

THE HOMESTEAD AT SNOWMASS ASSOCIATION
BOARD MEETING

December 11, 2015

I. CALL TO ORDER

Mike Estes, President of the Association, called the meeting to order at 3:04 PM. Board members present via conference call were Malo Harrison, Colin Heggie and Bob Campbell. A quorum existed at all times during the meeting. Barton Craig and Mike George of Snowmass Lodging Company were 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. Campbell made a motion to waive reading the minutes of the Board Meeting of July 24, 2015. Mrs. Harrison seconded, and the motion was approved by voice vote. The minutes were approved, as written.

IV. UNFINISHED BUSINESS

Status of tree removal and tree and shrub pruning

Per the decision of the Board in July of 2015 Management had all of the trees removed that had been marked and approved for removal. Tree and shrub pruning has been re-scheduled for spring of 2016. This is a result of both budgetary considerations and weather.

Discussion of architect input and plans regarding replacement of siding at The Homestead

Management obtained a basic estimate of exterior square footage of the Homestead buildings and a range of price per square foot for various exterior siding materials. The estimate is for the four residential buildings, but we do not have square footage of the pool and dumpster buildings at this time. The estimate from a local General Contractor recommended by Cuniffe and Associates yielded the following estimates in 2015:

12,400 square feet for each 4-plex building and 9,900 square feet for each 3-plex building, which together yield 44,600 square feet of exterior surface for siding for the 4 buildings. The following rational was also included:

To replace existing siding with similar would be in the range of \$35 per sq. ft. This does not include any metal fascia wraps or new wood fascia.

On to the new cladding. If we left the existing siding and went right over the top with stucco you would be in the range of \$30 per sq. ft. for stucco, \$35 for composite siding and \$45 for stone. If you wanted to add R Value to the exterior walls, figure on adding \$10 per sq. ft. This will give you an added R value of 5 for a total of 24 on the exterior walls. The dollar amount per square foot would include everything else that goes along with installation of the materials including scaffolding, overhead, fees etc.

Based on the linear footage of the fascia, to wrap all existing with no maintenance prefinished 22 gauge metal include a \$175,000 number in your budget. This number will also cover all miscellaneous flashings needed for the cladding.

Garage doors budget \$5,500 per door based on wood / stained as per drawings.

This yields a very general estimate of \$1.5 million for siding at \$35 per square foot (which would allow a mix of composite siding, stucco and a little stone), add in \$175,000 for fascia and \$77,000 for all garage doors and it adds up to about \$1.75 million or \$125,000 per home. I think that at least gives a place to begin discussion.

The board intends to discuss these details with the members of the association at its upcoming annual meeting and urge them to focus on the attendant costs and potential financing options available. The board wants to reiterate that members can expect a base cost of \$125,000-\$150,000 in 2015 dollars per unit sometime between 2019 and 2021.

V. NEW BUSINESS

Discussion of Proposed 2016 Budget

Board members have received a Proposed Budget for 2016 which keeps the budget and assessments flat versus 2015. Mr. Craig asked the Board members if they had questions about specifics of the budget.

Mr. Campbell made a motion to approve the budget as presented/amended. Mr. Heggie seconded, and the proposed budget was approved.

Budget and Financial Review 2015

Based on operations through October management projects an operating surplus of \$8,449, primarily due to less than expected costs for snow removal. The 2016 budget was prepared with a zero carry forward so that any net operating surplus will be transferred to the Reserve Fund. The Reserve Fund balance at the end of 2015 is expected to be \$114,684.88, plus any 2015 operating surplus.

Discussion of Capital Projects anticipated for 2016-2020

The board discussed the merits of complete driveway sealing versus crack sealing and repairs. Management and the Board will monitor and address, as necessary.

Mr. Craig noted that many items in the most recent reserve study are in practice replaced and charged to the operating fund. Mr. Estes asked that Mr. Craig review the study and note which of those items historically have passed through the operating fund. Mr. Heggie commented that simply placing asterisks by those lines would be an efficient method to identify these items.

Adoption of New Management Contract

Per the State of Colorado regulations that went into effect in 2015, Snowmass Lodging Company has been required to draft a modified Homeowners Association Management Contract for the Homestead Homeowners Association. The terms of the contract between SLC and the Homestead HOA will remain the same, in terms of the length of the contract, notice to terminate, and the management fee. The new contract specifies certain responsibilities and notice periods that were not part of the previous contract.

The Board deferred on completion of this item until after the Board members can review a redline version. Some Board members could not open the preparatory documents in a format that shows this detail. Mr. Craig will forward the redline version via a scan that delineates all of the proposed changes.

Adoption of Collections Policy

Per a State of Colorado regulation that went into effect in 2015, the HOA is required to adopt a written Collections Policy for homeowners that become delinquent in their HOA assessments. The regulation specifies a written notice period be set up, as well as a requirement to offer a payment plan for homeowners to bring their account current.

The Board reviewed a draft of a Collections Policy prepared by Counsel and made one change: assessments will be due on the fifteenth day of each billing cycle instead of the first day as proposed.

Mrs. Harrison made a motion to approve the collections policy as amended. Mr. Campbell seconded and after a voice vote the new Collections Policy was approved. The new policy will be posted on the HOA website.

The annual meeting will be held on Tuesday, December 29, 2015, at 4:00 PM.

VI. ADJOURNMENT

Mr. Campbell moved for adjournment. Mrs. Harrison seconded, and the motion was carried. The meeting was adjourned at 4:47 P.M.

Respectfully submitted,

Malo Harrison, Secretary