000 per year
 - e. Other {enter suggestion here}: _____
 - f. Not applicable, I do short term rent

8. How likely are you to approve a short term rental fee charged at 0.01% of the total operating expenses per year (for example, this would be \$293 for the 2022/2023 fiscal year)?
 - a. Not at all likely
 - b. Somewhat likely
 - c. Very likely
9. How likely are you to approve a short term rental fee charged at 0.05% of the total operating expenses per year (for example, this would be \$1,465 for the 2022/2023 fiscal year)?
 - a. Not at all likely
 - b. Somewhat likely
 - c. Very likely
10. How likely are you to approve a short term rental fee charged at a flat fee of \$500 per year?
 - a. Not at all likely
 - b. Somewhat likely
 - c. Very likely
11. How likely are you to approve a short term rental fee charged at a flat fee of \$1,000 per year?
 - a. Not at all likely
 - b. Somewhat likely
 - c. Very likely
12. General comments and feedback for the Board of Director's review:

Box for owner comments

Please note, final survey will be sent via Survey Monkey for fillable answers and instant results.

Eagles Nest Mud Jacking History

Unit	Date Garage Slab Jacked		Unit	Date Apron Jacked
1			1	
2			2	
3			3	
4			4	
5			5	
6	4/1/2012		6	
7			7	
8			8	
9			9	
10			10	
11			11	
12			12	
13			13	
14			14	
15	7/1/2019		15	
16			16	
17	4/1/2012 10/1/2016		17	8/1/2022
18	7/1/2019		18	8/1/2022
19	6/1/2009		19	8/1/2022
20	4/1/2012 10/1/2016		20	8/1/2022
21			21	8/1/2022
22	7/1/2019		22	8/1/2022
23			23	8/1/2022
24			24	
25	7/1/2019 8/1/2022		25	
26	6/1/2009 4/1/2012 8/1/2022		26	
27	4/1/2012		27	8/1/2022
28	4/1/2012		28	8/1/2022
29			29	8/1/2022
30	8/1/2022		30	
31	7/1/2019		31	8/1/2022
32	4/1/2012		32	8/1/2022
33	6/1/2009		33	8/1/2022
34	4/1/2012		34	8/1/2022
35			35	8/1/2022
36	4/1/2012		36	
37	6/1/2009		37	8/1/2022
38			38	
39	7/1/2019		39	
40	4/1/2012		40	