

MINUTES OF SPECIAL MEETING - Draft
THE ENCLAVE ASSOCIATION, INC.

A special meeting of the Members of The Enclave Association, Inc. (the "**Association**") was held at 3:30 p.m. on Thursday, July 9, 2015, at The Woodrun Place Condominium Conference Room, 0425 Wood Road, Snowmass Village, Colorado.

1. Roll call and certifying of proxies – Mr. Blumenthal asked that a roll call of those present be given.

In person attendance:

101	TFO Realty	1860
102	Sequoia Development Corp	1170
106/107/206	M&P Blumenthal Family Trust	3885
108	Henderson	1545
109	Burns	1170
113	Matthew	1545
204	MikeMart Family Realty	1170
207	Novo Family Ltd Partnership	1545
213	Kaufman	1545
304	Word	1170
307	Garon	1845

In proxy attendance:

		Blumenthal	Garon	Kaufman	Novo
105	Klein	1170			
110	Worthington Enterprises				1545
201	Jacobs	1860			
203	Novo				1170
205	Eldean	1170			
208	Hilsinger/Barford				1545
209	Duvoisin				1170
210	Torelli	1545			
303	Hart				1170
308	Shifman		1545		
309	Quinn/Meola	1170			
310	Rimland			1545	
311	Fisher			1170	
313	Casperino			1545	

Total present and proxies

37,785 of 52,515
or 71.95%

071

2. Proof of notice of meeting or waiver of notice –

John Warner presented proof of notice.

3. Unfinished Business

Terminate the authority of the Board to execute and record the First Amendment to Declaration for The Enclave Condominiums, which authority was granted at the annual meeting of members conducted on March 2, 2008. Mr. Kaufman made a motion to terminate this authority, as noted in these minutes. Mr. Garon seconded, and the motion passed.

Mr. Blumenthal and Mr. Novo summarized reports of the various committees established at the annual meeting of the Members of the Association in March of 2015.

4. New Business

Mr. Blumenthal asked Mr. Gustafson to discuss a proposal (the "**Renovation Proposal**") to replace the existing roof of the condominium project, to remove the existing retaining walls at the garage bay levels and replace them with new retaining walls, remove and replace the garage roofs, to upgrade aging mechanical and plumbing components, to upgrade the "elevator mechanicals" for all of the elevators serving the Enclave Condominiums and other items to be identified at the meeting (the "**Renovation Project**"). Discussion ensued about the scope of the work contemplated, the timing, phasing and cost of the elements of the Renovation Project and the funding mechanisms that could be used by the Association to pay for the Renovation Project.

Discussion of a proposal (the "**Improvement Proposal**") to remove the existing roof of the condominium project and replace it with a roof of a different design or made of a different material, create a new entryway design including a new Reception Center with a conference room and/or new fitness facility and an elevator to the pool level, to further modify the paint schemes used in the Project, to make improvements to the staircases which serve the Project, to modify the exterior façade of the Project, and to install new structural elements as necessary or desirable in connection with the changes in the façade, and other changes (the "**Improvement Project**") ensued. Discussion of the Improvement Proposal included the scope of the work under contemplation, the timing, phasing and cost of the elements of the Improvement Project and the funding mechanisms that could be used by the Association to pay for the Improvement Project also ensued.

Mr. Blumenthal commented that the preliminary costs for the scope of work under contemplation are approximately \$4,500,000 – \$5,000,000, with about \$663,000 available from corresponding line items in the reserve fund. At this point in the meeting, a letter from Summit Construction to Z Group Architects, dated July 9, 2015, was distributed to the Members attending the meeting. The letter, a copy of which is attached to these minutes, described "rough order of magnitude (ROM) budgets" for much of the work contemplated for the Renovation Project and Improvement Project. An estimate of the supplemental assessments which could be levied against each of the three unit types actually found within the Enclave Condominiums if the total costs of the projects equaled \$4,000,000 was also distributed to the Members. A copy of the estimate is attached to these minutes.

