

Meeting Minutes

Eagle's Nest Townhouses of Mt. Crested Butte
Board of Directors Meeting
Conference Call
June 19, 2023 ~ 5pm MT

Call to Order

E. Clements called the meeting to order at 5:02 PM MT.

Roll Call/Establish Quorum

In attendance-

Evans Clements
Patrick Johnson
Mike Blagden
Jackie Desposato
Anthony Perez

A quorum was established with 100% of the board in attendance. Also in attendance, Sierra Bearth and Matthew Hart, Crested Butte Lodging and Property Management Inc (CBL).

Reading and Approval of Past Minutes

-April 25, 2023

A. Perez made the following-

Motion:	Waive the reading of the April 25, 2023 meeting minutes and approve as drafted by CBL
2 nd :	E. Clements
Discussion:	None
Vote:	Unanimous approval

Reports

Manager's Report

CBL did pair back services to save money following the broken water main. Unit #18 bedroom window is being replaced this week, #25 drywall damage in the garage/laundry area has been completed, and #26 will be completed this week. Despite the financial setback for the repair to the plumbing, CBL was able to complete all but one item on the capital plan scheduled for last year. CBL did sweep the parking lot to maintain the quality of the asphalt.

Financial Report

S. Bearth reported that the HOA had a balance of +\$70K in operating with 10 units not having paid anything toward the special assessment while a few units have paid in full. M. Blagden asked what kind of teeth the HOA has in collecting with the new CCOIA laws that went into effect. S. Bearth clarified how the collection policy works.

Old Business

Access Road Repair and Revegetation Update

S. Bearth met with the town of Mt. CB to discuss the access road behind the lower Eagles Nest building. The town agreed to allow the road to remain as long as revegetation and grading have been addressed. Dietrich has agreed to round off the rough edge on the road and plant root-strong vegetation to keep the hillside in place. Dietrich was paid and the final invoice came in much lower than the estimate. After the cost of revegetation and grading of the road the HOA still came in under the original estimate for just the repair.

Insurance Rider Quote

American Water Resource provided a loose quote for the coverage for the HOA but they require owner approval of the coverage before they will send out documents for review. The board discussed whether or not the terms of the coverage would be worth it. The premium would only be in the ballpark of \$5K/year.

E. Clements made the following-

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| Motion: | Begin the process of signing up with American Water Resource to see if this coverage will fit for the HOA. |
| 2 nd : | M. Blagden |
| Discussion: | If the coverage is not adequate for the association upon binding of the commercial policy, the policy can be canceled. S Bearth expressed that AWR does not typically offer coverage to structures with more than 3 buildings, but the agents have agreed to draft a policy specifically for Eagles Nest's needs. |
| Vote: | Unanimous approval |

S. Bearth requested the board make a decision to cease pursuing insurance legally due to the circumstances surrounding the insurance market in Colorado. The board agreed that continuing legal action would ultimately be a fruitless effort or potentially harm the HOA standing in the insurance market.

Water Line Attorney Discussion

S. Bearth discussed the factors that are preventing the HOA from successfully pursuing compensation from the insurance company. The waterline repair work came in under the estimate, the lawyer's summary provided little actionable information for the HOA to go on,

and CBL received a rough estimate of coverage from the excess market for \$112K - \$132K per year in premium.

M. Blagden made the following-

Motion: Discontinue the pursual of insurance litigation in regard to the water line repair.
2nd: A. Perez
Discussion: The Board expressed that the total price of repair was much less than the association would end up paying in insurance premium in the excess market, and the risk of pursuing the carrier would not be worth the expense.
Vote: Unanimous approval

The board asked if they could have the engineer reduce the cost of the bill for not having given the HOA anything worth the cost presented. CBL will inquire about this expense.

Bulk Wi-Fi Proposals

The board discussed the Spectrum proposal while S. Bearth informed them that Centurylink had been contacted 3 different times with no response on a proposal. Spectrum is offering the Wi-Fi and cable bulk deal for \$39.72 per unit per month. The individual unit plans were quoted at \$79 per month. The board discussed it and decided the best course of action would be to wait a year to reconcile the budget before considering or taking on any additional HOA expenses.

A. Perez made the following-

Motion: Table the Wi-Fi discussion until next year.
2nd: E. Clements
Discussion: None
Vote: Unanimous approval

Short Term Rental Fee Survey

The board agreed that the rental fee and the bulk Wi-Fi proposals should wait until the budget is discussed. M. Blagden agrees that an additional fee would help to offset the additional costs associated with short term rentals (STR's). S. Bearth recommended the board decide on the fee structure before presenting it to the owners. Price increases will need to be specified before the language can be considered as a change to the operating documents. S. Bearth asked if the board was interested in gauging interest in different percentage rates. The board agreed that they shouldn't present too much too fast. S. Bearth agreed to draft a homeowner friendly version of the proposal including costs and rates at a fee of 2% of the total hot tub budget. It will be presented to the board for approval before being sent out to the homeowners for consideration.

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

S. Bearth mentioned adjusting the capital budget to allow a little reprieve while measuring the concrete for movement in the event future work is needed. Particular focus is to be paid to 25, and 26. CBL will measure movement over the next year or two, seeing if the concrete moves anymore after the water line repair has been completed.

New Business

Proposed Operating and Capital Budget

S Bearth presented the proposed budget, noting several costs increase every year, and snow fall is predicted to increase year over year in Crested Butte. So the HOA is looking at \$85K deficit if they maintained their budget from last year. S. Bearth did mention a few ways they could decrease expenses while costs are increasing. J. Desposato mentioned looking into changing the thresholds needed to shovel the roof. The board discussed the amounts needed to budget in order to strike the balance between over-budgeting and requesting special assessments. S. Bearth mentioned that Eagles Nest is behind the curve in terms of dues increases and hasn't had an increase since 2015. S. Bearth asked if the board would be comfortable with reducing the roof line item to \$50k from \$77k. The Board discussed how to adequately budget for snow removal and directed S. Bearth to redraft the budget reflecting several service decreases in snow removal, common area cleaning, hot tub maintenance and a 3rd party audit. The Board will review the second draft of the budget at the next meeting.

Establish Next Meeting Date

The next meeting will be held on Wednesday, June 28th at 5:00pm MT.

Adjournment

J. Desposato made the following-

Motion:	Adjourn Meeting
2 nd :	E. Clements
Discussion:	None
Vote:	Unanimous approval

The meeting was adjourned at 7:39pm MT.