

**Eagle's Nest Townhouses of Mt. Crested Butte  
Annual Homeowners Meeting Minutes  
Three Seasons Meeting Room, 701 Gothic Rd., Mt. Crested Butte, Colorado  
Monday, August 3<sup>rd</sup>, 2009 9:00 a.m. MDT**

**Call to Order**

The meeting was called to order by Rick Morrison, Association President, at 9:00 a.m.

**Proof of Notice**

Notice was mailed or e-mailed to owners 42 days prior to the meeting. A copy of the notice was included in the meeting packet.

**Roll Call/Establish Quorum**

<u>Owners Present in Person</u>	<u>Unit #</u>	<u>% of ownership</u>
Rick Morrison	15	2.38
Eagles Nest Assn	A & B	4.76
Susan Baber	31	2.38
Adam White	19	2.38
Ron Warner	E3527 / 3528 / 3529 / 3530	.19048
Beth Jones/Bert Stewart	E3511	.04762
Dan Goetz	27	2.38
Rick & Elsa Grivas	28	2.38
Dr. Charles & Linda Jennett	7	2.38
Judith Gibbs	2	2.38
William Clark	40	2.38
Andrew Gall	39	2.38
Benjamin Denny	4	2.38
Rosemary Ewing	1	2.38
Sam and Mary Nagem	3	2.38
JD & Brenda Turner	6	2.38
Monique Calhoun	10	2.38
Bob Patton	9	2.38
Marshall Steves	36	2.38

<u>Owners Represented by Proxy</u>	<u>Unit #</u>	<u>% of ownership</u>
Rick Morrison proxy for:		
Gary Garrett	32	2.38
John Jacobs	37	2.38
Kelly & Susan Long	29	2.38
-Assigned via Gary Garrett proxy		
Ron Warner Proxy for:		
Eagle's Next Timeshares	17, 33, 35, 38	9.52
-Assigned from Crested Butte Lodging		

A quorum was established with 60% of the membership present or represented by proxy.

Crested Butte Lodging & Property Management (CBL) staff present:

Wanda Bearth  
Patrick Seaman  
Grant Benton  
Lee Friedman

Guest speakers:

John Livermore (Telluride Roofing)  
Rich & Jody Reeser (construction consultants)

### **Reading and Approval of Past Meeting Minutes**

Rick Morrison made the following:

Motion: To waive formal reading of the minutes from the August 4<sup>th</sup>, 2008 annual meeting and accept as presented.  
2<sup>nd</sup>: Rick Grivas  
Vote: Unanimous Approval

### **Reports**

Manager's Report – Wanda Bearth and Grant Benton delivered the following report:

Another year has come and gone. Crested Butte Lodging is hoping that the economy has bottomed out and we are anticipating that reservations will be up for the coming winter. Current booking trends and more favorable lift ticket rates are the best early indicators of this. Construction is at a stand-still and there are a handful of contractors looking for work. This is the time to update your condo. If you would like a list of contractors we use just give CBL a call: (970) 349-2449.

- ✓ If the weather cooperates we should see the completion of the new roof by the beginning of August!
- ✓ Landscaping has been done to keep up appearances during the summer months.
- ✓ Crested Butte Lodging has been fortunate to have hired and retained high quality personnel which year-to-date has saved Eagle's Nest \$3700.00 from hiring outside contractors.
- ✓ Interior electrical panels have all been replaced. Some GFI receptacles still need to be replaced and are in progress.
- ✓ With monitoring the common area heating, CBL has saved \$4500.00 in electric costs year-to-date. CBL, with your Board of Directors approval, has hired Crested Butte Electrical to disconnect the 4500 watt common hall heaters and replace them with 750 watt heaters at the top of the stairwells. This is being done in one building as a test for the 2009/2010 winter. We will be able to monitor the electrical usage as well as the comfort level and compare the numbers to past usage. Eagles Nest electrical costs are just below \$20,000.00 – we hope to cut this number in half.
- ✓ Trash – We are happy to report that through CBL's constant monitoring, and the owners and guests who use the dumpster properly, Eagle's Nest has saved \$2600.00 year-to-date. Please do not use the Eagles Nest dumpster for construction debris or furniture!

- ✓ We are always in search of better deals: Your most recent chimney cleaning was \$3300.00 under budget. This Chimney cleaning outfit is from Delta Colorado and will hopefully be back again this August.
- ✓ This winter CBL will attempt to use the Eagles Nest bobcat and snow blower more. We will have a plow company for back-up, but our focus is on saving the HOA money while providing more detailed snow removal, more often.
- ✓ CBL installed signs to keep heat on in laundry during winter.
- ✓ For the Timeshare Owners – Please remember to report damage to CBL management.
- ✓ Due to water finding its way behind stucco and leaking into the garages, CBL caulked where the stucco meets the ground and caulked the garage slabs to the walls to stop water penetration.
- ✓ CBL hired a slab jacking crew from Grand Junction to raise the level of 4 of the worst garage slabs in units 19, 26, 33 and 37.
- ✓ As we write this, CBL is scraping and painting the Eagles Nests guard rails.
- ✓ Your Board of Directors is looking into painting a test section of siding behind lower EN.
- ✓ Every spring CBL caulks around the windows.
- ✓ CBL hired a company out of Colorado Springs to stucco some test areas for the Board.

Please remember to obey all the Rules and Regulations. Please share these Rules and Regulations with your family and guests. Help us help you - to keep *your* costs down.