071

Discussion of a proposal (the "**Entitlement Proposal**") to establish a plan for development (the "**Development Plan**") of vacant land located on the northwest corner of the Project (the "**Development Parcel**"), which vacant land is currently a common element under joint ownership by the members of the Association, ensued. A general description of the Development Plan was presented at the meeting. The Entitlement Proposal at some future point in time would include submission of a formal application to the Town of Snowmass Village (the "**Town**") for an amendment of the land use approvals which currently govern the Project to permit development of the Development Parcel pursuant to the Development Plan, as it may be revised by the Board of Directors during the Town's review process. Mr. Garon noted that the Association's attorney had recently advised the Board that the decision to seek the Town's approval of the Development Plan was a Board responsibility. Mr. Garon further advised that the Board had recently decided to seek such approval from the Town. The Development Plan may include hiring one or more architects, attorneys and other consultants to assist the Board in that process, and to identify and authorize use of Association moneys in connection therewith. At present, sunk funds to date for these expenses are being borrowed from the Reserve Fund at the direction of the Board. Mr. Blumenthal and Mr. Garon both reported that the total cost of the entitlement process was not expected to exceed \$200,000.

Mr. Blumenthal reported that the Board will continue to investigate options and firm pricing for the Renovation Proposal and the Improvement Proposal; a vote of the members of the Association, undertaken at a duly-noticed meeting, and approval of first mortgagees (if required by the Condominium Declaration) will be carried out if and when the Board believes it is appropriate to seek authorization from the Members to implement the Development Plan as finally approved by the Town.

Mr. Blumenthal noted the next step in the process is further development of the budgets for the various elements of the Renovation Proposal, Improvement Proposal, and Development Plan. The Operating and Reserve budgets are reviewed by the Board in September each year, and supplemental assessments are approved by the Board at that time. Members will receive notice of and copies of those proposed budgets within 90 days of the Board's approval and will be able to consider the resulting economics. Budgets for the Renovation Proposal, Improvement Proposal, and Entitlement Proposals should also be ready for review by both the Board and the Members within this time frame.

Attending Members were then invited to express their opinions regarding the Renovation, Improvement and Entitlement Proposals. In their comments Members were very supportive of the Renovation and Entitlement Proposals and generally supportive of the Improvement Proposal, subject to review of the scope and proposed budget for the Improvement Project -- each to be presented to the Members in the budget process. Several Members voiced support for the Entitlement Proposal because they saw it as a potential method of recouping some of the cost of the Renovation and Improvement Projects. Members were invited to submit their comments in writing via email to Mike George by July 23, 2015. Those submissions will be retained by the Association and also will be available for review by the Members on the SLCASSOC.COM website.

5. Adjournment

Mr. Garon made a motion to adjourn at 6:30 PM. Mrs. Lustberg seconded, and the motion passed.

Respectfully,

A handwritten signature in black ink, appearing to read 'Oscar Novo', written over the word 'Respectfully,'.

Oscar Novo, Secretary
The Enclave Association, Inc.



July 9, 2015

Z Group Architects
411 East Main Street, Suite 205
Aspen, CO 81611

Attn: James Gustafson

Re: Enclave Preconstruction Services
Snowmass Village, CO
Conceptual Level ROM's – REV.4

Mr. Gustafson:

Summit Construction has prepared the following scope of work breakdown with associated rough order of magnitude (ROM) budgets based upon an initial review of the communicated scope, a limited access site walk, and feedback received during the Enclave board meetings on 7.2.2015 and 7.8.2015. At this time, the budgets are based solely upon Summit's historic cost data and include no subcontractor validation. The intended purpose of this document is to clearly delineate the potential scope of work for evaluation by the Enclave board.

PHASE I – HIGHEST PRIORITY

- **New Membrane Roof** **\$945,400**
Remove and replace the existing roofing. Includes repairs to fascia/soffit in select areas; a \$19,500 allowance for snow breaks; \$80,000 for electrical subpanel, heat tape, and gutters/downspouts in select areas with a water quality control vault; and a \$25,000 allowance to replace damaged sheathing.
- **Overframe Gables at Balconies** **\$165,750**
Seventeen (17) total assemblies. Assumes the current structure is adequate to support the newly proposed loads. Work to be performed concurrently with the new roof scope.

