

**MINUTES of THE ENCLAVE ASSOCIATION, INC.
ANNUAL OWNERS MEETING - Draft**

March 5, 2017

1. Roll call and certification of proxies

Mel Blumenthal, President of the Association, called the meeting to order in the meeting room of Woodrun Place in Snowmass Village, Colorado at 3:05 P.M. Nonmembers Michael George and Kevin Mize of Snowmass Lodging Company (SLC) were present for the meeting. Other attendees at various times were Z-Group architects, Jim Gustafson and Randy Henrie, and Eric Rudd, Chris Jung, and Mark Przybylski from Rudd Construction.

Members Present	Unit #	Points	Rental Non rental	= R = NR
Stiles	102	1170	R	
Losi	104	1170	NR	
Klein	105	1170	NR	
Blumenthal	106/107/206	3885	NR, NR, NR	
Burns	109	1170	NR	
Weybright	111/211	2340	NR/R	
Hilsinger	208	1545	NR	
Patenaude	212	1170	R	
Word to Word	304	1170	NR	Tami Word
Garon	307	1860	NR	

Members Present By Proxy	Unit #	Points		Proxy given to
Henderson	108	1545	R	M. Blumenthal
Canfield	110	1545	R	M. Blumenthal
Branner	202	1170	R	M. Blumenthal
Lustberg	204	1170	NR	M. Blumenthal
O. Novo	207	1545	R	M. Blumenthal
O. Novo, Jr.	303	1170	R	M. Blumenthal
Shifman	308	1545	R	L. Garon
Rimland	310	1545	R	M. Blumenthal
Fisher	311	1170	NR	L. Klein

Members Present by Phone

Henderson	108	Proxy to Blumenthal
Chomsky	112	
Novo	303	Proxy to Novo 207
Rimland	310	Proxy to Blumenthal
Fisher	311	Proxy to Klein
Handler	312	

TOTAL: (31,770/52,515 = 62.70%)

Verification of the signed proxies established that the required quorum of one-third (33%) of Enclave owners by square footage was achieved.

2. Proof of notice of meeting

Kevin Mize presented proof of notice of meeting.

3. Reading and approval of minutes of January 10, 2016, meeting.

Management had previously posted the minutes of the January 10, 2016, meeting on the slcassoc.com website. Mr. Klein made a motion to waive the reading of the minutes and approve them as written. Mr. Stiles seconded, and the motion passed.

4. State of the Property

Completed projects last year and through this fall

1. Completed projects

- Repaired and hid TV cable runs
- Added autofill to driveway snowmelt system
- Replaced center stair treads and added edge protection
- Repaired multiple plumbing supply leaks
- Repaired common washers and dryers
- Performed annual test and inspection on the fire alarm system
- Performed annual fire extinguisher tests - recharged and replaced, as needed
- Refurbished interior & exterior elevator cabs & replaced mechanicals
- Replaced pool mechanicals and domestic hot water system
- Repaired pool lights
- Performed routine monthly testing of and replaced emergency lights, as needed
- Repaired/replaced doors & broken ski locker locks
- Replaced roof and partial siding
- Completed retaining wall engineering review for 2015/16, 2016/17 fiscal years
- Painted various exterior walls
- Cleaned interior and exterior of windows
- Inspected and clean chimneys
- Completed band board installation project (Office)
- Repaired spa leak
- Repaired spa light
- Repaired pool autofill
- Replaced pool sweep
- Recaulked pool surface joints
- Performed annual pool boiler system flush, boiler pressure

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- vessel certification, and backflow preventer inspection
- Sealed pool/spa decks
- Isolated east driveway snowmelt leak loop
- Repaired arrival center heat system
- Replaced column post between 302 and 303
- Painted fitness room
- Installed new building signs
- Installed insulation for crawl space plumbing
- Labeled plumbing supplies and returns in crawl space
- Tested and properly terminated crawl space electrical runs
- Installed crawl space lighting
- Checked all railing connections – tightened, replaced, and repaired, as necessary

2. Projects proposed to be completed this 2016/2017 fiscal year

- Complete testing and correct dryer vent terminations to crawl space
- Replacement of east elevator walkway overlay
- Repair/replacement of the brick façade and surrounding wall finishes around the employee unit and the eastern-most chimney stack
- Investigate new lighting options to replace the post lights throughout the courtyard and at the west stairway

Mr. Blumenthal requested that management continue with investigation and replacement of the exterior stair treads, using one with the steel edge protection to extend the life of the replacement treads.