Give us your ideas and opinions on how to make Eagle's Nest a better place to visit *and* live - please call Grant at: (970) 349-7683

Financial Report – Lee Friedman and Wanda Bearth briefly reviewed the financial status of the Association. As of 6/30/09, the unaudited financial report reflects \$568,569 between operating and capital accounts. Of this, \$68,211 is in operating accounts and \$500,358 is in capital accounts.

Operating revenues are over budget \$22,853 year to date and expenses are under budget by \$3,414 year to date for a net positive difference of \$26,267.

### **Old Business**

Telluride Roofing – John Livermore, owner of Telluride Roofing, was on hand to discuss the status of the roofing project and to answer any questions the Membership had. John gave a brief background of himself. John is new to the area and would like to move to Crested Butte in the near future. His company is currently based in Montrose, but he has shops in Gunnison and Crested Butte. His company also does foundation work, spray foam installation, siding installation, and more. John has been fortunate through the current economic downturn and not been forced to lay any employees off.

John mentioned that the Board has hired Rich Reeser, an outside independent contractor, to give the Board weekly updates and insure that Telluride Roofing is doing the work they are contracted to do.

Since the original contract was signed, the Board decided to add to the contract by having the chimneys fully covered with metal in order to protect from future leak issues. The chimneys are protected by plywood that is wrapped and re-wrapped with bituthene ~~teathane~~ before the metal

is put on. The chimneys are not perfectly square but it shouldn't be noticeable to most people. The look will be flat metal now, but the Association could add "ribs" to the siding to give a similar look as the rest of the roof.

John was able to get a heavier gauge metal for the roof at no extra cost that was originally agreed upon.

After the roof is put on, Telluride Roofing will add snow-bars and heat tape to the edges of the roof over the garages. The heat tape will be a matrix that should help prevent ice dams from forming.

Even though the roof is new and heat tape will be installed, it will still need to be shoveled in the winter. Telluride Roofing does snow/ice removal in the winter and can guarantee the roof's warranty if they do the removal. The heat tape will prevent large icicles and cornices from forming along the roof edge.

The Board has elected to not put up a gutter system at this point but John thought that it should be considered in the future. Heated gutters and downspouts could move the water away from the buildings and parking lot. The heat tape will melt the snow and cause ice mounds to form in front of the garages as has happened in the past during freeze/melt cycles.

Construction Update – The Board gave a brief update on the status of the various construction projects not related to the roof. A couple homeowners would like to see a test section of siding painted on the back of a building to see if the paint would fix the look and protect the deficient siding. The Board wants to wait because siding may have to be removed as part of the roofing process.

There are a few areas of stucco repair that are also being done on a trial basis. The stucco will be checked in the spring to see if it will last through a winter.

Asphalt work has been put on hold due to drainage issues that need to be attended to first and the fact that there is little time left for asphalt work to be done in Crested Butte.

The UL listings on the buildings electrical panels have expired and need to be replaced soon. The panel on the building containing units 1-8 has already been done.

Future Capital Repairs – Rick Morrison informed the Membership that the Board has been diligent in having the highest priority work done first instead of hiring a General Contractor to handle all work to be done at a much more exorbitant cost. Of the large projects planned including fixing the drainage behind the buildings, repairing sewer line problems, replacing driveway asphalt, siding repair/replacement, stucco repair/replacement, deck membranes/remodels, flat membrane repair/replacement, and other various surprises, the price could range from \$800,000 without a General Contractor to \$1,900,000 with a General Contractor. The Board feels that the priorities are fixing the drainage behind the buildings and fixing/replacing the flat membrane roofs due to the frequency of leaks.

## **New Business**

Rich & Jody Reeser – Rich and Jody have both assisted in the construction process thus far and were at the meeting to introduce themselves. Rich has been a framing and siding contractor for 10 years. He was hired to check on the progress of the roof project, provide weekly reports to the Board and CBL, and insure that Telluride Roofing is doing what it has been contracted to do.

Jody is an architect who has been hired as a consultant to assist with decision making during the capital improvement process.

Rich noted that he believes the priorities, in order for Telluride Roofing to finish their job, include the chimney wrapping and metal that the Board has already approved, and the roof to wall siding on the backs of the buildings.

Telluride Roofing had to remove some siding to put the roof on; the siding crumbled and cannot be re-used as was originally planned. On small areas, metal siding can and will be used as was part of the original roofing contract. However, larger areas are not covered and may not be aesthetically pleasing if siding is replaced with metal. Other options include using Hardie Board, plywood, or cedar siding and paint it to look similar. Rich and Jody recommend metal due to snow piling up and resting against the building. Above the flat roofs, Jody and Rich Resser recommend using Hardie Board ~~could be used~~ as not as much snow/ice should rest against the building there.

### **Election of Board of Managers**

Rick Morrison asked for interest and nominations from the membership to fill the two Board positions that were open. Rick Morrison and Gary Garrett were not running for another term.

Dan Goetz, Bob Patton, and Monique Calhoun each expressed interest in serving on the Board.

A secret ballot was distributed and collected. Dan Goetz and Bob Patton were voted to the Board for 3-year terms.

### **Adjournment**

Rick Grivas made the following:

- Motion: To adjourn the Annual Meeting at 1:05 p.m.
- 2<sup>nd</sup>: Susan Baber
- Vote: Unanimous Approval

Approved: \_\_\_\_\_  
Ron Warner, Secretary (date)