*Alternate Add #1 – New Gable Structure at Balconies \$65,250/each
(A potential elective change by individual Owners
to create vaulted ceilings in L3 units concurrently
with the new roof. This excludes any required exoskeleton
structure. Be advised that this Alternate value may change
dependent upon desired finish level within each unit.)*



- **Retaining Walls – Soil Nail with Stone Veneer** (at carports) **\$215,000**
Assumes leaving the existing timber retention in place. Adjacent carports will need to be demolished to allow for access.
- **Remove/Reconstruct Carports** (to allow for soil nail scope) **\$473,000**
Includes South side carports at retaining wall locations, as well as Northwest carports. Excludes green roof and possible new foundations.
- **Balcony Flashing Mock-up** **\$2,500**
Includes up to fifty lineal feet (50lf) of new wood apron and flashing the transition between the existing concrete slab and wood apron. Recommend installing a test section in the Summer of 2015. Evaluate performance in Summer 2016. If effective, will proceed with pricing this program throughout. Excludes reconstructing balconies/any remedial structural work.

Alternate Add #2 – Enclose balconies **\$28,400/each**
(A potential elective change by individual Owners)

Alternate Add #3 – Exoskeleton to Support Balconies **\$29,000/bay**
*(**May be required upon Structural Engineer review
In order to construct the gables, Alternate Add #1,
& Alternate Add #2)*

PHASE I – SUBTOTAL **\$1,801,650**
(Excludes Alternates)

PHASE II – HIGH PRIORITY

- **Partial Exterior Skin Replacement** **\$427,000**
From the third floor level band board to the roof only, at the ski slope and downhill facing end elevations (excludes courtyard facing elevations). Includes removing and replacing the existing siding. Includes a \$20,000 allowance to replace any water damaged sheathing/substrate. Excludes fascia and soffits. Excludes any siding scope below the third floor level band board. Excludes hazardous material surveys and/or removal including any required mold remediation.

Alternate Add #4 – Exterior Stone Veneer **\$235,000**
(Based upon an approximate 10% mix of the total ski slope and downhill facing end elevations exterior skin)



- **NE New Carport/Entry Monument** \$425,000
Includes NE carport only, faux façade at entry, double parking. Excludes Southern carports; the NW carport; and any utility relocations (assumes that an easement will be granted).
- **'Modernize' the Existing Elevators** \$249,615
Excludes removal of existing elevators and replacement with new.
- **Crawl Space** \$175,000
Allowance to perform miscellaneous repairs to the hot water recirculation lines, add isolation valves for service work, map and tag valves, map and tag electrical system.
- **Mechanical** \$237,480
Replace the existing heating system with a new high efficiency boiler plant. Excludes parking/drive area snowmelt boilers.

PHASE II – SUBTOTAL **\$1,514,095**
(Excludes Alternates)

PHASE III – MEDIUM PRIORITY

- **Resurface Existing Brick with Stone** \$402,000
Assumes existing brick veneer to remain in place. Also includes new metal chimney caps. Assumes the existing structure is sufficient to bear this newly proposed load.
- **Retaining Walls – Clad Existing Concrete with Stone Veneer** \$15,000
- **New Entry Auto Court and Elevator** \$398,000
Includes creating a concrete auto court with snowmelt, an allowance of \$295k for an elevator to pool deck, and adjacent hardscape/landscape. Excludes demolishing the existing concrete pavement and snowmelt system. Assumes the existing boilers are sufficient to accommodate the added pavement area. Recommend that the Owner carry a standalone 25% design development contingency for this line item.
- **New Fitness Center** \$450,000
Located off of pool deck area. Approximately 800sf in size with a restroom. Excludes fitness equipment.
- **Arrival Center** \$87,500
Modify exterior consistent with balance of improvements.

