

Minutes

Gateway Condominium Association Inc.
Executive Board Meeting
August 8, 2017 4:15 PM (Mountain Time)
Toad Property Management Office
318 Elk Ave. Crested Butte, CO 81224

In attendance via phone:

John Garvas, President
Jean Woloszko
Eileen Swartz
Rob Harper
Steve Figlewski (at 4:30 – phone problems)
Jennifer Hoeting
David from Sundial

1. Call to order/approval
2. Approval of Minutes: 1st: Jean/2nd: Eileen, approved
3. Sundial Communications service agreement: We will have a rep from the corporation to answer any questions/comments.

David from Sundial gave us a presentation about the proposed TV & internet service by Sundial: Sundial submitted a proposal for improved TV and internet service.

- Current service from Time Warner is bulk rate: all of condo has basic package. Individual owners can upgrade, if desired. Currently we pay \$866/month for cable and internet for the entire building.
- Sundial's service is from Dish Network: one channel line-up for all condos including upgraded sports channels, HBO, etc. In high definition. Cost is \$16/unit/month plus \$5/month per TV for equipment, any extra TVs owners will need to pay \$5
- Sundial: internet service via a fiber optic cable to Mt Crested Butte. Every condo individual wifi has a hook-up, \$14/unit/month. Offers fastest internet in Colorado. 1000 megabits go into Westfall Lodge. 10 megabit speeds on a condo. Gateway would be hooked up wirelessly to Westfall (less than ¼ mile distance). All of Crested Butte shares a fiber optic line. Fiber optic cable can carry 10,000 megabit speeds. On average during peak times, they see 1 megabit/condo at peak time.
- Total from Sundial: for 18 units, approximately \$595/month for all the units for TV/internet/equipment.
- Installation costs: \$60/unit for installation to one TV (individual owners will need to pay additional \$60 per TV, optional owner expense: Hopper3 DVR costs \$300 to buy the DVR and \$100 for other TVs as a one-time expense). Plus \$100 per unit for the wifi.
- John asked about the 'no consequential damages' clause in the contract. David gave an example of a day trader: Sundial is liable for losses of a day trader.
- John: this year with installation our TV/Internet costs will be similar to previous year. Next year costs will be lower because we will have already paid for installation.
- Motion: Steve/Eileen moved and 2nded to adopt Sundial for TV/internet. All approved.
- Hopefully Sundial will install soon (hopefully before Christmas).

4. Financial report: Rob

- (a) Almost everything is at or below budget. We are 25% through the year and have used about 25% of our budget.
- (b) Six units are behind in slightly dues or have made plans to pay the special assessment
- (c) Discussion of some details on the budget. Maintenance is a little high but that's because Toad was catching up on maintenance in the off season.

5. Management Update: Rob

- (a) Slave pump for elevator: installed and working well
- (b) Roof for the 100 building: Extensively patched and they will shovel well all winter, but new membrane hasn't been installed due to roofer shortage in CB.
- (c) Flashing repair:
 - i. 300 building: doing lots of repair in the 300 building. It has now been fixed as best as possible. But they are patches and not permanent repairs. When the building is repainted, hopefully they can improve the flashing to prevent future problems.
 - ii. 201 unit: removed planter and put up a new membrane so now hopefully those problems are prevented.
- (d) Special assessment, \$16,483
- (e) Gateway water heaters update:
 - Water heater replacement is going well. Rob hasn't heard from 3 units but these need to be replaced as they are from 1994. All the rest have been replaced or will be soon.
 - Proposed change to the rules and regulations:
Proposal from J. Gavras:
Rule #15 of our "Rules and Regulations" states (bold words are the proposed addition to Rule #15):

Each owner requires that all domestic water heaters within each condominium are installed per code. All drain lines are required to be attached, pans are required to be installed under the water heater. Each owner is responsible to maintain water heater unit in a safe, operational manner **and accessible in case of emergency. Hot water heaters will not have a date of installation greater than thirteen (13) years. Property Mgt. will have the authority to periodically monitor the age of Gateway unit hot water heaters, provide owners assessment of said monitor and initiate the removal of hot water heater(s) after six months (180 days) of owner being formally informed by mail (last available mailing address with Property Management).** Owner remains liable for any and all hot water heater damages to adjoining and nearby condominium units, **damages to Gateway common areas and any owners' personal property.**

Steve: City code says that water heaters needs have a pan which is connected to drain. Forcing people to replace their water heaters isn't necessary. There are many things in our unit that we need to keep updated (refrigerator, dishwasher, etc). The general rule is that if something in your unit causes problems in another unit, then you are liable for damage to other units. Steve is against the proposed change to the bylaws.

Jean: Two Gateway water heaters had catastrophic failures in June. They were both very old. When Jean called the insurance company, they asked about the

HOA bylaws. They said if there was nothing in the bylaws about water heaters, the insurance company may go after the HOA.

John: The HOA's lawyer says HOA bylaws say owners are in charge of everything inside the unit and HOA is in charge of everything outside. Lawyer says don't make any rules that change that.

Rob:

- In spring of 2017, Toad's plumber turned up the water pressure in the system so that the sprinklers could turn. Last winter there was a pressure spike in the MCB water system for all of MCB. This blew up some water pipes in MCB. The two water heaters that failed were very old (more than 20 years old).
- Rob now has a record of the date of the water heaters for all the units. Most of the water heaters were from 1994. All the owners Rob has talked to have been reasonable about replacing them.
- It is important to ensure that no walls should be installed to prevent easy access to the water heaters.
- Rob has sent these 3 owners several emails and they haven't responded. He will reach out to them again to remind that their water heaters are from 1994 and are at serious risk of a catastrophic failure.

The board agreed to table the issue for now. We will retool the language in the rule to find something that we can all agree on.

6. Issue tabled due to time: Painting/calk/door-window of Gateway (*)
 - (a) Rhino did not respond to J. Gavras' request for further info. Due to their very high quote and lack of customer service, we are no longer considering them to paint Gateway
 - (b) From J. Gavras: Two remaining companies have forward proposal that probably will be in the \$60,000 range. By July 1st we should have in our capital reserve account somewhere in the \$60,000 range (barring any excess above budget expenses for the current fiscal year). Discussions with the two companies stressed the importance of preparation (removing old calk and repairing any spot requiring same). In that regard a plan with a check list should be prepared for this first painting to be assured everybody (Board/TOAD/Company) is on the same page, certainly with expectations. Maybe the plan includes a walk-thru of Gateway by the aforementioned threesome to identify areas that need repaired, calked and then painted. Another part of the plan includes decisions regarding doors/windows. This could be a time consuming agenda item.
7. Issue tabled due to time: Sauna (ski locker) possibilities
8. Gateway Insurance for next year (*) (action needed): approximately at 3% increase in insurance premium is expected. Rob knows of insurance increases of 8-14% so 3% seems very reasonable. Motion: keep the same insurance (Jennifer/Steve, passed unanimously).
9. Future board meeting dates. (Jan 18th, Mar. 15th, May 17th, July 19th)
10. Meeting adjourned at 5:47 pm