

# **Crail Creek Club Condominiums**

## **PO Box 160099 Big Sky, MT 59716**

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*Board of Directors Meeting*

*July 21, 2011 @ 10:00 am*

*Held by Teleconference and meeting at Hammond Property Offices*

### **I. Call to Order/Roll Call**

The meeting was called to order at 10:00 am. In attendance were the following: Jerry Fishel, Bill Pinna, Lance Krieg, Ray Genellie (via conference call), Tom O'Connor (via conference call), Scott Hammond, and Steve DiTullio.

### **II. Proposed Budget 2012 Workshop/Discussions**

A detailed discussion regarding the 2011 budget to actual numbers as well as the 2012 proposed budget took place. The general effort has been made to reduce costs and with any operating surpluses to be deposited in the capital reserve account was accepted in general philosophy among the group. The group agreed to maintain the quarterly dues equal to 2011 with some minor internal changes within the operating budget.

All agreed that a large roof project is inevitable and the Board is targeting a 4-8 year window on the timing of this project. The Board agreed any surplus from the operating account to the capital account will assist in this project.

Lengthy discussion took place regarding the 2012 proposed budget. A key discussion point was:

- **Insurance:** Mr. Hammond told the group that he and Ali (HPM) had been successful in reducing insurance costs for other Associations they are involved with. Discussion took place among the group covering subjects such as: D & O coverage; Earthquake/replacement coverage/cost; and deductibles. Concerns over whether or not the Association's policy covered sewer back up concerns also took place. Mr. Fishel read aloud a letter from Duane Vinger (*please see enclosed*). Duane Vinger is the Association's insurance agent and he is with Farmers Insurance in Bozeman. The culmination of the discussion ended in Mr. Krieg and Mr. Hammond agreeing to investigate current insurance costs and coverage's and requesting competitive bids from other insurance agents.

### **III. Management/Maintenance Update**

#### **a. Staircase – Units #631 and #632**

Mr. Hammond and Mr. DiTullio reported that the staircase at building #8 (units 631-632) was in need of repair. Mr. Hammond explained to the group that this particular staircase was the last set of staircases at the complex to be replaced. The Board approved to move forward with the replacement of the staircase. The Board also approved HPM to direct the contractor to perform preventative maintenance (i.e. ceiling and grout work) at staircases throughout the complex).

#### **b. Rock Masonry Work**

The group then discussed the privacy walls and the rock masonry work underneath the decks of 3 bedroom units. Mr. Hammond reported to the group that 5 of the 8 buildings

had been completed over approximately 4 years. Mr. Hammond reported that the work on those 5 buildings was holding up well with the exception of a few top caps that need to be warranted and replaced. Mr. Hammond assured the group that the original installer would perform work free of charge this summer. Also discussed among the group were the 3 buildings that had not had the privacy walls replaced. These buildings all face north along Curley Bear Road and were in acceptable condition and not in need of replacement at this time.

Mr. Hammond committed to some caulking and sealing of those privacy walls on 3 buildings (not yet replaced) to ensure conditions remain acceptable.

The group then discussed deck railings/deck bench seats and the general condition of some of those aspects of the buildings. The group agreed to the concept that allows for annual reviews and appropriate replacement as needed with the exception of the log picket hand rails, which need attention prior to the coming winter. Mr. Hammond and Mr. DiTullio committed to analyze each deck rail and make the appropriate repairs and calking in an effort to maintain their longevity. The group all agreed that eventually some replacement of the log hand railings will be inevitable.

**c. Vandalism**

Mr. Hammond brought the group up to date regarding minor vandalism that took place late winter 2011 and early spring 2011. Allegedly by children of families renting at Crail Creek Club who traveled around the complex with BB guns. A lengthy discussion took place regarding whose responsibility it might be to repair unit owner's windows for such an incident. It was determined that with the exception of golf balls, historical precedent was clear and to maintain consistency, the unit owners who experienced any window damage from a BB gun would be responsible for their own replacement of the windows damaged. The Board requested that HPM inform the owners involved and assist them in any way they could. Mr. DiTullio assured the group that a police report had been filed and HPM has done everything possible regarding the Gallatin County's sheriff's participation in the process.

In response to the lengthy discussion of vandalism, which has been contributed to the presence of long-term renters, a motion was made to initiate a \$2,000 security deposit to go to the HOA for any potential damage caused by a long-term renter.

**IV. New Business**

There was no new business discussed.

**V. Adjournment**

Upon adjournment, the group discussed the action list for both Board members and HPM to follow through with in the coming weeks.

The meeting was adjourned.