PHASE III – SUBTOTAL **\$1,352,500**
(Excludes Alternates)



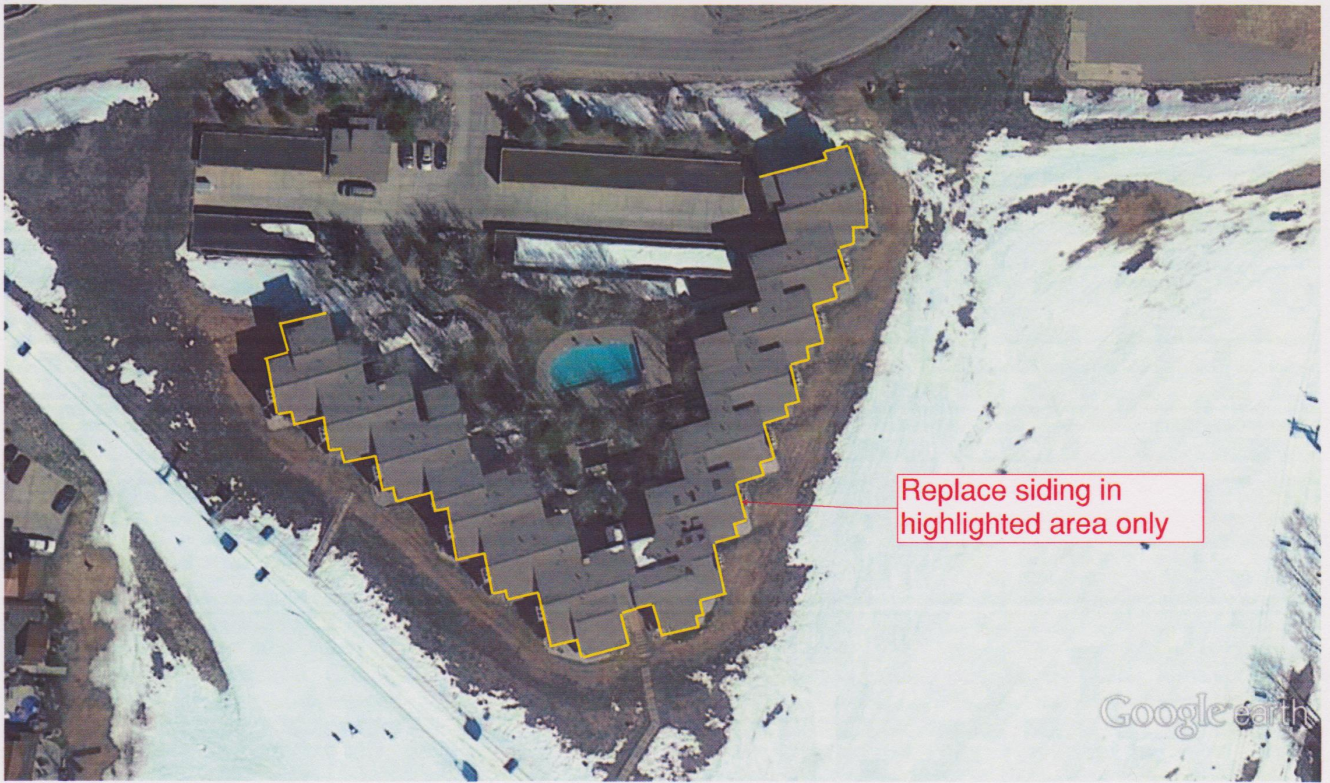
Estimate Assumptions & Clarifications

The above outlined pricing will be subject to change based upon receipt of initial Client feedback/elected scope, approved phasing plan, evaluation of Contract Documents to date, access to typical units, completion of quantity surveys, and limited discovery. It will continue to evolve as the Contract Documents are further developed. The individual line items exclude any provisions for soft costs, design fees, permit fees, impact/tap fees, REMP fees, Pitkin County Use Tax, material/labor escalation, relocation of existing utilities, hazardous material surveys and/or abatement including any mold remediation, FF&E, fire sprinklers, any remedial work to the existing structure (i.e. assumes may support new loads, etc...) unless noted otherwise, and any required corrective work for existing code non-compliances. At this time, we recommend that the Owner carry a 3-5% material & labor escalation contingency per year (for deferred work). In addition, we recommend that the Owner carry a 15% contingency to allow for unforeseen conditions and/or design development.

Thank you for the opportunity to provide preconstruction services for this exciting project. Please feel free to contact us if you have any questions or require additional information.

