

Three Seasons Condominium Owner's Association Annual Conference Call Meeting Minutes Monday, May 20, 2024 at 5pm MDT

Call to Order

J Steere called the meeting to order at 5:03pm MT

Proof of Notice

Notice was mailed and emailed to all owners on April 1st, 2024 and May 8th, 2024.

Roll Call/Establish Quorum

In attendance –

Owner		Attending	Proxy
TS131 - Sansing	1.6618%		Jeff Steere
TS133 - Steere	1.6618%	1	
TS135 - Aloha Colorado LLC	1.6618%		Stephan Quentzel
TS136 - Lapis Sky, LLC	1.6618%	1	
TS137 - Aloha Detroit, LLC	1.6618%		Stephan Quentzel
TS138 - PASB Investments, LTD	1.6618%		Wanda Bearth
TS141 - Molly & Paul Dedineaux	1.6618%	1	
TS142 - Hoiland & Young	1.6618%	1	
TS143 - Smith	0.9694%		Walt Mauro
TS202 - Molumphy & Preston	1.6618%	1	
TS203 - Zeroski	1.6618%	1	
TS204 - Norris	1.6618%	1	
TS206 - Meredith & Michael Arth	1.6618%	1	
TS231 - Schoen	2.285%	1	
TS232 - Kelmser	1.6618%	1	
TS235 - Quentzel	1.6618%	1	
TS237 - Quentzel	1.6618%	1	
TS238 - Fairinda West & Jill Anderson	1.6618%		Sierra Bearth
TS242 - Grimmett (Fake Purse Ninjas)	1.6618%		Wanda Bearth
TS243 - Alexander Foster	0.9694%	1	
TS301 - SNJ CO LLC	1.6618%	1	
TS302 - Sedillos, LLC.	1.6618%		Walt Mauro
TS305 - Jordan	1.6618%	1	
TS331 - Mauro	2.285%	1	
TS332 - Champailier & Slater	1.6618%	1	
TS333 - Lapis Sky, LLC.	1.6618%	1	
TS334 - Even Gattis	1.6618%	1	
TS338 - Muller	1.6618%	1	
TS340 - Miller	1.6618%	1	
TS342 - Town of MT. CB	1.6618%	1	

TS344 - Jeffrey Scelza	0.9694%	1	
TSC 02 03 - Thomas & Natalie Klem	1.5200%	1	
TSC 04 05 06 - Tim Egelhoff Culinary, LLC	1.9670%	1	
TSC09 - WWB Properties, LLC	5.52%	1	

A quorum was established with 59.68% of the membership in attendance or represented by proxy.

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

Reading and Approval of Past Minutes

September 27, 2023

J Scelza made the following -

Motion: Wavie the formal reading of the September 27, 2023 meeting minutes and approve as drafted by CBL
 2nd: J Schoen
 Discussion: None
 Vote: Unanimous approval

May 22, 2024, Notes

W Bearth reminded the owners that last year the association did not get quorum for the annual meeting, so there are no formal meeting minutes to be approved and no action was taken. However, the members in attendance did have some conversation and highlights were captured and shared with the membership.

Reports

Financial Report-PY Ending May 31, 2023

Ended the year with \$196,000 in cash. \$10,000 deficit on operating account on balance sheet, but no checks were bounced. The account was low, but never technically over drawn and this only appeared this way because of accrual accounting and back dating bills to the month the expense actually occurred. The association ended \$70,562 over budget largely due to snow removal with the big snow year.

Financial Report-YTD Fiscal Year Ending May 31, 2024

W Bearth reviewed financial reports through March for this fiscal year explaining that April financials were recently completed, but not soon enough to share. She reviewed that there is \$36K in the operating account as of the report and \$21k in checks written against that amount. This fiscal year to date, the association is over budget by \$13,291 on operating expenses due to snow removal, with many other categories under budget. She reviewed the capital projects and expense progress, noting that \$157,682 of the \$231,728 budget for the hot tub and pool revitalization project has been spent so far.

Excess Income Resolution YE 2024

W Bearth explained this is a placeholder, only applicable in years where the association collects more funds than are spent.

