

## Board Meeting Minutes

Steamboat Grand Resort Hotel Condominium Association, Inc

December 18, 2007

1:00 PM at the Slopeside Owners Club

### Board Members

*Present:* Joe Fogliano, David Zedeck, Greg Magee, Ron Belin, Laurie Good, Mike Lomas

*By Phone:* Steve Traudt

*Absent:*

*Others Present:* Kevin Gilman, AAAA; Lynaia South Orr, Legal Counsel; Stacy Huffman, SSRC

### Proceedings

*(3 minutes into recording)*

The meeting was called to order at 1:00 by the President, Joe Fogliano.

Notice of meeting was provided by email on December 7, 2007.

Meeting Minutes from the October 12, 2007 meeting were reviewed.

**Motion:** Ron moved to approve the minutes as presented; Greg seconded.

Motion carried.

Minutes for the Annual Meeting were discussed and it was decided that the draft minutes would be posted on the web site pending approval at the next Annual Meeting.

### Election of Officers

David nominated Joe as a candidate for President of the Executive Board. Ron seconded the nomination. There were no other nominations and Joe was elected President.

Joe nominated Laurie as a candidate for Treasurer. Greg seconded the nomination. There were no other nominations and Laurie was elected Treasurer.

Laurie nominated Ron as a candidate for Vice President. Greg seconded the nomination. There were no other nominations and Ron was elected Vice President.

Greg nominated David as a candidate for Secretary. Laurie seconded the nomination. There were no other nominations and David was elected Secretary.

### Legal Business

Feldmann, Nagel and Associates drafted a tolling agreement that would put the statute of limitation on hold until 1/31/09 as it relates to the garage dispute. This would give both parties time to negotiate a settlement. Intrawest has agreed to it in principle.

**Motion:** Laurie moved to approve the Tolling Agreement subject to clarifying the appropriate entities. David seconded the motion and the motion carried.

A question was raised during the Annual Meeting about the Commercial Board Member seats. The Board received and reviewed an opinion from legal counsels and have forwarded it to SSRC for their counsel's review and response.

(29)

Counsel has developed a Position Statement regarding Quarter Share and Alternating Quarter Share Estates. The document will be mailed to the Steamboat title companies and realtors and will be incorporated in the estoppel process and posted on the website.

**Motion:** David moved to approve the Position Statement. Laurie seconded the motion and the motion carried.

The policy of suspending voting rights for past due owners will be incorporated in the collection policy, and will include a time period for the owner to respond. The revised collection policy will be reviewed at the next meeting.

(38)

The property tax appeal on the garage is held up because of the Declarant's development rights to the garage. When the development rights are surrendered the county will convert the garage to a tax exempt common element.

**Motion:** David moved to accept the surrender of development rights as drafted by the Declarant and modified by the Association's counsel. Ron seconded the motion and the motion carried.

**Motion:** David moved to have John Hollway request an abatement of the prior two years garage property taxes. Greg seconded the motion and the motion carried.

David brought up the idea of trading some Association assets to Intrawest for the balance of the garage mortgage. The Colorado Common Interest Ownership Act addresses development rights and may create a liability for the Declarant regarding the expenses related to the garage, which may add incentive for such a trade. David will work on a formal asset exchange agreement that the Board can review prior to submitting it to Intrawest. It is anticipated that such an asset exchange may need to be put to a vote of the membership.

(78)

The Common Area Usage License has been distributed to all Board Members. The intention of the agreement is to identify all common area space that the Manager currently uses for commercial purposes, and grant them a license to use it subject to some constraints. The Manager expressed resistance to the amount of the license fee in the draft agreement, and was asked to develop a counter proposal.

(93)

Phase 2 of the roof project was discussed in response to the ongoing expense of snow removal. Phase 1 was done in 2003. A committee was formed to look into the project. Mike, Ron and Kevin will make up the committee.

The Communication Committee reported that the Declarations are now on the website. Board meeting minutes will be approved via email and posted before the next Board meeting. Work will begin on a hardcopy newsletter that will be mailed with the quarterly billing.

The Amenities Committee reported on ski storage changes, First Tracks, owner après ski and opportunities to improve vending services and revenues. Parking restrictions on owners who are not in-house was discussed, and the manager will look into purchasing a "boot" for repeat offenders, rather than trying to tow vehicles. Upgraded TVs, DVD players, Comcast and LodgeNet were discussed.

Unit 626/627 is a wholly owned unit and has requested to be converted to a pet friendly unit.

**Motion:** David moved to approve the dog unit request. Laurie seconded the motion and the motion carried.

(131)

The Garage Note Committee has had three meetings. Available documents were reviewed and missing documents have been request from Ski Corp to no avail. The committee has identified two law firms that are qualified to advise the Board on potential courses of action. The option to refinance is on the backburner for now.

**Motion:** Steve moved to approve a \$50,000 budget to engage a law firm to represent the Association in getting information regarding the cost and value of the garage, and to provide strategies for moving forward.  
The motion was not seconded.

This item will be revisited during the next meeting.

(157)

The Managers Report included improvements to the Murphy beds and the Intrawest bedding soft goods plan. The water problem in C7 is on going. Window washing was completed using the 4% fund. 6000 yards of new carpet has been installed in residential units, and the lobby has been refurbished. The bulk purchase of artwork from the Metropolitan Art Company has been completed. Many windows have been replaced because of bad seals. Down spouts still need to be added to the new gutters. Penthouse wood floors are being repaired.

The Finance report projected a surplus for the year because many expense reductions were retroactive to the beginning of the fiscal year, but the dues reduction was not implemented until halfway through the year. Owner balances over 90 days old totaled \$33,600 as of 11/30 versus \$50,700 as of 8/31. These dates are comparable based on the quarterly billing cycle. Five accounts have been turned over to the collection attorney and three have responded favorably.

**Motion:** Ron moved to request that the Rental Manager assign rental proceed for units 507 I, 566 I, 566 II, and 704 IV to the Association. David seconded the motion and the motion carried.

The Rental Manger takes the first 4% of rental off the top of rental income before splitting the net with the owners. This 4% fund is used to provide general wear and tear maintenance in the units, such as spring cleaning, replacement dishware, etc. These expenses would otherwise be paid for by the Association and would therefore need to be included in the residential dues. There are very few units that do not participate in the rental program, and they are getting a free ride on these items. Options to make this more fair were discussed, but no action was taken at this time.

Use period calendars are published through 2016, but there are some flaws in the algorithm that preclude copying the existing pattern into the future. Existing calendars will not be changed, but with a goal of having the calendars out ten years in advance, they will need to be added to, using a revised algorithm that still needs to be developed.

The next Executive Board meeting was scheduled for Monday, February 11, 2008 at 1:00.

Keith Gainer, from the Shops at the Grand, made a presentation regarding improved interior and exterior retail signage. The exterior signage will match the new base are redevelopment signage. Mike expressed an interest in participating, and the cost would be shared among the retail owners.

(205)

**Motion:** Greg made a motion to adjourn the meeting. Ron seconded the motion.  
Motion carried.