Financial Position

The Association is preparing for its outside audit at this time and expects neither adjusting entries nor negative management comments. The completed audit will be made available to any member upon request.

Current year operations through the first four months show The Enclave to be on budget, with various line item variances offsetting.

There are 2 delinquent owners at present on assessment receivables. Management has contacted each of them and requested payment. EN104, Losi, owes \$396.28, and EN307, Garon, owes \$225.30 as of February 28, 2017.

The Reserve Fund (unaudited) at fiscal year-end 2015-2016 amounted to \$442,657, after completing exterior painting with new colors on the courtyard side of the property, the addition of band boards at the arrival center, completion of the Elevator and Mechanical replacement project, continued investment in the entitlement project, and continued investment in the soft costs of the now completed first phase of the Exterior Renovation project. Final payments from the Reserve Fund for the Elevator and Mechanical replacement project will carry into fiscal 2016-2017, as will payments for the completion of

the crawl space work, entitlement soft costs, and other capital expenses that would otherwise be charged to this fund. As of February 28, 2017, the Reserve Fund amounts to \$351,368.

5. Election of Directors

Mr. Blumenthal noted that this year two Board seats are open for election – currently held by Mr. Novo and by Mr. Kaufman – both have indicated that they are running for re-election. Mr. Blumenthal asked if there were any other members present who wished to declare candidacy for the Board of Directors at this time. As there were no other nominations or declarations of candidacy, Mr. Blumenthal then closed the nominations. Mr. Blumenthal made a motion to nominate the slate of candidates, and Mr. Klein seconded. As the candidate(s) ran unopposed, there was no need to do a paper ballot.

Mr. Novo and Mr. Kaufman were elected to the Board.

Old Business

Elevator Flooring

Mr. Blumenthal then discussed replacing the flooring in the east & west elevators. He provided a sample of the flooring in use at Gwynn's High Alpine restaurant .

Deck and Balcony Repairs (DBR)

The Enclave is in the final year of a three-year replenishment funding program via special assessments to pay for the costs of the DBR. Year three (fiscal 2016-2017) has a special assessment of \$117,509, so that the costs of the DBR that have been expensed to the Reserve Fund will have been replenished by the members over those three years.

Phase II Entitlement Renovation & Soft Costs (RSC)

The Enclave has a three-year replenishment funding program via special assessments to pay for the RSC via special assessments. Year one (fiscal 2015-2016) has a special assessment of \$94,310, year two (fiscal 2016-2017) has a special assessment of \$94,310, year three will be adjusted, so that the costs of the RSC that have been expensed to the Reserve Fund will have been replenished by the members over those three years.

Insurance

The Enclave continues to be insured under a master policy that includes Woodrun Place and Chamonix. The master policy allows these three properties to share in their combined, aggregate replacement value for the purposes of paying for a claim, while maintaining separate claims history evaluations. The aggregate replacement value of all three properties under the master policy is \$93,310,460.

Of this amount, The Enclave has an allocated replacement property limit of \$28,932,504. Under just its allocated limit the Association has average replacement coverage of roughly \$465 per foot, based upon exterior square footages, and including the carports and the

arrival center building.