Manager's Report

W Bearth reviewed the following report –

- Carpets- Housekeeping is currently cleaning all carpets on all three floors in the common areas, removing water stains from the hot tub as well as all the dirt that came in with the muddiest portion of the season. Carpet cleaner and conditioner are at a good level, and do not currently need to be reordered, and the machine is being maintained in top condition.
- Recycling- Waste Management's co-mingled recycling change has made all the difference in our ability to recycle. ALL recyclable materials can go into the yellow topped bin, but don't put any of that inside a plastic bag; that's a show stopper because it ruins the sorting process at the facility.
- Environmental Mindfulness-
 - Don't wash paint, mineral spirits, grout, or thin set down the sink. Thin set and grout harden under water and can cause a solid clog before it leaves 3 Seasons' lines!
 - Unwanted paint or stain can be recycled at Ace Hardware or Sherwin-Williams in Gunnison. The paint or stain must be in its original container with the label still attached. No fee and recycling is accepted during business hours and any brand is accepted, regardless of where it was purchased.
 - Gunnison County sponsors events annually for disposing of household hazardous waste such as mineral spirits and paint thinner. Watch the newspaper for notices.
 - Electronic recycling is offered on the 3rd Saturday of each month at 195 Basin Park Dr. in Gunnison. \$5 per item. More at www.sustainablecb.org.
- Sewer Repairs-We've repaired another tub drain that was found to have a negative grade rather than a clog. Our long-time preferred contractor, Timberline Mechanical, has been working with a small crew in recent years; So, our own crew has found another local master plumber trained on our infrastructure and lined up for future projects.
- Gutters- Pinnacle Construction installed gutters to spare us from the ice that was building on our new south deck. The gutters are now heated and seem to be working properly after a few adjustments.
- Parking Lot- Once the melt has completed, CBL will rent a sweeper attachment for our tool-cat, and sweep the parking lot to remove the dirt, gravel, trash and debris from the lot. Seal-Co recommends sweeping the parking lot as soon as possible following the snow melt to avoid damage and degradation of the asphalt. Seal-Co will be sealing the lot again, this fall. These extra maintenance steps will preserve and lengthen the life of our new parking lot.
- Smoke Detectors-The Crested Butte Fire Protection District sent out a safety bulletin following the end of this last ski season notifying everyone that one of the only 2 types of smoke detectors available doesn't function properly at altitudes above 3000 feet. The two types of sensors are ionization and photo electric. The ionization type smoke detectors were recently found to be less responsive and cause more false alarms at altitudes above 3000 feet, so the CBFPD put the entire valley on notice. Short-term rentals will not be able to renew their licenses until this issue is addressed and remedied. For everyone else, they recommend throwing out your old detectors if they're of the ionization type and purchasing new photo electric type sensors. The sticker on the back of your detector will tell you what type of sensor it has in it.
- HOA Reminders:
 - Remodeling – You might not always need a building permit from the town for renovations, but you will always need to get approval from the HOA before performing any remodeling work that will involve plumbing, wiring or a dumpster on site.

- Insurance-The HOA retains 'bare-walls' insurance; homeowners are responsible for their unit's 'walls-in' coverage, content coverage and need to carry at least \$300,000 in liability.
- Fire Alarms – All fire alarms are connected to the main fire panel. If an alarm is removed, the alarm system contacts CBL staff to respond. Please inform your guests and tenants that the best way to stop the alarm is opening the doors and windows and airing out the unit. There will be a charge for CBL responding to an alarm and we will notify the owner of such event.
- Ebikes-The HOA allows Ebikes in the building, but please remove the battery to charge inside your condominium, rather than parking and charging in the common areas.
- Keys – New owner, new code, or new lock, please ensure CBL has emergency access to your unit. In case of leak or other emergency, the Three Seasons governing documents require the property manager to have access. CBL can make copies of keys free of charge.
- Bike Rack – CBL is getting ready to donate more bikes to Six Points from the north mall bike rack. Bikes that do not have a sticker or are in disrepair will be pulled from the bike rack. Owners can get a sticker at the CBL office.
- Website – The association's website address is www.3seasonscb.com. The website is a quick place to find meeting minutes, rules and regulations, insurance information and more. Want to look at financials? The password is: 701gothic.

