
CRESTED BUTTE SOUTH PROPERTY OWNERS ASSOCIATION

61 TEOCALLI ROAD, CRESTED BUTTE, CO 81224
PHONE (970) 349-1162, WEBSITE: www.cbsouth.net, FAX (970) 349-1163

Board Meeting Minutes September 12, 2018

Board Members Attending: Margaret Loperfido, Brett Henderson, Matt Feier, Matt McCombs, David Neben (via conference call).

Staff Attending: Dom Eymere, Benita Bellamy

Public in Attendance: Jennifer Kermodé, Chris McCann, Al Smith

Matt Feier called the meeting to order at 6:05 pm.

Oath of Office

Dom requested the new Board members to sign the Oath of Office. Dom noted that the Conflict of Interest policy is being updated and it will be presented to the Board next month for review and approval.

Election of Officers

The Election of Officers began with a nomination for President. Margaret nominated Matt Feier for President and the nomination was seconded by Matt McCombs; the Motion was unanimously approved. Another Motion was made by Margaret to nominate Brett for Treasurer which was seconded by Matt Feier. The nomination was unanimously approved. Lastly, Matt McCombs was nominated for Secretary by Margaret; Matt Feier seconded and the motion carried.

Approval of Minutes

Dom requested updates and/or corrections to the July minutes. Pat Wallace and Kevin Van Horn previously reviewed and approved the meeting minutes. No additional changes were noted. Matt McCombs motioned to approve the July minutes; Brett seconded the Motion and the Motion carried.

Financial Report

Dom presented the August 31, 2018 Financial Report. For the period ending August 31, 2018, Total Income was \$347,558 and Total Expenses were \$232,784 resulting in Net Income of \$114,774. Total Net Income is projected to be roughly \$30,000 at year-end, primarily due to higher than anticipated Application Fees from new construction activity. Annual Dues represent \$276K or 74% of Total Income.

Total Expenses are currently projected to be approximately ~\$343,000 which is roughly \$18,000 above budget, primarily due to higher than anticipated insurance premiums and additional expenses for consulting services related to the Commercial Area Master Plan.

The collection of Dues is on par with past years with \$11,991 in Accounts Receivable at month-end. There are 17 properties with outstanding dues balances, 6 of which have balances that carry

Approved 10/17/2018

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forward from previous years and 2 of which are on payment plans. We have 11 liens in place for delinquent accounts. In summary, the POA remains in good financial condition.

Matt M. requested more details about Line Item 214, POA Insurance. Dom explained that the previous insurance company did not renew our policy. Dom clarified that our unique community identifies several items that are not typical of a traditional homeowners' association, including the climbing wall and playground, Nordic skiing, the skating rinks and public events in the park. This required a more specialized policy which includes these items under the General Liability portion. The policy is currently underwritten to provide full coverage of the Association, its properties as well as all the recreational amenities. The policy will be up for renewal in July 2019.

Matt F. inquired how the Unanticipated Expenses are calculated. Dom explained the budgeted amount is a typically estimated at 4% of the total budgeted expenses.

The 2018 budgeted Capital Reserves line items were reviewed. Dom shared that bids received for the perimeter fence replacement came in at around \$20,000. Dom suggests the POA budget for a portion to be replaced annually in order to complete the entire .75 miles that is CB South's responsibility; \$4,000 to \$5,000 was the suggested amount to budget annually. Matt F. inquired if there are additional easement projects scheduled for this year. The pedestrian easement at Lot C17 will be incorporated as part of the new construction project. Questions were raised whether the Reserve Study dictates the funding amount for the 2018 Capital Contributions and if there is a goal that the POA is trying to meet. The budgeted amount is \$25,000 and the Reserve Study provides a guideline on the funding needs. Matt F. moved to approve the August 31st Financial Report as read and written. The Motion was seconded by Margaret. The Motion carried and the August 31st Financial Report was approved.

Jennifer Kermode – Affordable Housing Ballot Initiative

Matt Feier introduced Jennifer Kermode, Executive Director of the Gunnison Valley Regional Housing Authority. Jennifer was in attendance to discuss the Affordable Housing Ballot Initiative that will be on the November ballot. She provided a detailed overview of where Gunnison valley falls within the affordable housing market and the goals of the Housing Authority over the next several years. The Housing Authority Board approved a resolution on a Property Tax Measure asking voters to approve a 1.5 mil property tax increase which would sunset in 10 years, at which time it would be reduced to one-half mil. The increase is expected to generate \$880,000 in revenue annually. The housing authority will manage the funds along with prioritizing potential projects, some of which have already been identified. A question was asked if there anything within CB South was identified and Jennifer responded that nothing in CB South is owned by a jurisdiction, therefore no.

At the end of the discussion, the Board was asked to endorse the Resolution in Support of Ballot Measure 6A. The Board agreed that it would need to hear from the membership prior to offering any endorsement. Matt F. shared that he sits on the Housing Authority board and will recuse himself from the Board's vote. The Board asked Dom to coordinate with Jennifer on the best way to share this information with the CB South community. A short survey and/or a community presentation by Jennifer was suggested. It should be held prior to the next Board of Director's

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meeting on October 10th. Matt McCombs offered to act as the Board liaison due to Matt Feier's recusal.