Sincerely,

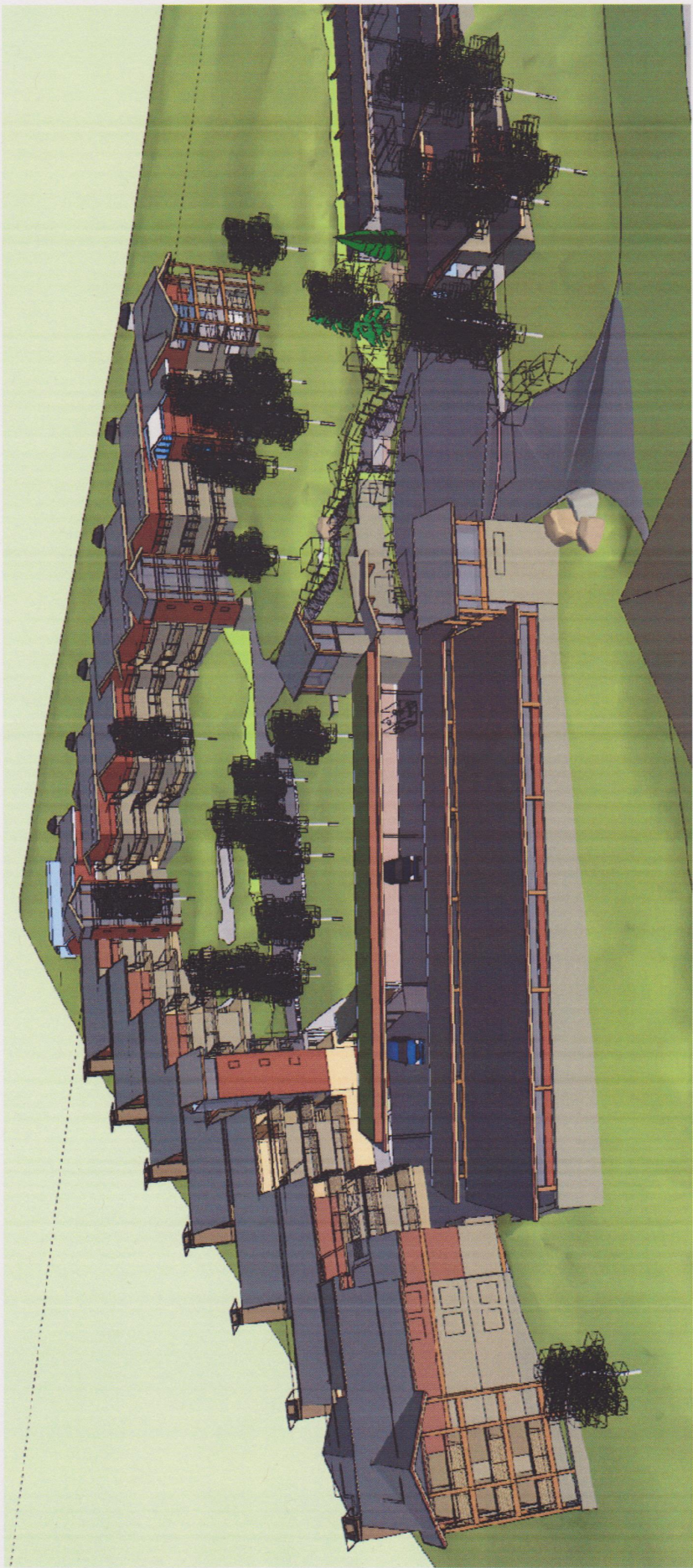
Tim Bottger, Senior Project Manager
Summit Construction, LLC