If a unit owner has renovated kitchen or bath areas, performed other interior modifications, or purchased a unit that had interior modifications performed subsequent to initial construction, the Board strongly recommends that those unit owners have their units appraised on a replacement cost basis. If there have been any upgrades or improvements to a Unit and/or its contents, the owner needs to insure the value of those upgrades and/or contents. The Board advises each and every owner to have his insurance agent review existing association and owner's policies to make sure that each and every owner has appropriate coverage for his personal property and unit improvements. The Board has decided to maintain liability insurance coverage on a blanket basis for \$1 million per occurrence and \$2 million aggregate, with a \$25 million umbrella. Increased costs of construction are separate from the property limits at \$1,000,000 under the building and ordinance section of the Package coverage. Demolition has a limit of \$1,000,000, separate also from the property limits. For fiscal 2015-2016 the Association purchased a minimum premium worker's compensation policy, primarily to protect against uninsured subcontractors working on site who might become injured.

John Wilkinson of Aspen Neil-Garing Insurance Agency is available to discuss any specific insurance questions owners may have for either the Association or their private needs. The Board encourages you to contact Mr. Wilkinson at (970) 925-7285 and/or your insurance broker to review your private insurance needs related to unit ownership within the Association, especially if you have made improvements to your unit.

Report of Officers and Property Manager

Status of snowmelt leak

The addition of the glycol feeder and efforts of the staff have allowed us to isolate a second leaking loop in the snowmelt system on the east end of the property. We have not been able to pinpoint the exact location of either this new leak or the one that was discovered some years ago within the identified loops. Correction work will be deferred until the HOA commences work on Phase II.

Roof

The tar and gravel roof has been replaced with a membrane roof system.

Retaining Walls

The Retaining Walls have been reviewed since 2014 by an engineer. After reporting minor movement at the commencement of the engineering review, the engineer reports no further movement over recent months. These retaining walls, according to our architect's advice, will need to be replaced in the near future. Due to the age and condition of our original garage roofs, replacement of these retaining walls should occur at the same time as replacement of those roofs. There is currently no line item funding within the Reserve for replacement of Retaining Walls. See attached report from Hired Gun Surveying.

Elevators

The interior and exterior of the elevator cabs have been refurbished, and the mechanicals have been replaced.

6. Z Group Architectural Presentation

Mr. Gustafson, Z Group principal and architect for The Enclave Association, advised the group on the status of the entitlement project.

The architect then reviewed documents his company had previously presented as concepts for upgrading the existing physical plant and development of new structures on our west side parcel. Mr. Blumenthal emphasized that the HOA is only undergoing an entitlement process now with the Town of Snowmass Village (TOSV). If our development application is approved by the town, the members of the HOA will then vote as to whether the HOA should proceed with phase 2 of our renovation and development plan. Mr. Gustafson reported that the TOSV has now deemed the application complete and ready for review. He then explained that the HOA could anticipate two planning and probably two council meetings as a part of the PUD amendment review process, before an entitlement decision would be made – most likely during the summer of 2017.

Ms. Weybright asked about the membership's involvement in the approval process to proceed with any Phase II work scope, assuming TOSV approvals are granted. Mr. Blumenthal replied that the membership would need to vote upon whether to proceed with any Phase II improvements.

Mr. Gustafson then ran through a summary of the major scope items that would be under consideration for replacement or improvement.

Mrs. Patenaude asked about a ski locker room area. Mr. George noted that a logical place to consider for this kind of amenity would be adjacent to the hallway that houses the ski lockers for the 2nd and 3rd floor units. This amenity at this location would create value from the perspective of potential renters.

Mr. Handler asked about a bike storage room. Mr. Gustafson replied that the subgrade garage area has space for bike storage.

7. New Business

Other

Motion to Ratify the Acts of the Board and/or Directors

Mr. Garon made a motion to ratify the acts of the Board and/or Directors for the last year. Mr. Klein seconded, and the motion passed.

Mrs. Patenaude commented that we could add lock clamps to the ski lockers that are independent of the locks.

Mrs. Patenaude commented that the rollaway beds need to be stored farther from the trash bins.

Mrs. Patenaude also requested the benches and cigarette ash cans be cleaned more frequently.

Mrs. Patenaude asked that the luggage cart have a sign asking people to return the carts to the lower level.

8. Adjournment

Mr. Stiles made a motion to adjourn the meeting at 6:00 PM. Mr. Blumenthal seconded, and the motion passed.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Oscar Novo".

Mr. Oscar Novo, Secretary