Committee Reports

1. Trails, Amenities and Parks (TAP)

Matt F. provided committee updates. The committee is scheduled to rally at Camp 4 Coffee on Sunday, September 30th and will be taking a bike riding tour throughout the subdivision to review current and potential projects. Matt informed the Board that the Huckeby Parcel trail access is complete with the exception of a few directional signs, to be installed shortly. Matt also shared that he is part of the County's Sustainable Tourism and Outdoor Recreation Committee (STOR) which is working on a bike path connection from CB South to Crested Butte. Dom added that if we are interested in a roof over the hockey rink, the committee will need to consider obtaining the funding through a Capital Campaign. Also, a key priority for the POA, is continued linkage of the subdivision through pedestrian pathways by obtaining key property easements; it was noted that dues relief is offered to owners that work with the POA to secure these necessary easements.

2. Infrastructure and Technology

Dom shared that David has offered to be the Board representative for the Strategic Plan's technology initiative.

3. Commercial Area Master Plan, (CAMP) and Special Area Regulations (SAR) Review

Margaret volunteered to be the Board representative on the CAMP committee. Dom shared that few folks attended the September 5th Public meeting. A presentation included conceptual images to assist with the visualization of the main street and building type examples, as was previously requested by membership. No further work has been completed on the SAR amendment document as we are in a holding pattern until the ballot vote is final at the end of October. After the vote is complete, the Board will need to review the final language of the SAR amendment for recommendation. The outstanding items continue to focus on parking, building height, number of stories and land use mix.

Dom noted that the POA office is working to contact members with an outstanding ballot by email. Al Smith asked if we are advocating a "FOR" vote; Dom stated that was not the purpose for reaching out to members and that the office personnel maintain a neutral position. The Board suggested making the presentation available electronically. Several ways were suggested and will be researched in order to share. Al added that busy schedules prohibit folks from attending meetings and agreed that sharing the presentation electronically would be a good way to share the information.

Margaret suggested hosting a "Meet me in Block 6" during one morning or afternoon to help the community visualize the Block 6 development and then follow it up with a final meeting; a tentative date was set for Wednesday, October 3rd.

Margaret's observation has been that the building height appears to be the broader concern over the ballot of a 3-story building. Al agreed with Margaret; 35' with a 3-story building may be more acceptable. Dom explained the building height is part of the SAR amendment, not our current covenants, and that the ballot tried to explain the reasoning for the increase in building height in

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providing areas for code, accessibility, elevators, varied designs of the roof lines and current architectural building standards for commercial and residential uses.

Capital Improvement Planning and Reserve Study Analysis

In preparation of the 2019 Budget review later this fall, Dom provided the Board with an overview of the proposed improvement and Capital planning items to be reviewed for the 2019 budget as well as future budgets, many of the items were from the Reserve Study completed earlier this year. Dom requested feedback on the Common Area Improvement and the Capital Improvement Planning line items for 2019 and future. The Board agreed to prioritize and focus on pedestrian circulation and connectivity with the repair of Teocalli pathway and the installation of a connector pathway to the Village Center down Elcho Avenue. The Red Mountain Park fields and athletic areas were looked at for future projects. Matt F. asked Dom if he has inquired if either of the bus services would be interested in assisting with funds to pave the bus loop which would offer protection to their equipment. Brett inquired with Dom what the speed sign data has shown. We have just downloaded the first data. Dom presented an estimated budget worksheet identifying preliminary numbers based on the current year's financials for the Board to begin budget analysis. As we move toward the fall budget planning, Dom will continue to refine these worksheets and add more details for further discussion.

Manager's Report

A meeting is scheduled for Monday, September 24th regarding ongoing discussions for a final resolution to the Teocalli Pond and ditch waterway. Gunnison County will be in attendance along with representatives from Cement Creek Condominiums and the owner of Block 2, Lots 15-16. The goal is to determine resolve what to do with the area as well as create a land contribution agreement agreed upon by all parties involved. The current, proposed solution is to completely remove the pond and convert it back to a water flow ditch only.

Dom has received volunteer interest from four community members for the Governance Committee. This Committee is slated to begin in 2019. The Covenant Enforcement report was distributed to the Board; no discussion ensued. Dom also mentioned the September Design Review Committee agenda includes three single family home projects along with one multi-family project. To date, 36 projects have been approved within the calendar year.

Identify October Meeting Agenda Items

1. Review and Approval of the Conflict of Interest Policy update
2. Review Tassinong Farms refund request of the Temp structure deposit
3. Review CAMP Executive Summary updates
4. Review of the 2016-2021 Strategic Plan
5. Update on membership's input of proposed Resolution in Support of Ballot Measure 6A and possible vote

Next Meeting – Wednesday, October 10, 2018, 6pm

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Unscheduled Property Owner Comment Opportunity Time – Al Smith spoke earlier in the agenda during the CAMP Update discussion. A suggestion was made by Margaret to move this topic to an earlier time slot during the Board meeting. The Board agreed to move up the Property Owner Comment period to follow the Financial Report.

Adjourn – 8:42 pm.