

**SKI AND RACQUET CLUB, LTD.**  
**BOARD OF DIRECTORS MEETING**  
**January 9, 2009**  
**Breckenridge, Colorado**

**I. CALL TO ORDER**

The meeting was called to order at 7:05 p.m.

Board Members Present Were:

Tony Karahalios, President, CP6	Norm Stein, Vice President/Treasurer, A101
Jan Bowman, Secretary, B103	Tom O'Lear, Director, A204
Margie Wood, Director, BG2	Shannon Saramaa, Director, B201

Owners Present Were:

John McCallister, G3A	Tim and Zoey Luckett, B203
Bill Wood, BG2	Bruce and Debbie Linster, A205
Ken and Marilyn Goff, C201	Rachel Clark, P2B
Paul Davis, A203	

Representing Basic Property Management were Dan Ulmer, Lanelle Barnett, Gary Nicholds and Ann Evison. Erika Krainz of Summit Management Resources was recording secretary.

**II. PROOF OF NOTICE**

Notice of the meeting was posted at the Clubhouse, by the dumpster and on the website.

**III. APPROVE PREVIOUS MEETING MINUTES**

Margie Wood made the following comments:

1. In the Old Business section it should be added that Building B was painted for \$2,500 as well as Building A.
2. In the Old Business section F, the remainder of the sentence with the reference to grandfathering should be deleted after "Zone 30".

Jan Bowman made a motion to approve the September 12, 2008 Board Meeting minutes as amended. Norm Stein seconded and the motion carried.

**IV. COMMENTS FROM THE FLOOR**

There were no comments from the floor.

**V. FINES HEARING**

Paul Davis was present regarding his fines. He recorded his statement. Tom O'Lear recused himself from the discussion and Board decision as he owns the neighboring unit. Paul said he received a \$100 fine for dog waste on his deck in May 2008 and a second \$1,000 fine in July. He said he never received any written notification regarding the fines. According to the Bylaws, he should have received a warning, then notification and a \$100 fine for the first offense. He commented that he was never presented with a warning, he felt \$1,000 was an excessive amount and he was being singled out for his violations when other owners who

violate rules are not fined. He said he was appealing the fines in order to reach a reasonable resolution. He has spoken to an attorney about the enforcement of Association rules.

Tony Karahalios asked Paul if he had been fined previously for any dog related violation. Paul answered that he had not been. Tony asked if there was dog waste on the deck. Paul acknowledged that there was dog waste on the deck that became visible after the snow melted. Tony asked if he had received any written documentation regarding the fines from Basic Property Management or the Board. Paul replied that he had not.

Jan Bowman commented that owners are not allowed to let their dogs use any deck as a relief area. She noted that Paul was on the Board when the dog fines were established and so he was certainly aware that he could be fined for this violation.

Norm Stein asked if Paul had ever been fined for any reason. Paul replied that he had not been fined by Basic Property Management, although there had been an issue with the previous management company.

Tony Karahalios asked Dan Ulmer to describe the procedure for notifying owners of fines. Dan said the owner is sent a warning letter explaining the situation and the fine. Ann Evison said the owner was issued a warning about a year prior to this incident. Dan said he toured the property and saw that the deck was covered with dog waste. He told Paul this was not acceptable. Dan said Paul had been fined three times in the past for late dues and the Board excused \$1,500 of those fines. Tony said there was an extensive paper trail in the owner file related to fines in 2006. There was also a letter in the owner file from the Association's attorney dated February 26, 2007 concerning a 2006 violation for keeping the dog on the roof deck. Paul said he never received the letter. Tony subsequently noted that the letter had the incorrect post office box number. Paul said he contacted management about the fine by phone but was not told the reason for the fine and was told he needed to contact the Board about it.

Norm Stein recommended that the Board uphold the fines as issued. The Board has been lenient with Paul in the past and he did not see a reason, given the circumstances and history, that the fines should be rescinded. Margie Wood said she would support a \$100 fine as described in the condominium documents. Tony Karahalios proposed a "double or nothing" resolution in which Paul would pay the \$100 fine and the \$1,000 fine would be suspended. If there is ever another violation of this nature, Paul will be expected to pay the original \$1,000 fine plus an additional \$1,000 fine.

Margie Wood made a motion to fine Paul Davis \$100 and to suspend the \$1,000 fine with the understanding that he will pay a \$2,000 fine if there is ever another occurrence. Jan Bowman seconded. In discussion, Paul reiterated that he felt that he was being singled out and emphasized that there should be repercussions for other rules violators, but he agreed to this proposal. The motion carried with three in favor, one opposed and one abstaining. The late fees associated with this fine will also be waived.

