

THE ENCLAVE ASSOCIATION, INC.

BOARD OF DIRECTORS MEETING
MARCH 28th, 2019

I. Call to Order

Mr. Blumenthal called the meeting to order at 2:15 PM MST. Attendees from the Enclave Board of Directors were Mel Blumenthal, Lonnie Klein, Glen Fisher, Rhonda Weybright, Oscar Novo, Jr., John Henderson, and Larry Garon. Snowmass Lodging by Wyndham representatives were Paul Parkerson (Enclave Property Manager). Also in attendance were Jim Gustafson from Z-Group Architects, Randy Henrie from Z-Group Architects, and Robert Kaufmann from Kaufmann Consulting. Mr. Blumenthal, Mr. Fisher, Mr. Kaufmann, Mr. Gustafson, Mr. Henrie, and Mr. Parkerson were in attendance in person. All other attendees participated via conference call.

II. Reading and Approval of Minutes

No minutes from prior meetings were discussed, amended, or approved.

III. Report of the Officers

A. New Business

Enclave Renovation/Redevelopment Plans

A spreadsheet was provided covering costs estimated by Rudd Construction for the proposed new construction and renovations to the main facility of the Enclave. Mr. Blumenthal asked Mr. Kaufmann to explain the spreadsheet to those in attendance. Mr. Kaufmann began by highlighting several areas of potential savings to the project. The savings were:

1. \$451,000 saved if stair towers were refurbished as opposed to demolishing and constructing new ones.
2. \$412,700 saved if stone is not added to the remaining 12 chimneys.
3. \$ 27,000 saved if stamped colored concretes is used as opposed to pavers.

The total amount of the proposed saving estimates is \$890,969. Mr. Kaufmann then discussed the potential sale price per square foot of the converted managers unit to a free market unit. He and the architects estimated a profit in the neighborhood of \$1,000,000.

Discussion then turned to the proposed underground garage, cost is not in the Renovation/Redevelopment spreadsheet. Cost of a parking spot is estimated to be \$150,000 per space – this cost includes the infrastructure of the garage itself and the proposed new units. The board feels this

the Renovation/Redevelopment spreadsheet. Cost of a parking spot is estimated to be \$150,000 per space – this cost includes the infrastructure of the garage itself and the proposed new units. The board feels this should be a developer cost. They also feel moving the utilities lines due to the construction of the garage should also be a developer cost. The garage would also include a new garbage bay and storage rooms. Total amount of parking spots would be 16-17 spots, with 8-10 allotted for the new units, and 6-7 for the HOA. The question was raised as to whether any spots not dedicated to the new units could be leased/sold. Current estimates from similar markets price the parking spots at \$150,000 to \$250,000 per space. Mr. Blumenthal asked that Mike Hoffman investigate whether the Enclave can legally lease/sell these extra parking spots. The question was raised as to whether the parking garage could be smaller than currently planned. Currently the town requires one parking spot per bedroom – the current plans allow for this.

Mr. Garon inquired if the owners of the new units would be required to join the current HOA. Mr. Blumenthal responded that new owner's would be required to join the existing HOA, as they share common amenities. All potential developers have been informed of this.

Mr. Blumenthal requested that the Renovation/Redevelopment committee go through the estimated budget and see if more savings can be found, without sacrificing the quality of the work.

Mr. Garon expressed concern that the numbers in the development budget are lower than they will actually end up. Mr. Kaufmann responded that a reasonable contingency to carry is 10% for renovation, 5% for new construction projects. This contingency is not in the current budget. Mr. Kaufmann said that a blended contingency of 8% is a realistic contingency number.

Mr. Garon expressed that potential developers should agree to perform all of the renovation projects, as opposed to the HOA performing them. Mr. Blumenthal agreed that the goal is to have a developer to pay for all renovations and new construction in exchange for the available parcel of land and the entitlement.

One of the potential developers is discussing building three larger units, as opposed to six smaller units. Mr. Klein asked if the approval from the city can be switched to accommodate these plans. Mr. Blumenthal responded that it may be possible.

Discussion was held about whether to reveal the projected new construction and renovation costs to a developer. Mr. Garon asked what plans were given to Rudd Construction so they could provide the numbers in the budget. Mr. Gustafson replied they were very conceptual plans. The board agreed not to discuss these estimates with potential developers, at least until we are in actual negotiations with a developer.

Mr. Kaufman commented that the developers should be given the construction and renovation plans, tell them what work needs to be done, and that the HOA will need approximately \$600,000 to cover the

Mr. Kaufmann commented that the developers should be given the construction and renovation plans, tell them what work needs to be done, and that the HOA will need approximately \$600,000 to cover the entitlement costs.

Discussion was held on whether the estimated costs from Rudd Construction could be too high. It was agreed that Rudd Construction, having done work in the valley and wanting to secure the contract, would have provided the most accurate numbers available at this time based on the current state of design documents.

Mr. Blumenthal requested that Mr. Kaufmann give the R/R committee the detailed budget sheets. The R/R committee agreed to a conference call with Mr. Kaufmann on Wednesday, April 3rd, at 8:30 MST, to discuss the detailed budget.

Mr. Klein asked if the Rudd Construction estimates included just the renovation projects, or the reconstruction projects as well. Mr. Klein said that if one company performed both the renovation and the reconstruction, then the costs could be lower. Mr. Kaufmann said the estimates didn't include the new townhomes and the underground garage, and agreed that if one company did all of the work, the costs could potentially be lower.

The Board can elect to cancel this year's entitlement costs at any time subject to paying any applicable costs accrued up to the date of cancellation.

III. Election of Officers

Mr. Blumenthal noted that the Enclave Board needed to elect a President and a Secretary. He mentioned that Mr. Klein had volunteered to serve as Secretary. Mr. Fisher called for the election of Mr. Klein as Secretary, Mr. Blumenthal seconded the motion, and Mr. Klein was confirmed *unanimously*. Mr. Fisher called for the election of Mr. Blumenthal as the President, Mr. Klein seconded the motion, and Mr. Blumenthal was confirmed *unanimously*.

Adjournment – Mr. Garon made a motion to adjourn, and Mr. Blumenthal seconded. The meeting was adjourned at 4:00 PM MST.

Respectfully,


Laurence Klein, Secretary
The Enclave Association, Inc.