
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 January 10, 2018

Board Members Attending: Kevin Van Horn, Pat Wallace, Mark Trautman, Margaret Loperfido, Brett Henderson

Staff Attending: Dom Eymere, Benita Bellamy

Public in Attendance: Pat Del Tredici, Brian Levine, Jackie Bingham-Levine, David Neben

Kevin Van Horn called the meeting to order at 6:00 pm.

Approval of Minutes

Kevin requested updates and/or corrections to the December minutes. Minor errors were identified and a Motion was made by Brett to approve the December minutes. Mark seconded and the Motion was unanimously approved.

Financial Report

Mark presented the December 31, 2017 Financial Report. On the Projected to Actual Annual Report, all remaining projected figures were adjusted to reflect actual amounts. Two income categories that significantly exceeded budget for the year included Application Fees (by \$10,400) and Property Transfer Fees (\$6,800). Other notable income categories that were higher than projected included Rink Advertising (\$1,800), Miscellaneous (\$1,663), Grant/Donations (\$1,381) and Finance Charges/Dues (\$1,032). Total Income for 2017 was \$340,463 or \$24,695 above the budgeted figure of \$315,768. On the Expense side, Core Compensation was higher than projected by \$3,800 due to the addition of the Community Compliance Coordinator position and some minor additional administrative costs. However, Grounds Keeping Compensation coupled with other payroll benefits were lower than projected by \$7,247. Accounting/Audit/Tax Return expense was also notably lower than budget by \$4,884. Consulting expense exceeded budget by \$8,030 which resulted from the CAMP Planning consulting cost being reallocated from the Capital Expenditure budget. Common Area Improvements were higher than budget by \$3,876 due to the Teocalli-Gillaspey easement improvements and Common Area Maintenance exceeded budget by \$8,831 due to record snowfall in January requiring unanticipated snow removal and fencing repairs. However, numerous other expense items were collectively well under budget resulting in Total Expenses coming in below budget by \$3,552 for 2017. Actual Total Expenses were \$290,423 versus the \$293,975 that was budgeted for the year. As a result, the Final Net Income for the 2017 was \$50,040 or \$28,247 over the budget of \$21,793.

Capital Reserves projected expenditures decreased due to reallocation of CAMP Planning (\$8,300 budgeted) to the Consulting Expense line item 238 and Huckleby Trail expenditures (\$2,700 budgeted) which were moved to Open Space line item 286. The Red Mountain Park Road Removal (\$3,000 budgeted) and the Teocalli Pond/Ditch Improvement (\$5,000 budgeted)

Approved 2/8/2018

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were not completed in 2017 and will move to the 2018 Capital Reserve budget. Actual Capital Reserve expenditures during 2017 totaled \$18,146 versus \$51,200 that was budgeted. The previously approved \$25,000 Capital Contribution for 2017 was deposited into the Capital Reserve Money Market account in December.

The A/R Dues Aging Summary report includes eleven past due accounts as of December 31, 2017 totaling \$8,477. Dues received to date for the 2018 billing period are approximately \$55,000. Dom provided updates on the Performance Deposit Account – Summary of Outstanding Accounts. All outstanding accounts are in process of finalizing their projects.

A Motion was made by Brett to approve the December Financial Report and the Motion was seconded by Margaret. The Motion carried and the December Financial Report was approved.

Continued Business

Committee Updates

1. **Commercial Area Master Plan (CAMP)** – The next CAMP meeting is scheduled for Wednesday, January 17th. The December meeting was cancelled however progress has continued to move forward with the update of the SAR and Master Plan. Dom and Chris Hawkins have continued working with the Block 6 Stakeholders and the County's hiring of Cascadia Designs for code review has started. January's meeting will have representation by the POA Board and Block 6 Stakeholders in addition to the Advisory Group. The Draft review will focus on bringing resolution to the final items. A generic massing model of Block 6 will also be presented by Chris.
2. **Trails, Amenities and Parks (TAP)** – There was no December TAP meeting; the next meeting is scheduled for Wednesday, January 24th. The Committee will continue work on their current projects identified in the 2018 Budget. Pat asked if any progress had been made between the POA and the Cement Creek Condominium-Teocalli Pond restoration project. Dom noted he is awaiting a response from the Condo's Board. Dom plans to reach out to the Metro District regarding the availability of the Brackenbury Park parcel (Lots 16-19, Block 17) for transfer back to CB South. It was suggested to update to the Park Master Plan. The TAP Committee would like to defer until future plans for the enclosed pavilion are determined; costs and bids are being gathered. Dom has received some additional information which will be shared with the TAP committee.

New Business

Brian Levine Request of Board to Discuss Covenant Violations

Brian and Jackie Levine were present to discuss their request to garner a better understanding of the Board's Covenant governing process. Two properties have been cited as being in violation per the Levine's interpretation of the Covenants. Both properties are on the Rules and Regulations Report (Report) and owners have been notified of their violations, as noted by Mark.

