

**Crail Creek Club Condominiums**  
**PO Box 160099 Big Sky, MT 59716**

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*Board of Directors Meeting*

*June 25, 2010 @ 10:00 am*

*Held by Teleconference and meeting at Hammond Property Management Office*

**Minutes**

**I. Call to Order**

The meeting was called to order at 10:20 am by Mr. Fishel.

**II. Roll Call**

The following were present at the meeting: Bill Pinna, Jerry Fishel, Lance Krieg, Ray Genellie (via teleconference), Steve DiTullio (HPM field representative), Scott Hammond, and Alison Gregory.

**III. Fire Suppression System Update/Insurance Coverage Clarification**

Mr. Hammond explained that all the sprinkler heads were replaced in building 1 (units 601-604) and building 2 (units 605-608). The sprinkler system is now up and running. Building 1 did have some drywall damage during the replacing of the sprinkler heads that is currently being repaired. Mr. Hammond explained that with the newly installed heads, the system is running smoothly and are back to business as usual.

The budget line item for the fire sprinkler inspection will remain in the budget.

Discussion among the BOD regarding insurance coverage for these units took place. Mr. Hammond commented that Crail Creek's current insurance agent has provided a letter regarding their coverage of such a loss with regard to the sprinkler system. However, Mr. Hammond and Mr. Fishel will contact the insurance company and request that the insurance company clarify sprinkler malfunction coverage. The insurance company will inform the BOD of their clarifications.

**IV. Budget Workshop/Discussions**

Mr. Hammond and the BOD discussed the proposed 2011 budget. For 2011, the total operating expense line item is \$3,000 less than current year (2010). This was achieved by removing the contingency line item (for 2010, the contingency line item was \$11,000).

To note, 5% of this proposed budget are the BSOA dues. Normally, for most Associations, the dues are invoiced directly to the owner and not paid by the Association. The BOD would like Mike Schwarzkopf (accountant for Crail

Creek) to add a foot note to the proposed budget explaining that the BSOA dues are included in the Crail Creek dues and then paid by the Association. HPM will ensure Mr. Schwarzkopf adds this footnote.

The BOD asked that HPM write a brief letter to owners explaining the proposed budget including specifics about the dues, the contingency line item, and the capital reserve. Mr. Hammond agreed to do so.

Mr. Krieg asked if at the Annual Meeting in September if the BOD would address to the owners a choice to either continue including the BSOA dues in the Association's budget or to let the owners be invoiced directly for the BSOA dues. The BOD agreed. This will be discussed at the Annual Meeting.

Mr. Krieg commented that he feels the proposed budget looks great. He did request that on the maintenance line item Mr. Schwarzkopf (accountant) explain in detail what projects the \$36,000 is for. Mr. Hammond will have Mr. Schwarzkopf add a foot note to the proposed budget detailing the \$36,000 line item. Mr. Fishel asked if it was possible to reduce the \$36,000 maintenance line item to \$30,000, therefore allowing a contingency line item back in the budget, and moving \$5,000 to contingency.

Finally, the BOD discussed the insurance line item. Mr. Hammond was asked to obtain quotes from other insurance agencies to compare to current insurance costs.

The BOD would like Mr. Schwarzkopf to add the 2009 budget line to the 2010 Budget to Actual document so that owners can compare years. With the requested changes/additions discussed to be added to the budget, the BOD agreed the budget looked good for the Annual Meeting mailing to owners.

## **V. Management/Maintenance Update**

### **a. Privacy Walls**

Mr. DiTullio commented on the privacy walls. The privacy walls behind units 602 and 603 are dilapidated and need addressed. Currently, a contractor has been hired and the work to repair is on schedule.

### **b. Tree and Bush Replacement**

Wapiti Landscaping is scheduled to remove the dead aspen trees behind units 601-604 beginning the first of July.

### **c. Rock Bed Work**

The rock beds get messy during the winter by snow and snow removal. Every summer it is important to clean up the rock beds around the complex. This work at the complex will begin immediately. HPM landscaping crew will be cleaning up the beds.

d. Log Cap Proposal

Sixteen decks around the complex need some capping work done on the logs. HPM can have copper caps or steel caps put on the logs. The BOD agreed that copper caps will last longer and should be the choice.

Therefore, HPM will have the subcontractor cap the logs with copper.

Also, during this work, the railings on the decks will be caulked in areas where the logs are separating.

e. Irrigation System

The irrigation system has been fired up and is operating efficiently.

f. Painting/Staining Discussions

Spot painting throughout the complex and painting the sides of the decks will be done this summer. The goal will be to at least get 16 out of the 32 decks painted, but will strive for doing all 32, weather and time permitting.

Also on the painting list is to paint the green caps on the top of the chimneys. Several have rusted and have not taken well to the weather.

Touch up needs to be performed.

**VI. Capital Reserve Plan Update**

Mr. Kreig offered to be involved with HPM and Mike Schwarzkopf with updating and maintaining the capital reserve plan.

**VII. Other Business**

HPM was asked to bring quotes to the Annual Meeting to let owners know how much it would cost to have dryer vents cleaned. This will be on the agenda for discussion and as a reminder to owners. Mr. DiTullio will obtain a bid.

Mr. DiTullio will also get quotes for cost of adding a storm door to the unit. Some owners have expressed interest in adding a storm door to their front door. This will also be discussed at the Annual Meeting.

Finally, at the Annual Meeting, discussion will take place on the possibility of moving the Annual Meeting to December/January time frame since the “year end” for Crail Creek is December 31. Discussion will take place.

**VIII. Adjournment**

The meeting was adjourned at 11:45 am.