Fire Safety Alert

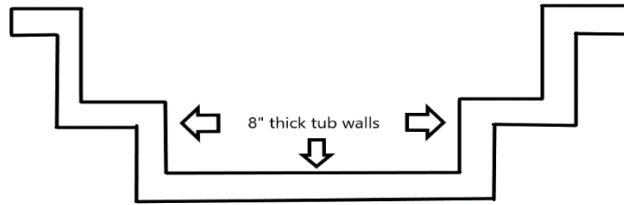
W Bearth reminded owners of the notice from Town of Mt. Crested Butte stating that ionization smoke detectors don't work at altitudes above 3,000 feet and all units need to have photoelectric smoke detectors installed. M Hart is researching cost-effective solutions.

Old Business

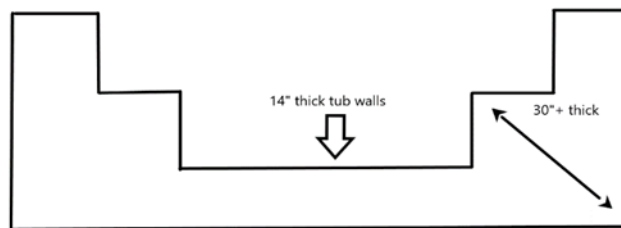
Hot Tub Replacement Project

M Hart reviewed the following report -

- CBL worked with the board to come up with a way forward to replace the Three Seasons hot tub, as well as resurfacing the pool and bring the sauna back for owners, guests, and tenants. Given the scope of work necessary to replace the hot tub, CBL and the board agreed that a temporary hot tub would be a good thing to have placed on the pool deck until the original tub could be demolished, removed, and a new plunge pool put in its place. The 'temporary' tub was placed on the pool deck and the electricians went to work hooking up the power.
- The state electrical inspector notified us in December 2022 that our pool mechanical room was out of code and threatened to shut down (red tag) the pool immediately. He noted that in some instances, we had equipment and mechanical arrangements that were more than 30 years out of code.
- CBL worked with Bighorn Consulting and Engineering out of Grand Junction to come up with a solution for the pool equipment room issues. After several months of back and forth, CB Electrical rewiring several components, moving several components, and CBL building partition walls, we were finally cleared to use the pool and temporary hot tub again Mid-January 2024.
- Around this same time, Pinnacle began working to remove the original hot tub from the ground. They were expecting to find a concrete profile of the tub in this shape with 8-inch-thick concrete walls and floor (typical of a shotcrete in-ground tub) like this:



Unfortunately, when they got started, this is what they found:



As you can see, they had to remove concrete in spots that were 30-32 inches thick. This tripled the labor costs, jackhammer rental costs and haul-off/disposal costs. Pinnacle also had to remove an additional 2 feet of fill to prepare for the concrete slab the plunge pool will be sitting on, adding to the additional costs.

- Mid-America Pool Renovation resurfaced the pool beginning April 22nd and finished on April 28th. This was a contracted job, so the price did not change at all from the time we signed the agreement all the way through to the completion of the project. They began by removing 5 layers of epoxy paint from the pool, weighing approximately 400 lbs. Once they were down to bare plaster, they pressure washed the plaster surface at 15,000 PSI to remove any remaining epoxy dust and clean out all structural cracks. They then filled and patched all structural cracks with an epoxy product designed to adhere to plaster. They then applied the INTERGLASS surface, which comprises of two chemicals that harden into a glass-like resin surface. In addition to the new surface, they replaced the inlet covers with new, VGB compliant covers as well as adding a new diamond tile border to the steps and seat at either end of the pool. Once the resin hardened, and they had applied an even coat across the whole surface, the crew then applied a gel coat which keeps the water from contacting the actual resin surface. Water beads up and runs off the surface like a freshly waxed car. This pool surface will not need to be redone for a long time and comes with a 25-year warranty meaning the HOA won't need to revisit this item until at least 2049.
- Currently, CBL is awaiting the construction plans from the engineer to price the concrete work and (underground) framing. The plunge pool requires a structurally sound concrete slab and retaining walls to support the tub and surrounding decking. Originally, the engineer was designing under the assumption that the previous tub was sitting above the decking and was concerned about loading the existing exterior foundation walls with too

much weight. We were able to hold a meeting with the Geotech engineer the 2nd week of April, and it became clear that we wouldn't be surcharging the foundation walls due to the sheer mass of the concrete making up the old tub.