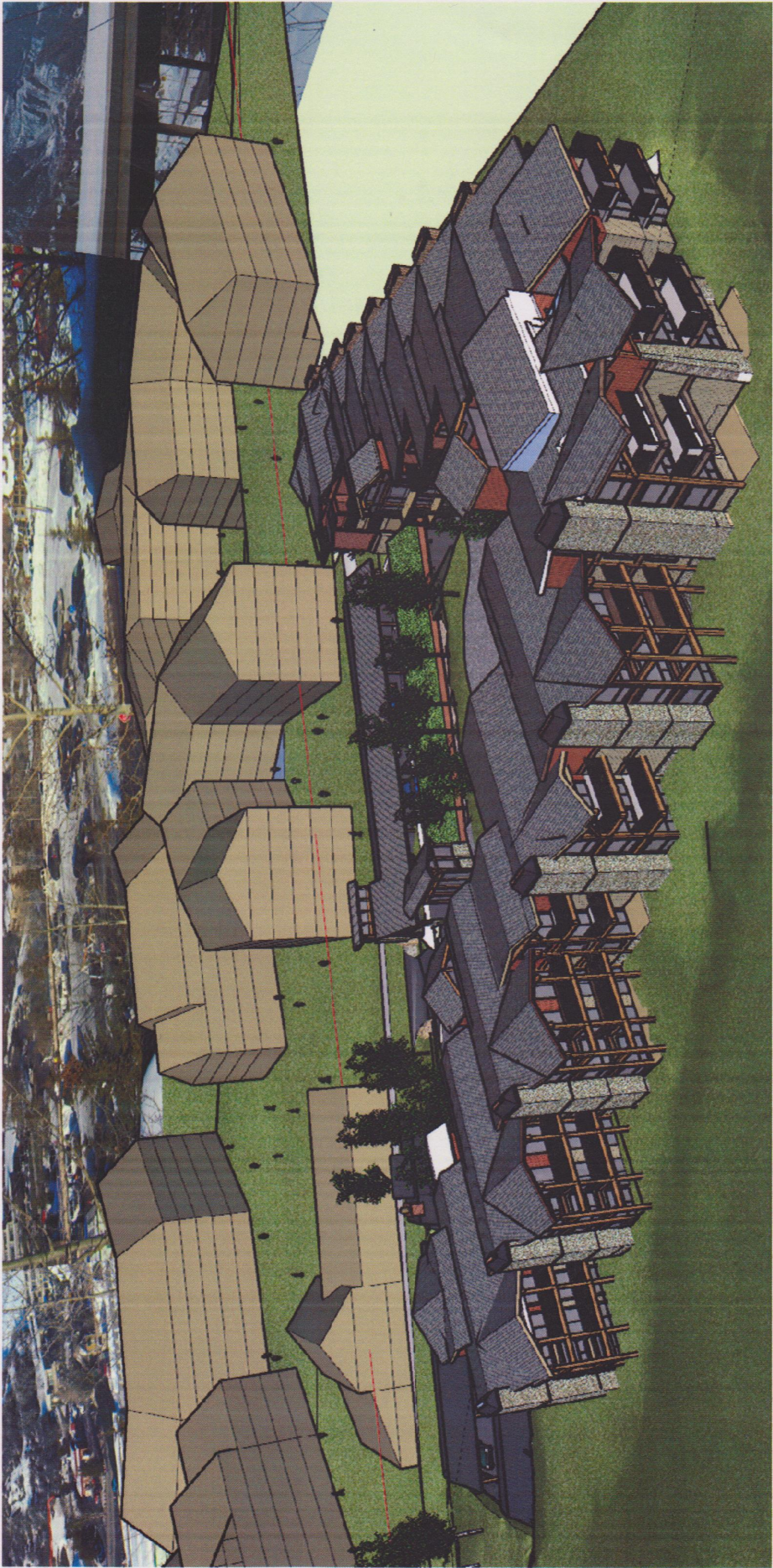


Google earth

feet
meters









Endlave Association Assessments		Amount		\$ 4,000,000.00		Cost/ sq ft		\$ 76.17	
INDIVIDUAL UNIT		Bedroom Count		Size		# Of Units		Size	
								Assessment	
1 Bedroom		1		800		0		0	
2 Bedroom		2		1,170		24		28,080	
3 Bedroom		3		1,545		11		16,995	
4 Bedroom		4		1,860		4		7,440	
Total Square Footage				52,515		39		52,515	
								4,000,000.00	
								Cost	
								Per Unit	
2 Bedroom								89,117.40	
3 Bedroom								117,680.66	
4 Bedroom								141,673.81	