

# PRELIMINARY DRAFT

## Board Meeting Minutes

Steamboat Grand Resort Hotel Condominium Association, Inc

June 9, 2010

9:00 AM at the General Manager's Office

### Board Members

*Present:* Joe Fogliano, David Zedeck, Mike Lomas

Greg Magee, Ron Belin and Steve Traudt via teleconference

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

### Proceedings

The meeting was called to order at 9:07 by the President.

A quorum was established.

Notice of meeting was provided by email on June 3, 2010.

Meeting Minutes from the February 11, 2010 Board meeting were reviewed.

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

Motion carried.

Sherri Sweers discussed the proposed 4<sup>th</sup> plat. All parties are in agreement on the plat, but an easement from 2006 had been omitted. The exact legal description of that easement had to be located and included. The plat will be recorded after the City signs off.

A proposed resolution to reduce the Working Capital Fund from \$710,000 to \$500,000 was discussed. Working capital was contributed by residential owners who purchased their units directly from the developer, and is not refundable. The \$210,000 can be transferred to the Residential Replacement Reserve Fund. The resolution was tabled because not all Board members had received it prior to the meeting.

Sherri reported that she expected a default judgment in a collection case involving an owner of two shares. Two other collection issues had been put on hold through winter because rental income exceeded the dues during that period. These cases will be revisited in July.

A guest was injured when she fell on the lobby staircase. Sherri met with Ski Corp's attorneys to discuss the claim. Mike Lomas has looked at various ways to enhance the safety of the stairs, and the insurance carrier has had an inspector visit the property. Mike was asked to research adding a railing down the middle of each staircase.

Sherri advised the Board that an owner had recorded a deed with a 50% interest in a quarter share estate. The Association's policy states that quarter share estates cannot have two deeds with 50% interests. She will advise the owners and asked that they file a corrected deed showing the two 50% interests on a single deed.

*(Sherri Sweers left the meeting at 9:55)*

The fieldwork on the replacement reserve study has been done but the final report has not yet been received. An agreement has been reached with Building Consultants & Engineers, the roofing engineer, to perform the roof study. The fieldwork will begin in July.

Mike and Stacy discussed the need to spruce up the upstairs of the Slopeside Owners Lounge. New carpet and painting are the primary needs. Other changes were also discussed. Greg pointed out that the lease says the landlord will furnish and maintain the facility up to the same standard as the common areas of the Grand.

Conversion of the swimming pool filtration system was tabled until Jack Laddish, the Chief Engineer, could arrive.

Mike updated the board on the plans for units C7 and C8. The owner of C8 has plans to put in an upscale liquor store, and has asked for permission to replace the tinted glass with clear glass. The Board wants continuity, but since this is the end unit clear glass would be permissible. A different color tint would not be acceptable.

Renee Martindale joined the meeting and presented a wish list of in-room upgrades. The top priority is to replace the remaining TV armoires with chests that will allow better viewing from any angle. This is the top priority because it is a guest satisfaction issue. More colorful lampshades will improve the first impression of the units. Upgrading the day beds to match the new couches was also discussed.

The priorities were discussed, as well as a projection of cash available through the fiscal year.

**Motion:** Ron moved to approve \$200,000 for guest room improvements. Greg seconded.  
Motion carried

*(Ron left the conference call @ 10:38)*

Mike described some water damage in C8, and the Board agreed that the Association should repair the damage. The owner of C8 has asked about changing the sidewalk to allow angled parking that would provide more spaces. The Board was open to that idea, based on receiving a detailed site plan and city approval.

Jack Laddish joined the meeting @ 10:46 to explain the advantages of the "Pure Comfort System" for the pools. It extracts chlorine from sodium chloride (salt), which has less odor than tradition systems. Salt is also safer and more environmentally friendly than chlorine in bromine. The start up cost will be about \$1000 and the operating cost will be slightly higher than the current system.

**Motion:** David moved to change the pool system to the EcoLab Pure Comfort system for a year.  
Greg seconded.  
Motion carried

The idea of adding lap swimming lanes to the pool was discussed and but was not acted upon because of maintenance and service concerns.

*(Jack left the meeting @ 11:13)*

The lobby level carpet installation is complete. The elevator cabs are still under consideration. One elevator cab has a sample rubber tile which seems the best alternative. Mike will get a sample color board for the rubber tile and that product will be installed in the other cabs.

Discussion returned to the street front commercial units. C8 does not have access to the garage, and therefore the loading dock, for receiving deliveries. The owner asked if delivery vehicles could park on the Grand's property south of the building. The Routt County Roadhouse restaurant will be opening in unit C5 in July.

The DirecTV channel lineup continues to evolve. The local channel 18 has asked to be included. They don't currently have the technology to provide a live feed into the DirecTV system. The Board agreed to bring in Channel 18 if they can provide the same live feed they provide to Comcast. The lobby music will be changed to a similar product from DirecTV. There will be an upfront cost, but it will be recovered in monthly savings over the next ten months.

Mike reported that the lodging business has been very challenging, but that the Grand seems to be outperforming the other lodging options in Steamboat. Occupancy demand is getting better, but at the cost of steep room rate discounts. The Poolside Bistro opens this week. Owners can now get a charge card that will allow them to charge their purchase even if they are not registered guests at the Grand. This card will also work at any Ski Corp restaurant.

David met with a landscape designer regarding the backyard area. There are a lot of possibilities to make a better impression, but those costs will not be included in the replacement reserve study.

**Motion:** David moved to spend up to \$2,000 for Windemere Landscaping for a design plan to upgrade the backyard landscaping. Greg seconded.  
Motion carried.

Mike presented the capital improvements he has requested from Intrawest. The top priority is to revise the restaurant facilities, including a lobby bar. Intrawest has not yet decided on what projects it will fund.

Stacy requested that the Board approve the replacement of the washer and dryer in unit 644. The Board agreed.

There are a few collection problems that Kevin reviewed with the Board.

The next Board meeting was scheduled for Wednesday, September 1st, 2010 at 9:00 A.M. in Mike Lomas's office.

**Motion:** Steve moved to adjourn the meeting. Greg seconded.  
Motion carried.

The meeting was adjourned at 12:05.