Tony Karahalios asked owners to report any violations of Association rules and regulations to Ann Evison so this information can be passed on to the Board and appropriate action can be taken.

## **VI. MANAGER'S REPORT**

### *A. Project Update*

Ann Evison reviewed her project list:

1. Rental Agreement for the Clubhouse – Ann presented the Board with a draft document.
2. Frozen Pipes in C Building – There is still a cold space in the wall. The pipes have been thawed and the water has been left on at a very slow flow to prevent further freezing. The owner of 203C wanted to be in charge of the project but did not get it done. Dan Ulmer wants to lower the heater and add some spray foam to the 12 – 14” section of pipes that is not getting enough heat. Management will oversee the project.
3. Clubhouse Hours – Ann has had issues with guests not wanting to leave at 10:00 p.m. Tom O’Lear made a motion to change the hours back to 9:00 a.m. – 9:00 p.m. Norm Stein seconded and the motion carried with five in favor and one opposed.
4. Clubhouse Water Heater – The hot water heater is leaking and could fail at any time. The options include replacement with two fifty gallon tanks, replacement with another one hundred gallon tank or replacement with an on demand system. Dan Ulmer said on demand heaters would be \$900 plus plumbing. They are very energy efficient, take up less space and seem to work fine at this altitude. Tim Lockett volunteered to provide a bid.
5. Unit Occupancy – There are twenty-three people from Brazil living in three units (five in G4C, eight in 102C and ten in 202A). Ann has contacted all the unit owners. Two were aware of the situation and the third was not. She informed the owners of the town ordinance and House Rules regarding maximum occupancy but nothing has been done. Management was directed to send written warnings to the owners of each unit.
6. Unit 206C Deck – A letter was sent to the owner and the owner was fined \$400 for dog waste on the deck.
7. Garbage – Owners were asked to call Ann if there is garbage left in the garage or by the dumpster.

### *B. Comcast Update*

Dan Ulmer said he finally received the refund from Comcast for the overpayment and for the interest that was charged.

### *C. Maggie Placer*

Dan Ulmer provided copies of the developer’s proposal for a roundabout in front of Ski and Racquet. The proposal was submitted by the developer to the Planning Department two days ago. The Planning Department reviewed the proposal and did not like it, so at this point there is very little chance it will be approved. Because the developer has changed the number and location of the units from his original plans, he will have to start the process over again and reapply for annexation. The process will probably take at least six to eight months.

Tony Karahalios provided a summary of the history of the project. When the developer first proposed the project, he did not contact the Ski and Racquet Board and he told the Planning Department that he had access to his property. The Ski and Racquet Association's attorney notified the town that the developer did not have access and provided maps of the boundaries. The developer then presented information to the town claiming that he had an access easement through the Allaire Timbers property. The Association's attorney stopped that action as well. A conference call was held in November because after the last hearing the Planning Department told the developer to talk to Ski and Racquet about the access. The Board and the Association's attorney approved a letter with an offer to the developer. He would have to pay \$250,000 for an easement and make improvements. The developer turned down the offer. The developer told Tony Karahalios that the town would pay for it. The developer had a survey done and claimed the retaining wall was off by 3'; the town disagreed. In his latest proposal with the roundabout, the developer moved the Ski and Racquet property line in order to try to get the roundabout approved by the town. The Association will be notified by the town in the future of any upcoming actions. The Association needs to remain vigilant about anything he proposes.

*D. Warning and Fine Letters*

The Board directed management to send warning and fine letters with a return receipt.

## **VII. TREASURER'S REPORT**

*A. Balance Sheet as of December 31, 2008*

1. Total Checking/Savings - \$23,481, including \$15,678 in the Reserve and \$7,803 in Operating.
2. Total A/R - \$1,775.
3. Total Other Current Assets - \$1,404.
4. Total Fixed Assets - \$844,363.
5. Total Liabilities - \$661,185.
6. Total Equity - \$219,117.
7. Total Liabilities and Equity - \$880,302.