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The Board attempted to review each of the additional grievances filed by the Levines but were met with resistance. Kevin explained that a new part-time position, a Covenant Compliance Coordinator, was approved by the Board to address ongoing violations pertaining to the Rules and Regulations. The position was filled in the Fall 2017 and has been successful in closing out several Report entries. Pat outlined the steps taken to review a violation, which includes referencing the applicable Rule and/or Covenant in order to provide consistent direction for similar violations. The Board's management of the governing documents may not always agree with each individual's interpretation. Mr. Levine asked what a reasonable timeline to expect resolution sharing that the current the timeframe is very long. The ongoing Report has ninety-six line items of complaints that the POA is currently addressing with the available staff. The POA is processing violations as quickly as possible but always seeks out a verbal communication with the property owner as a first step. The Board encourages a 'good neighbor' approach in order to gather information and obtain a clear picture of the situation. Mr. and Mrs. Levine left the meeting.

Discuss Possible Policy for Short Term Rentals in CB South

Note: This discussion item was moved up on the Agenda in order to acknowledge ownership in attendance.

Dom introduced the topic of developing a Short Term Rental (STR) policy as advised by legal counsel. STR's have recently been highlighted due to owner complaints to the POA regarding violations of the Rules and Regulations by short term renters. Violations include parking, lighting, strewn trash and trespassing. The POA does not track or receive notification of residences offering short or long term rentals. A discussion ensued around how to implement policy and what that policy should encompass while allowing owners to earn additional income through rentals. It is important for all renters to understand the governing rules of the subdivision are to be followed. Suggestions were made supply language for lease agreements and to create concise list of the Rules and Regulations that can be posted in the home.

In order to protect and support property owners, the Board agreed it would be beneficial to know what properties offer short term rentals. Also, since the property may be managed by a third party, it is important to know the correct point of contact. If we can gather this information, and share on the website, folks would know who to contact. The Board stated that it is important to be proactive now and not reactive. We continually request our members to be good neighbors, and having a policy, application and fee would allow for the POA to develop such database. The Board would like the policy to outline the STR owner's responsibility for compliance with any Gunnison County guidelines and for all violations to their property during rental periods. The POA will reach out publicly to owners of short term rentals and work on documents that will keep everyone informed and safe. A draft policy and application will be developed for review at the February meeting.

Pat DelTredici asked for a contact number to call when Tully's is in violation of the Noise Guidelines. The Board responded that the Police are to be called. Pat stated that they do not have the sound level meter required for measuring the decibel reading. Dom will provide Pat with a number.

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Review and Discussion of Allowable/Non-Allowable items in CB South

The published checklist from April 20, 2011 was identified for an update at the December Board Meeting. The Board reviewed and commented on several line items. Dom proposed a re-organization of the document to support the existing Sections being addressed within the Covenants and Restrictions, 7.00 Temporary Structures Prohibited and 18.00 Lot Appearance. He also noted the revised documents should be included within any lease agreement of rental properties. Mark requested that it be clearly defined that items are to be stored only on an improved driveway, when the rule applies. A draft will be generated for review at the February Board Meeting.

Review and Update Strategic Plan for 2016-2021

The existing goals, as well as deliverables obtained to date, were reviewed for each Priority.

Strategic Priority #1 – Infrastructure and Public Services

Broadband service continues to be a focus. Dom has represented the need of CB South's infrastructure for current work being set along Highway 135 to confirm it will be available for access to the subdivision. Mark noted there have been improvements within the subdivision.

Dom is awaiting specific data on bus ridership; to date, it remains strong. Ongoing relations with CB Metro District continue to grow and Dom collaborates with Management regularly.

The intersection of Highway 135 and Cement Creek Road is on CDOT's radar as a Tier 2 priority. Dom offered an idea to investigate purchasing a piece of property at the corner as a way to address the lane widening. The Board agreed it was worth a conversation to explore the options with the property owner.

Strategic Priority #2 – Commercial Area and Town Center Planning

With the update of the Commercial Area Master Plan coming to completion, the next Strategic Priority will be to review, revise and update the Covenants and Guidelines. The Board suggests researching current covenants from similar communities and take best practices on what the update should include. The goal is to present a draft of the update to ownership in August at the Annual Meeting. The new document will include thorough Attorney review.

Strategic Priority #3 – Year-Round, Connected, Parks, Trails and Amenities

There was minimal discussion as the monthly Trails, Amenities and Parks Committee report provides ongoing updates to each of the identified Measures at the monthly meetings.

Strategic Priority #4 – Community Engagement

A general discussion centered on continuing expansion of our visibility within the regional community.

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Manager's Report

Dom presented Hogwood BBQ's letter in response to the Board's request for odor mitigation. The Board has requested proof that the state's regulations for outdoor cooking operations are being met by Hogwood BBQ's operations.

Dom also shared that the POA and West Elk Hockey Association will be partnering to host a fundraising event, the Red Mountain Classic Pond Hockey Tournament on January 28th. Several sponsors have provided prizes for the event.

Identify February Meeting Agenda Items

1. Committee Updates
2. Review Update to Clarify Permitted and Prohibited Items and Resolution Drafts
3. Review Policy Draft and Application for Short Term Rental Properties
4. Continue discussion regarding County Road 740 alignment and Cement Creek Road safety
5. Discuss Action Plan for Covenant Rewrite

Next Meeting – Thursday, February 8th, 6pm

Unscheduled Property Owner Comment Opportunity Time – The ownership in attendance presented earlier in the meeting during specific Agenda Item topics.

Adjourn – 9:16pm