- Once all the concrete is in place, we'll invite the electrician back to update the equipment room for the new plunge pool (same age, same code deficiencies) and attach the new sauna components. At the same time, CBL will contact the installer to transport the new plunge pool from SwimEx HQ in Maryland, up here to the Three Seasons building. Three Seasons will have a crane scheduled to lift the tub off the flatbed, and into the parking lot where a 'bone-picker' will hoist it through the deck door opening and lower it onto the concrete pad. At that point, we'll have the electrician and plumber make the final connections. The installer will provide CBL employees with 4 hours of training on the new plunge pool system, its components, basic maintenance/upkeep, and operation. CBL will then need to finish up the decking surrounding the plunge pool before opening it for use.
- Please keep in mind that the board wanted to do this right, seeing as this is likely the one and only time this building will experience another upgrade of this level. 'Right' does take a longer to complete than 'quick', but the results will stand the test of time. The board wanted to be thorough in making sure we didn't repeat the building mistakes of the original crew, so they designed it this way to allow maintenance access around the tub without having to rip through concrete decking to make a repair. A considerable amount of time and energy went into finding just the right fit for our aging building. This has been a very fluid process requiring several pivots and extra steps we weren't anticipating. Even with all the time and energy spent exploring options and discussing possible variables, and making sure we had the numbers right, there have been unforeseen costs along the way besides the demolition and haul-off. 2 engineers and a Geotech had to be hired to sort out the mess in the pool mechanical room, as well as design the concrete 'tomb' that will house the new plunge pool. Electrical costs seem to be right on par, and plumbing was a little high, as we had an unexpected fitting blow-out on one of the pumps in the basement.

Bright side? Yes, we have a few.

- The electrician will, for a nominal cost increase, install a junction box outside the southwest corner of the building, under the deck, that can be later used to install electric vehicle charging stations. We all know it's inevitably coming, and the board had the foresight to plan for it.
- None of our contractors will be affected by the Hwy 50 bridge closure. NONE. Considering the impact that's having regionally right now, that should be a big sigh of relief.

M Hart fielded questions on the hot tub timeline and budget. He shared that without further information from the engineer and contractors, both of those are not well defined at this time. There was question around keeping the temporary tub in place after completion of the permanent tub. This has not been determined yet, but several owners expressed interest in keeping the additional tub.

New Business

Approved Operating Budget

W Bearth shared that snow removal is 18% of the operating budget, and utilities are 36% of the operating budget. Insurance premiums are drastically increasing in the state for associations, and an insurance broker shared that premiums are likely to increase rapidly for the next 3 to 5 years. The insurance broker also shared that Colorado is the 3rd hardest state to get insurance in due to risk of wildfire. Due to the increases in the necessities this year, the association does have to increase dues 5%.

PROPOSED Capital Budget

W Bearth reviewed the proposed capital budget stating the budget is not formally approved yet due to more input from the engineer and contractors needed on the continuing hot tub replacement project. She did note that there was not an additional large project, besides the hot tub work, proposed for this upcoming fiscal year, just smaller projects like sealing the parking lot. Another meeting will be held with homeowners when the capital budget is finalized. Upon question, she explained there is a 20% total contingency on capital projects budgeted for each year.

Capital History

W Bearth shared that this report will be posted to the association's website and encouraged owners to review that at their convenience.

Election of Board of Directors: 2 Terms Expiring

W Bearth explained there was no election last year since there was not a quorum. J Steere called for volunteers. J Kelmser is interested in learning more of what the Board does, and J Steere encouraged her to attend some Board meetings.

E Clements made the following –

Motion:	Appoint Jeff Steere and Walt Mauro to the remaining 2 years of the terms and Joe Schoen to the 3 year term
2 nd :	C Valdos
Discussion:	None
Vote:	Motion carries with one objection

Members Open Forum

S Fitzgerald encouraged the Board to consider spacing out special assessments more. J Kelmser asked about use of the conference room and W Bearth shared that CBL has explored ski lockers, but this project has not been broached with the Board yet given the scope of the hot tub project. W Bearth clarified that the storage space is being used by other owners. The Board agreed to review this and dues compared to other complexes on the mountain.

Establish Date of Next Annual Meeting

M Pugh made the following –

Motion:	May 19 th , 2025 at 5pm MT
2 nd :	J Schoen
Discussion:	None
Vote:	Unanimous approval

Adjourn

J Steere made the following-

Motion:	Adjourn the meeting
2 nd :	C Valado
Vote:	Unanimous approval

The meeting was adjourned at 7:06pm MT