

Board Meeting Minutes

Steamboat Grand Resort Hotel Condominium Association, Inc

August 27, 2009

1:00 PM at the Slopeside Owners Lounge

Board Members

Present: Joe Fogliano, Mike Lomas, Laurie Good (joined at 1:10)

By Phone: Greg Magee, Ron Belin, (joined at 1:06), Steve Traudt (joined at 1:55)

Others Present: Kevin Gilman of AAAA; Stacy Huffman of SSRC, Sherri Sweers of FNA

Proceedings

The meeting was called to order at 1:07 by the President.

A quorum was established.

Notice of meeting was provided by email on August 20, 2009.

Meeting Minutes from the June 6, 2009 Board meeting were reviewed.

Stacy said the minutes should be corrected to say Board discussed but did not approve the purchase of 10 TVs.

Motion: Mike moved to approve the minutes as amended. Ron seconded.
Motion carried.

(Laurie Good joined the meeting at 1:10)

Sherri Sweers discussed the division of fraction interests into to 50% interest deed. Based on feedback from one of the owners involved the policy has been updated. A First Supplement to the Policies and Procedures has been drafted to address this issue, based on discussion at the previous Board meeting, and Joe Fogliano signed it as President. The document will be sent to all owners along with the upcoming Notice of Annual Meeting.

Proposed changes to the Bylaws were discussed in detail. A draft of the Amended Bylaws was presented along with a matrix detailing all the changes and comments on them. The Board agreed to change the fiscal year to be a calendar year, and to combine the Annual Meeting with the Budget Ratification Meeting.

(Steve Traudt joined the meeting at 1:55)

Several other items in the draft document need to be revised, and a new document will be emailed out prior to the next Board meeting. The change to the fiscal year and the date of the annual meeting will be communicated to the membership promptly. Possible clerical housekeeping issues within the Declaration were also discussed.

An emergency expenditure of \$30,500 was made to replace HVAC controls. This was approved via email as a Common Replacement Fund expenditure.

Motion: Greg moved to approve a Common Replacement Fund budget item of \$30,500 for the HVAC project. Laurie seconded.
Motion carried.

(Sherri Sweers left the meeting at 2:20)

Kevin requested a resolution to open a new bank account with Vectra Bank, which pays a higher interest rate than Wells Fargo, and also will help reduce our funds over the FDIC insurance limite. An emergency expenditure of \$30,500 was made to replace HVAC controls. This was approved via email as a Common Replacement Fund expenditure.

Motion: Greg moved to approve a new bank account at Vectra Bank. Mike seconded.
Motion carried.

Mike presented the Managers Report. SSRC is requesting to run a fiber optic cable from the soon to be installed gondola towers to the Grand. It will improve bandwidth for both SSRC and for the units in the Grand. SSRC will dig the trench and pay all expenses. The Board members supported the idea but need to know if an easement needs to be recorded with the county. Mike will check with SSRC's legal depart regarding the need for a permanent easement. They will draft the document if necessary.

Mike is evaluating roofing consultants to better understand the options to improve the roof. Wilson Roofing is doing remedial work on last year's roof project, at their expense. Additional repairs are necessary in other areas of the roof that will cost about \$15,000. Several companies are bidding on the roof snow removal contract this year, and significant savings are expected.

Our insurance carrier visited the property and made recommendations regarding the lobby stairs and other issues. Colorado has a new law requiring carbon monoxide in all units with fireplaces, so we will purchase and install 236 CO1 detectors, which is an unbudgeted expense. SSRC is installing DirecTV for Chaps. Bids to expand DirecTV to all residential units are being evaluated, and installation is planned before ski season, at the Association's expense. A vendor has been selected for the residential furniture package. Again, and installation is planned before ski season. Lobby carpeting installation is also planned before ski season. Some owners do not respect Ski Corp's exclusive food service agreement within the pool area. The Board reiterated their support for the policy that owners and guests are not allowed to bring food into the pool area. Because of liquor license laws, alcoholic beverage cannot be brought in to the pool area because it is part of SSRC's service area for their liquor license. Mike reported that hotel occupancy has held up pretty well, but that average rates are way down. The 4% fund was used to replace the bedspreads with a trip sheeted duvet and accent pillows. The need to replace lobby furniture was discussed, but no action was taken.

(Greg Magee left the meeting at 3:05)

Stacy has evaluated consultants who offer replacement reserve studies. All three quotes are only for Common Replacement Reserves, and do not include Residential Replacements. Mike was asked to get a two component bid that covers common and residential needs, and possibly including software that can be updated in-house.

The planned restaurant for unit C7 seems to be on hold. Another entity is planning martini bar for units C2 & C3, with food provided by Chocolate Soup. They hope to have this operational by ski season.

The financial forecast was reviewed, and expenditures for maintenance are well over budget and over prior years. The overruns will greatly hinder our ability to reserve funds for future replacements. Mike suggested that painting the hallways is part of the overrun. Mike will have a financial analyst look at the issue and will report back to the Board prior to the next Board meeting.

(Laurie Good left the meeting at 3:33)

The Amenities Committee reported that old ski storage items have been removed. An article will be in the November newsletter reminding owners about restrictions on use of the storage area. This winter après ski will be from 3:30 to 5:00. The cost for first track increased by \$5 per person.

Communications Committee reported that a newsletter intended to welcome new owners to the Grand is being developed.

The Annual Meeting and Budget Ratification Meeting will be held on December 5th.

The next Board meeting was scheduled for October 7th, 2009 at 1:00 P.M. in the Owners Club.

Motion: Ron moved to adjourn the meeting. Mike seconded.
Motion carried.

The meeting was adjourned at 3:41.