

**PROSPECT HOMESTEAD OWNERS' ASSOCIATION  
BOARD MEETING MINUTES  
THURSDAY, JANUARY 17, 2018 – 5:30 PM  
MT. CRESTED BUTTE TOWN HALL  
MT. CRESTED BUTTE, CO 81225**

Present: Todd Carroll  
Michael Kraatz  
Andrew Arell  
Rob Bowen  
Jeff Banford  
Michelle Preston  
Dawn Passant  
Sarah Smith  
Rob Harper, Toad Property Management  
Jim Ruthven, Toad Property Management

Rob called the meeting to order at 5:30 pm. Rob confirmed notice of the meeting was mailed on December 7, 2018 and said there was a quorum.

Todd said on December 26, 2018 via email the Amended Deed Restriction had been approved by the Board. Todd made a motion to approve the January 18, 2018 minutes. Michael seconded the motion and it was unanimously approved.

Rob said due to the lack of snow during the 2017/18 winter and the subsequent watering restrictions maintaining the landscaping had been a challenge but overall the property had looked good. Rob explained some exterior painting had been completed at the Perry Street buildings but it was not possible to do all the required work due to the limited budget.

Todd said the Town and the Prospect Development Company had been in talks with Window Homes to build out the remaining 22 units at one time and the Contract had just been signed. Todd explained SGM, a Gunnison engineering firm, had been hired to review possible changes to the plat which might include realigning some of the vacant lots, adding more parking, making a one-way street to provide additional diagonal parking by existing homes and changing a duplex to a four plex to make snow removal and snow storage easier. Todd said once the revised plan had been received from SGM there would be a public review process with hearings and an opportunity for everyone to comment on the revised plat. Todd explained Window Homes expected to complete the 22 units within a year and it was too early at the present time to say when the work would commence. Rob Bowen said a few owners would like to see a separate entrance for the construction traffic and that entrance becoming permanent to reduce traffic past existing homes. Todd said the positioning of an additional road and the cost could be reviewed as it had not been addressed before.

Michael explained the land currently being used as a parking area was land owned by Prospect Development Company and in the future that land would be deeded to the Fire Department and could be developed and once that happened the parking spaces currently used would be removed. The addition of the 16 diagonal parking spaces was intended to offset any problems caused by the future development of the lot.

Rob explained actual expenses through November and a draft 2019 Budget with the 2% increase agreed at the 2018 meeting had been mailed and emailed prior to the meeting. Rob said the expenses as at December 31, 2018 were approximately \$1,500 below budget but expenses still exceeded revenue. Rob explained the painting budget for 2018 was \$5,000 and Complete Coverage had worked within that budget and approximately \$15,000 would have been the cost to paint the entire building. Concern was expressed that the first buildings constructed had not yet been painted and now required some exterior maintenance. After discussion it was agreed to inspect the buildings in the Spring and prepare a 10 year plan for exterior painting and maintenance and create a capital budget to fund the work. Rob Bowen said his driveway had an ice build up problem and would benefit from an underground snow melt system and others said cracking in driveways was occurring in several places. It was suggested approaching Window Homes to see if they could be hired to do some painting while they were working in the area.

Rob said one owner was seriously delinquent on dues and a lien had been placed on the unit and a few owners were 60 days late on the dues. Michael expressed concern about using capital reserve funds to make up the difference as operating expenses were exceeding revenue and a dues increase greater than the previously approved 2% was needed. Michael said a 22% increase would be necessary to cover the current operating expenses. Jeff expressed concern about the delay in removing snow from the roofs and the subsequent build-up of ice. Michael suggested obtaining owner input on a dues increase prior to the Board adopting a 2019 Budget. Jim agreed to circulate an email to owners setting out no more than three options on how to reach the 22% increase over the next three years and asking for responses within two weeks. Once the Board received the owner responses the Board would prepare a revised 2019 Budget after taking those responses into consideration.

Jeff made a motion to appoint Todd to an additional three year term on the Board. Dawn seconded the motion and it was unanimously approved.

Todd agreed to speak to the Town Attorney about item 2 in the Amended Deed Restriction which related to qualified individuals and how that impacted pre-existing owners as the change was not acceptable to some lenders and Dawn said the original restriction permitted owners to be absent for three months in each year but that was not adequately addressed in the amended document.

After a discussion about roaming dogs, picking up after dogs and the number of dogs permitted in each unit it was agreed the Board would review existing documentation and enforcement of the rules. Concern was expressed about parking as some units had as many as four vehicles and it was agreed the removal of the current parking area would make parking very tight and Todd said SGM had been asked to maximize future parking as much as possible.

At 7:03 pm Andrew made a motion to adjourn the meeting. Todd seconded the motion and it was unanimously approved.