*B. Operating P&L as of December 31, 2008*

1. Total Income - \$1,442 over budget due to unbudgeted fines and Clubhouse rental.
2. Total Administration - \$3,820 under budget due to lower legal fees.
3. Total Condominium Management Expense - \$476 over budget.
4. Total Utilities - \$2,763 over budget due to higher rates for Gas and Electric.
5. Total Repair and Maintenance - \$2,021 under budget due to lower painting and building repair. Some of the \$2,607 for the insurance deductible will be recouped from Turner Morris for roof leaks under the warranty.
6. Net Income - \$3,700 over budget.

*C. Reserve P&L as of December 31, 2008*

1. Total Capital Repair/Replacement - \$8,818 over budget. The current balance is \$15,678. Expenses included \$524 for heat tape and \$16,103 for the balcony project.

2. Net Other Income - \$8,798 over budget.

Jan Bowman made a motion to approve the financial report. Margie Wood seconded and the motion carried.

## **VIII. OLD BUSINESS**

### *A. Balcony Repair*

Shannon Saramaa said all seven units that were scheduled were completed last year at an average cost of \$2,500/unit. There were also some items completed from the 2007 list. The balconies in the worst condition were done first. There are nine balconies remaining on the list and she anticipated that five to seven of them would be done this year based on the availability of funding.

### *B. Siding Committee*

Bruce Linster distributed some information on siding replacement. The estimated project costs from the architect appear to be rather high. The plan is to get the project started in 2010 after an owner vote at the Annual Meeting.

The “pros” for the project include increased property value, visually pleasing, less maintenance than painting, improved drainage functionality, incorporation of solar energy, repair and insulation of end caps, bringing porches into code and improved signage.

The “cons” include an additional cost to each owner, an average of \$15,000/unit or about \$5,500 for the facelift relative to painting cost, inconvenience when the construction is in progress and an overall change to the complex.

The architect proposed Hardiplank siding. Dan Ulmer said the town told him that the Town Board would not approve Hardiplank at the ground level. Bill Wood said he understood this could be negotiated with the town. The architect will work through the approval process with the Association.

Tony Karahalios recommended creating an Executive Summary and a timeline for the project to present at the Annual Meeting.

Norm Stein asked if there was a “Plan B” if this is presented at the Annual Meeting and is not approved by the owners. Bruce said the alternative would be to repaint.

Tony Karahalios commented that it might be a “hard sell” this summer if economic conditions do not improve.

The architect provided the file for the proposal on a disk. Bruce will check with the architect to make sure it can be posted on the website without the first two pages.

### *C. Allaire Timbers*

There is a formal easement agreement with Allaire Timbers. They are supposed to be paying for a portion of the plowing and road maintenance but they have not been.

Shannon Saramaa obtained an aerial photo and a survey map, calculated the square footage of the area plowed and compared it to the shared area of the access easement (25'). The total area is 47,200 sq.ft. and the shared portion is 5,200 sq.ft, equating to 11%, so theoretically Allaire should pay 11% of all past bills. Shannon tallied the plowing bills back to 2003 and calculated that they owe \$1,615. Shannon Saramaa made a motion to prepare a letter to Allaire Timbers requesting payment of past snowplowing costs. Margie Wood seconded and the motion carried.

*D. Clubhouse Rental Agreement*

Ann Evison provided a draft for the Board to review.

*E. Window Frame Color*

Dan Ulmer said some owners were installing new vinyl windows. There are not many colors available and there has been a long standing debate about the appropriate color. There are two units that have put in windows with white frames. Norm Stein said he identified the units with the incorrect windows (one in A Building and one in C Building) and gave the information to Earl Haworth. The Board agreed the owners should be required to change the color by August 30, 2009. Margie Wood made a motion to send letters to the owners asking them to paint the frames beige or brown with a compliance deadline of August 30, 2009. Jan Bowman seconded and the motion carried.

*F. McKissock Bill*

The occupant has been fined for dog waste on the balcony. A copy of the letter should also be sent to the unit owner, who is the occupant's father.

**IX. NEW BUSINESS**

*A. Next Planning Committee Meeting*

The next Planning Committee Meeting for Maggie Placer will be January 27, 2009 at 3:00 p.m. Dan Ulmer said the meeting schedule may change and he will keep the Board informed.

**X. SET NEXT MEETING DATE**

The next Board Meeting will be April 10, 2009 at 7:00 p.m. in the Clubhouse. The Board will have a planning session on Saturday, March 28, 2009 at 10:00 a.m. to discuss the budget and Annual Meeting preparation.

**XI. ADJOURNMENT**

Jan Bowman made a motion to adjourn at 10:00 p.m. Tom O'Lear seconded and the motion carried.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature