

THE HOMESTEAD AT SNOWMASS BOARD MEETING

June 24th, 2020

I. CALL TO ORDER

Mike Estes, President of the Association, called the meeting to order at 1:05 pm Mountain Time. Board members present via conference call were Colin Heggie, Mike Kurzman, Malo Harrison, and Heather Burcher. Marilyn Seltzer was also present. A quorum existed at all times during the meeting. Barton Craig of Snowmass Lodging Company was also present.

II. PROOF OF NOTICE OF MEETING

Mr. Craig presented proof of notice of the meeting, which was via email.

III. READING AND APPROVAL OF THE MINUTES

Mr. Kurzman made a motion to waive the reading of the Board Meeting Minutes of May 3rd, 2020 and approve them as written, Mrs. Burcher seconded and the motion was passed unanimously via voice vote.

IV. UNFINISHED BUSINESS

V. NEW BUSINESS

First Quarter HOA Financial summary

The HOA is \$13,354 over budget through the First Quarter, due mostly to legal fees and higher than expected costs for snow removal. Legal expenses were over budget by \$9,367, due for consultation related to the issue of unequal assessment billing and drafting a Declaration Amendment. Snow removal was over budget by \$2,817. Although snow was slightly below average this winter, the HOA did extensive roof shoveling and removal of icicles off gutters a few times during the season

Status of Renovation Project Account

Rudd Construction was paid the balance of all remaining expenses for the Renovation Project in February for \$64,740. The project was \$33,288 over budget and required a transfer of that amount from the Reserve Fund to clear the balance with Rudd. The Renovation account has been closed.

Reserve Fund Account

The 2020 Opening balance of the Reserve Fund was \$22,353. Through the first two quarters the HOA has contributed and additional \$22,500 through its budgeted quarterly contributions. The HOA collected \$70,000 for the Reserve Fund from the Special Assessment that was due on April 1st, 2020. The HOA also received an insurance reimbursement of \$2,893 that was credited to the Reserve Fund. After these transactions the balance of the Reserve Fund stood at \$117,746. In 2020, the HOA has incurred the following expenses to the Reserve Fund:

Transfer to pay Rudd	\$33,288
Alpine Bank LOC fees	\$2,908
Escape Design Fee	\$1,610
Spa pump repair	\$1,092
Aspen Roofing repair	\$5,000
Aspen Roofing consult	\$1,250
Aspen Roofing 50% dep	\$16,362

The above expenses total \$61,536, leaving a balance of **\$56,210.12**

All roofing repair expenses (e through g above) can be repaid to the Reserve Fund after that assessment has been levied.

The HOA will collect another \$22,500 to the Reserve Fun in Q3 and Q4 of 2020. However, the HOA is currently over budget \$13,354. While the HOA may make up some of this deficit in other line items, for the purposes of planning the Board should assume this amount will come from the Reserve Fund at the end of the year. The HOA also has outstanding consulting fees from Dan Cupit for overseeing the roof repair and creating the specifications and bid package for roof replacement. These are estimated at \$5,000-10,000. While this expense can also be built into the Roof Special Assessment, it will need to be paid before that assessment is levied. As a result, Management projects the remaining \$22,500 contribution to the Reserve Fund is mostly allocated.

Mr. Heggie suggested the Board create an estimate for all expected or likely Reserve Fund expenses for the next 3 years. Mr. Estes asked each Board member to create their own list of potential Reserve Fund expenses and forward them to Mr. Estes and Mr. Craig so that a master list can be created and cost estimates made for the purpose of building the Reserve Fund to a level that will accommodate these projects.

Roof Repair-unit 8/9

To date the HOA has paid the following from the Reserve Fund:

Aspen Roofing-investigation	\$1,275
Aspen Roofing repair	\$5,000
Aspen Roofing 50% deposit	\$16,362

Additionally, the HOA is about to pay \$15,790 for the work done to date for the repair. There is a hold back of \$3,572 due after the snow fence are installed and Dan Cupit signs off on the few remaining punch list items.

Please note that the contract for the roof repair was \$32,724 which included a \$5,000 discount for the amount paid for the initial small repair which was unsuccessful. The actual cost of the full repair was \$27,724.

Once the full repair was undertaken, we found that some amount of the sub roof was rotten and needed to be replaced. Initially the estimate for that change order was about \$7,400 but after Dan Cupit reviewed it the change order was reduced to \$3,000.

In total the cost of the roof repair will be \$40,724.78, excluding Dan's charges for overseeing the work.

Roof concept for complex and status of bid packages

Dan Cupit is currently preparing the bid packages for the re-roofing of the entire complex, which should be available by July 1st. He has learned a great deal with the repair work done on units #8/9 and will incorporate that into the bid details. He will also require bidders to specify contingency charges in their bid.

Mike Estes provided the Board with two sketches and a photo of the concept that the HOA is proceeding with. The revised photo has slightly less metal trim elements on the side of the building and chimney. Mr. Estes suggested that metal roofing on the spa building and trash shed would be a desirable part of the design, as opposed to DaVinci shakes. The cost difference for this appears to be negligible. Dan Cupit is providing this specification as an option in the roofing bid package. No Board members objected to this proposal.

In the report last fall Dan Cupit estimated the cost of re-roofing the entire complex in Da Vinci shingles would be about \$600,000. To that we would add a contingency amount for the HOA. This may or may not be how the bid process plays out. Dan expects the bids in the first round will be high and it may take two or more rounds to get a final price bid price. Mr. Estes hopes to get to the first round by mid-August. Mr. Estes suggested that after the first round of bids the Board communicate

to all homeowners the estimate for the Roofing Special Assessment. Although it will just be an estimate, the Board agreed that including homeowners in the process as early as possible will be to everyone's benefit.

Landscape account, schedule and likely costs

The HOA received \$140,000 is the Special Assessment. This amount was set aside in a new account (2104). To date, the HOA has paid a deposit to Escape Gardens of \$20,000 leaving a balance of \$120,000. The HOA contract with Escape for the project is for \$119,000 plus applicable fees, sales and use tax. The estimate of the "plus" items is about \$3,000 which brings the total contract to about \$122,000.

In the contract the HOA set aside \$25,000 as an estimate of the cost of irrigation repairs and additions. Escape has completed their survey of the irrigation systems and now estimates the work will cost up to \$38,000 or \$13,000 more than set aside. They did indicate this was probably a high estimate and hope to come in below that number.

If the irrigation work does come out as currently estimated, that will leave the HOA will a remaining contingency of \$5,000.

The HOA have also contracted with Escape to perform the regular grounds maintenance for 2020. Mr. Craig noted that so far Escape is performing the maintenance tasks well and seem responsive, acknowledging that with no flower planting thus far there is less to maintain. The HOA has not yet received the May invoice, so comparative costs to the prior year are still unknown. The HOA does have some extra funds in the landscape operating budget since we are not paying for any plantings from the grounds budget, as they are being paid by the Landscape Assessment.

Mr. Heggie expressed concern that as plantings are now scheduled to start in August (after irrigation work is completed) that the selection of flowers may not be optimal at that time. The other Board members also expressed concern. Mr. Estes will speak to Jennifer at Escape Gardens about this important matter.

Proposed asphalt repairs

The HOA has received two bid to do the needed work on the driveway. The bids are quite close in amount. The HOA should be in a position to schedule this work for the fall if one of the bids is approved. Mr. Craig recommend the bid of \$19,154 from Elam Constructions as it is the lower bid, it is a locally based company and has an excellent reputation. Mr. Heggie asked specifically about how some areas will be repaired. Mr. Craig

suggested setting up a second site visit with Elam and any Board members that are in town to fully understand the bid before accepting it.

Mr. Estes made a motion to approve the bid from Elam Construction pending a site visit, Mr. Heggie seconded and the motion passed via voice vote.

Homestead Gardens Owner vs HOA

Mr. Estes provided the Board members with photos of the existing garden areas in the complex. For some units it is easy to definite an area that could be assigned to the owner as their responsibility. For most of the units, this is not so clear. Some of the owners have already done their own planting around their unit including areas which would normally be considered HOA responsibility.

Mr. Kurzman suggested that all areas be considered HOA responsibility unless a homeowner specifically requests to take off an area at their own expense. The other Board members agreed.

Town of Snowmass Village Brush Creek Projects

Mr. Craig informed the Board that he has been in contact with Town of Snowmass Public Works and been notified of two Town projects this summer that will have some impact on the Homestead. Snowmass Water and Sanitation will be replacing the water main that is under Brush Creek Road between Sinclair and Meadow Road. This work will take place between mid-July and the end of August. Snowmass Water and Sanitation will drop off an announcement and description of this work prior to it started at every door at the Homestead. During this time Brush Creek Road going past the Homestead will be closed to through traffic. Of course, local traffic will be allowed. After the project is completed the entire section of Brush Creek Road will be completely repaved.

The second project is repaving and widening of the asphalt multi-use path that runs past The Homestead next to Brush Creek Road. This project will repair all damaged sections of the trail and create an additional one-foot gravel border as part of the path. The creation of this border will require moving several sprinkler heads that belong to the Homestead, as well as removing some shrubs, possibly a two trees and pruning of others. All of this will be done at the expense of TOSV. This project will occur sometime in August and will take 2-3 weeks.

VI. Adjournment

Mr. Harrison made a motion to adjourn. Mr. Kurzman seconded the motion, and the meeting was adjourned at 2:19 pm.

Malo Harrison, Secretary