

Meeting Minutes

Three Seasons Condominium Owner's Association Annual Meeting
Conference Call
Monday, May 23, 2022 at 9am MDT

Call to Order

P Muro called the meeting to order at 9:00am MDT.

Proof of Notice

Notice was mailed and emailed to all owners on May 6, 2022.

Roll Call/Establish Quorum

In attendance-

Owner	Ownership	In attendance	Proxy
TS131 - Sansing	1.6618%		
TS133 - Steere	1.6618%		Walt Mauro
TS135 - Nancy & Billy O'Sullivan	1.6618%		
TS136 - Lapis Sky, LLC	1.6618%		Wanda Bearth
TS137 - Griffin	1.6618%		
TS138 - PASB Investments, LTD	1.6618%		
TS139 - Lama	1.6618%		
TS140 - Marchitelli	1.6618%		
TS141 - Molly & Paul Dedineaux	1.6618%		
TS142 - Hoiland & Young	1.6618%	Yes	
TS143 - Smith	0.9694%		Walt Mauro
TS201 - Tyler Ferris	1.6618%		
TS202 - Molumphy & Preston	1.6618%	Yes	
TS203 - Zeroski	1.6618%	Yes	
TS204 - Norris	1.6618%		Wanda Bearth
TS205 - Chodor & Osborne	1.6618%		
TS206 - Meredith & Michael Arth	1.6618%		
TS208 - Grimm	1.6618%		
TS231 - Schoen	2.285%	Yes	
TS232 - Sydney & Brennan Grant, D. Carter	1.6618%		
TS233 - Jarrett	1.6618%		
TS234 - Taylor	1.6618%		
TS235 - Quentzel	1.6618%		Wanda Bearth
TS236 - Moore	1.6618%		
TS237 - Quentzel	1.6618%		Wanda Bearth
TS238 - Fairinda West & Jill Anderson	1.6618%		
TS239 - David Plattmier	1.6618%		
TS240 - Faghiih	1.6618%		
TS241 - Bland	1.6618%	Yes	

TS242 - Grimmett	1.6618%		Wanda Bearth
TS243 - Alexander Foster	0.9694%	Yes	
TS244 - Warzel	0.9694%		
TS301 - SNJ CO LLC	1.6618%		Wanda Bearth
TS302 - Sedillos, LLC.	1.6618%		
TS303 - Jonathan & Colleen Waldorf	1.6618%		
TS304 - Mauro	1.6618%		Walt Mauro
TS305 - Jordan	1.6618%	Yes	
TS306 - Glickson	1.6618%		Wanda Bearth
TS308 - Lee & Ruth MacDonald - Powell	1.6618%		
TS331 - Mauro	2.285%		Walt Mauro
TS332 - Champailier & Slater	1.6618%		
TS333 - Lapis Sky, LLC.	1.6618%		Wanda Bearth
TS334 - Muro	1.6618%	Yes	
TS335 - Kaiser	1.6618%		Wanda Bearth
TS336 - Barr	1.6618%		Pat Muro
TS337 - Kaiser	1.6618%		Wanda Bearth
TS338 - Muller	1.6618%	Yes	
TS339 - Brickell & Davis	1.6618%		
TS340 - Miller	1.6618%		
TS341 - Brickert	1.6618%	Yes	
TS342 - Rehberg	1.6618%		
TS343 - Brust	0.9694%	Yes	
TS344 - Jeffrey Scelza	0.9694%	Yes	
TSC 02 03 - Thomas & Natalie Klem	1.5200%		Wanda Bearth
TSC 04 05 06 - Tim Egelhoff Culinary, LLC	1.9670%	Yes	
TSC07 - Team Prep USA	2.209%		
TSC09-12 - WWB Properties, LLC	5.52%	Yes	
TSHOA C1,19,20	2.924%	Yes	
	100%		

A quorum was established with 55.27% of owners in attendance or represented by proxy.

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

Reading and Approval of Past Minutes

June 7, 2021

January 24, 2022

P Muro made the following-

Motion: Waive the formal reading of the June 7, 2021 and January 24, 2022 meeting minutes and approve as drafted by CBL

2nd: J Schoen

Vote: Unanimous approval

Reports

Manager's Report

1. Capital Work-We've completed almost all of the work which was funded by the 2019 assessment. As of this writing, the only remaining items on the list are replacement of the first floor unit deck (closet) doors which have delaminated and punch list items related to the new building entry doors. We've included a capital history log elsewhere in the meeting materials.
2. Pool-We have decided it's time to replace the pool cover following years of repairs. The repairs were quite labor intensive, requiring the cover to be removed and hand fed to the seamstress. We shopped and found a new company to remove and replace for \$4,500.
3. Hot Tub-We repaired a plumbing leak on the north end of the tub last fall. Our repair is holding but yet another leak has developed somewhere. We are currently allowing the tub to slowly drain, hoping to eliminate the plumbing under the floor as the source. If we are able to confidently rule out leaks through the floor drain, then we will do some digging to search for leaks on the east side.
4. Insulation-We've reattached the insulation in the crawl spaces that had come loose over the years.
5. Plumbing – Al's Backhoe sent a scope (camera) down the cast iron sewer line from the building to the main city connection again this year. The video showed the line is in great shape and no issues are evident. Around the building, we've attended to several leaks, replacing some degraded cast iron lines or just snaking the lines open.
6. Sweeping – CBL swept the entire parking lot in May with our new tool cat. Clearing the gravel and dirt from the lot increases the lot's longevity.
7. Pest Control – Last summer CBL had to mitigate rodents on site at several properties. CBL set up and monitored various mouse traps around the complex. In an effort to keep mice out, please keep exterior doors closed and report any holes in your siding or screen doors to CBL.
8. Roof Work-We inspect the roof every summer. After the inspection last year, we applied new rubber sealant to the rubber roof (above the 'pizza hut' roof). The roof is in reasonably good shape. Two leaks were reported last winter and our crew will be attending to the issues this summer.
9. Declaration Amendments-The amendments were recorded shortly after the January HOA meeting. The amendments included adding a prohibition on deed restrictions, restating section 11.4 (B) regarding assessments, deletion of section 11.5 due to conflict with our existing collection policy, and restatement of section 11.7 regarding arrearages.
10. Fire Panel-Our panel failed twice this last year. This new panel was still under warranty, but the labor to install the new panel and then another new panel was not covered. The fire department required a fire watch for the 3 weeks during the time that the panels were down.
11. Insurance-We increased the property coverage from \$200/square foot to \$250/square foot. That resulted in a \$5,000 premium increase for the coming fiscal year, and was deemed necessary given the increasing cost for labor and materials. Our policy at the HOA level is a 'bare-walls' policy. Homeowners are responsible for insuring everything inside the drywall and subfloor.
12. Trash-The budget has been exceeded by \$5,000 so far this year. We are continually hauling discarded furniture, mattresses and TVs to the dump or recycle center. The WM transfer station in Riverbend will accept dishwashers, washers and dryers and the cost to discard is \$88/per appliance. The landfill east of Gunnison accepts all appliances, the rate is better but

there are costs related to travel. We recommend contacting CBL for help in removing such items. When we have a truck load, we will transfer the items and post the related charges to the owners account. Electronics are more difficult to recycle, but there is a recycling program once a month in Crested Butte. Costs to recycle are related to the weight of the item.

13. HOA Reminders –

- a. Remodeling – You might not 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.
- b. Insurance-The HOA retains ‘bare-walls’ insurance; homeowners are responsible for their unit’s ‘walls-in’ coverage, content coverage and also need to carry at least \$300,000 in liability.
- c. Fire Extinguishers – Western Slope and Fire Safety will be recertifying the fire extinguishers this fall. We will notify all the owners of the date via email. Please have your fire extinguisher placed outside of your unit door on the day of recertification to cut down on the time and cost of the bill.
- d. 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 the alarm and we will notify the owner of such event.
- e. 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 have access. CBL can make copies of keys free of charge.
- f. Bike Rack – CBL has donated more bikes to Six Points from the north mall bike rack. Bikes that do not have a registration sticker, are unlocked, and in disrepair are getting pulled from the bike rack. Owners and guests can register their bike at the CBL front desk.
- g. Website – The association’s website, <https://www.3seasonscb.com/>, now features an owner directory on the contact page. The password is: 3Sowner To join the directory, email Sierra@CrestedButteLodging.com the contact info you’d like to be shared. 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

President’s Report

The following report was provided to homeowners –

Hello fellow Three Seasons Homeowners,

I would like to take this opportunity to thank you all in advance for participating thin the 2022 Annual Meeting.

Regrettably, I will miss this year’s meeting. This will be my first since purchasing our unit in 2004 and certainly since joining the HOA board in 2005. Typically, our meetings are held in early June, and I had planned on attending if it were so. Due to Colorado law, we had to move the meeting to the end of May this year. My wife, Vicki, and I will be joining our family on a Disney trip we have been planning for the past year. Yes, I do hope you can understand that my three grandsons take priority.

With that said, I did want to share a few updates that I would have preferred to share with you in

person. Instead of going into pages of explaining everything that goes on with maintaining a 40-year-old building, Wanda will be prepared to provide more details on these and answer your questions during the meeting.

- **Fire Panel and Individual Alarm Installation** – This was one major unexpected and unavoidable expenses during the past year.
- **Snow Removal** – December’s heavy snowfall exceeded the lot’s storage capacity and so it was trucked away, which was an expensive, but necessary project.
- **Dues Increase** – Like everything in our world today, inflation is impacting costs of nearly everything and the mountain communities are especially impacted. The HOA’s normal operating expenses have in turn increased as well. We certainly didn’t want to take you surprise with this news so that you can all plan head. This year’s operating budget includes a 7.5% dues increase. We will have more on this at the meeting.
- **Capital Assessment** – We will have another assessment this year. None of us like it, but it is necessary. There has been more than \$600,000 spent on the building and the most recent assessment covered approximately \$450,000 of that. This left a deficit. The assessment amount is \$175,000 (billed per the unit’s percentage of ownership) with the first of 3 payments due by 7/31/22. This will be discussed further at the appropriate point in the agenda. As always, I am open to speaking with any of our owners at Three Seasons via phone, email or a glass of wine. If you need my contact information, please reach out to Wanda.

Sincerely,
Jeff Steere
HOA President

YTD Fiscal Year Ending May 31, 2022 Financials

S Brickert questioned the capital expenses and overages. W Bearth explained that the deck was enlarged during the scope of work covering the entire south end of the building. L Friedman reported that fiscal year to date (June 2021 – April 2022), the association had collected \$348,646 in income and had spent \$363,959 on regular operating expenses. Upon question, L Friedman explained that the accounts receivable is negative, meaning owners have paid in advance of what is due. He also explained that the prepaid funds will be held in a separate savings account until realized.

Excess Income Resolution YE 2022

L Friedman reported that it is very unlikely the association will have excess income with the fiscal year ending at the end of May 2022.

Old Business

Capital History Report

The owners were provided the following capital history report –

Here’s a look back at the capital projects that have been completed over the last 13 years. The HOA has typically put away 10% of your quarterly dues payments for capital expenses and those dollars had covered the capital work through 2018. Our first capital special assessment in a decade was imposed in June of 2019 and it covered \$450,000 worth of capital repairs and improvements that was performed.

The capital plan for the 2019 assessment included-

- New parking lot (about ½ of that total)

- New skylights (\$65,000) and then we painted the drywall interior while the roof was opened up
- New fire suppression panel (\$60,000)
- Stucco repairs
- Common area bathroom upgrades
- Staining the deck posts and exterior trim and painting the soffits
- Replacement of the 2 south and the west entry doors
- South deck replacement and extension
- Replacing the delaminated 1st floor unit closet doors on the patios (still delayed-supply chain)
- South 2nd and 3rd floor hallway carpet was replaced in October 2022
- Replacement of the sprinkler heads (several hundred)
- Laundry room refurb including one new machine
 - We also managed to fit into the budget without a special assessment (these 2 total about \$12k)
 - New pool heater
 - Commercial carpet cleaner

In the decade prior (2009-2018) to the 2019 assessment, we've attended to multiple essential items using the regular dues reallocations -

- Parking lot resealing, multiple
- Stair retread/leveling
- 2 new washers and a new dryer
- Interior painting including unit and common doors, halls, stairwells
- Removed cedar shakes around the pool
- Repairs including patching and paint for the hot tub and pool
- Replacement of the hot tub heater
- Roof repairs including flashing, fasteners and snow fencing
- South mall window replacement
- Replacement of the south parking lot retaining wall
- Replacement of hall light fixtures with LED compatible
- South side exterior cedar shake replacement
- New carpeting in much of the common areas
- North entry door was replaced
- Pool area upgrade including installing the fireplace and the surrounding bench and rebuilding some of the planters
- The pool got a new cover
- Interior and exterior paint including stucco, fascia board and a color change for inside

New Business

Approved Operating Budget

W Bearth reviewed the approved operating budget, noting the 7.5% increase in dues, equaling \$1,806 per quarter for a two bedroom. She reviewed the many line items that increase each year including insurance, cable, water and sanitation, trash service, etc.

Approved Capital Budget

W Bearth reviewed the approved capital budget, which included parking lot maintenance, stucco maintenance, staining and painting, roof work etc. The work budgeted for fiscal year ending May

2023 totaled \$60,161. M Pugh asked about the roof replacement coming up in the next couple years. W Bearth informed the membership that the capital plan is adjusted and approved annually. The roof has been deferred several times since there has not been many leaks or issues. The capital budget also includes a special assessment of \$2,995.76 per two bedroom units, billed over 3 quarters.

Other Business

Conference Room Update

W Bearth shared that the Town of Mt. Crested Butte looked at the conference space for a possible post office space. P Muro took an informal poll to see if any owners were interested in selling the space. The informal poll seemed to be split between selling the space and renting the space.

Election of Board of Directors: 3 Terms Expiring

W Bearth, P Muro and T Sanderson's terms are expiring.

P Muro is stepping down from the Board and would not like to be re-nominated.

W Bearth and T Sanderson are interested in serving another term.

M Pugh volunteered to serve on the Board.

J Scelza volunteered to serve on the Board.

J Schoen made the following-

Motion:	Elect W Bearth, T Sanderson, M Pugh and J Scelza to the Board
2 nd :	S Brickert
Vote:	Majority in favor, motion carriers

Members Open Forum

L Bland expressed discontent with management. J Martuccio expressed appreciation for the Board's and Management's diligence working on the property.

Establish Date of Next Annual Meeting

The next annual owner's meeting will be held on Monday, May 22nd, 2023 at 9am MDT.

Adjourn

W Mauro made the following-

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

The meeting was adjourned at 10:36am MDT.