

PRELIMINARY DRAFT

Board Meeting Minutes

Steamboat Grand Resort Hotel Condominium Association, Inc

March 4, 2009

2:00 PM at the Owners Lounge Conference Room

Board Members

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

By Phone: Ron Belin, Steve Traudt

Others Present: Kevin Gilman of AAAA; Stacy Huffman of SSRC,
David Nagel of FNA (via telephone)

Proceedings

The meeting was called to order at 2:12 by the President.

A quorum was established.

Notice of meeting was provided by email on February 24, 2009.

Motion: Mike moved to approve a resolution that the Steamboat Grand executive hotel team and the SSRC Board Members have permission to use the residential amenities. He will provide a list of names. Ron seconded.
Motion carried.

Meeting Minutes from the January 20, 2009 board meeting were reviewed.

Motion: Mike moved to approve the minutes as presented. Laurie seconded.
Motion carried.

David Nagel briefed the Board on the Unit 507 I foreclosure. Key Bank is going to foreclose on the unit, which will likely extinguish the Association's interest. The Association is foreclosing on unit 453 III A and the auction is scheduled for April 9.

(Greg Magee and David Zedeck joined the meeting at 2:32)

Feldmann Nagel & Associates has not yet received an official response from Lawyers Title regarding the splitting of fractional interests into multiple deeds. The response is expected within a week. There has been no change in the proposed amendments to the Bylaws. David Nagel will send out the current version to the Board for review. It is Feldmann Nagel & Associates opinion that the Mutual Release agreement between the Association and SSRC was intended to preclude items like the claim SSRC is now making regarding fiscal 2007.

SSRC's claim from fiscal 2008 was discussed, and the Board opted to forgive all reservation fees that were not collected.

(David Nagel left the conference call at this point)

The preliminary fiscal 2010 budget was discussed. The rising cost of maintenance was a concern. The price of natural gas that was used in the budget was questioned and Kevin will

follow up. The budget for snow removal was reduced to be less than worst case scenario. Mike will follow up on the budget for front desk services, the fitness center and wireless internet access.

(Laurie Good left the meeting at 3:55)

Motion: Greg moved to authorize the purchase of an automatic external defibrillator, to be located at the front desk, with SSRC providing the necessary training. Mike seconded.
Motion carried.

Friday, April 3rd at 4:00 was set for the general membership ratification meeting. The location to be determined. Budget will need to be mailed along with the notice of meeting by March 20.

Laurie's suggestion that the Association hire a consultant to develop a replacement reserve study was discussed. Mike was asked to get cost estimates for the elevators, HVAC system, and painting. A request for volunteer expertise in reserve studies will be put in the next newsletter. The topic was tabled until the next meeting.

Greg asked that the 4% fund be used to reimburse the Association for previous expenditures on residential unit lock repair, since that item is included in the addendum to the rental agreement. How to make the 4% fund more equitable was discussed. The Board decided to waive the terrorism rider in the renewal of the property insurance policy.

Mike Lomas gave his Property Manager's Report. A request to convert unit C7 into a restaurant was discussed, but the venting issues on the lower roof, were considered a major obstacle. The City of Steamboat will begin enforcing their signage policy for the front of the Grand. The pool is now in compliance with the Virginia Graham Baker law, but will need to be closed from April 26 through May 10 for resurfacing. The possibility of converting from Comcast to DirecTV, and the associated cost, was discussed. This would provide more high definition programming, but will require buying out the Comcast contract. Mike will report back with more accurate figures. Mike presented estimates for a variety of replacement reserve projects that will be incorporated in the next version of the budget.

Two contractors would like to present proposals for replacing the existing roof to minimize snow shoveling. There were no other committee reports.

(Steve Traudt left the conference call at 5:00)

The next Board meeting was scheduled for June 9th, 2009 at 1:00 P.M. in the Owners Club.

Motion: David moved to adjourn the meeting. Greg seconded.
Motion carried.