

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

March 3, 2002

1. Roll call and certification of proxies

Glen Fisher, President of the Association, called the meeting to order in the meeting room of The Enclave Arrival Center, Snowmass Village, Colorado at 4 P.M. Nonmembers Michael George, Joe Porcaro, and Bob Kelm of Snowmass Lodging Company (SLC) were also present.

Members Present

	Unit #	Points
Mullins	101	1860
Klein	105	1170
Blumenthal	206/106/7	3885
Murray	108	1545
Burns	109	1170
Wissing	110	1545
Katz	202	1170
Novo	203/7	2715
Lustberg	204	1170
Duvoisin	209	1170
Kliewer	212	1170
Threshie	301	1860
Oleshansky	302	1170
Wilkinson	305	1170
Marsland	308	1545
Fisher	311	1170

Members Present

by Proxy	Unit #	Points
Stiles	102	1170
Sirkus	103	1170
Losi	104	1170
Beckerman	111	1170
Matthew	113	1545
Eldean	205	1170
Barford	208	1545
Clancy	210	1545
Kaufman	213	1545
Stewart	303	1170
Word	304	1170
Jacob	307	1860
Colburn	309	1170
Gazelle	310	1545
McGlone	312	1170

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TOTAL: (45,600/52,515 = 87%

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

2. Proof of notice of meeting

Joe Porcaro presented proof of notice of meeting.

3. Reading and approval of minutes of March 9, 2001, meeting.

Management had previously distributed the minutes of the March 9, 2001, meeting. Glen Fisher made a motion to waive the reading of the minutes. Marty Lustberg seconded, and the motion was passed. Glen Fisher made a motion to approve the minutes as written. Marty Lustberg seconded, and the motion passed.

4. Ski Co Development Update - Brush Creek/Burlingame

Paul Shepard of Intrawest, development partner of the SkiCo, joined the meeting. Mr. Shepard outlined the scope of work in the Base Village plan, which is currently in sketch review. The review encompassed the Base Village core; the proposed location of key structures, such as the entry building and ski school; transportation issues throughout the Village; and the proposed adjacent structures to The Enclave. Mr. Shepard envisions a construction start date in 2003 and a five-year build out program.

The owners raised several issues -

- \*Height of structures
- \*View planes and corridors
- \*Property setbacks
- \*Mass and density scale
- \*Number of units proposed
- \*Connections between the mall, Base Village, and the Center
- \*Coordination of redevelopment of the Center
- \*Encouragement of mall redevelopment in conjunction with Base Village and the Center
- \*Encouragement of greater retail in the center and base village and a shift of condos/town homes to the mall
- \*Construction staging location (encouraged farther from The Enclave than currently proposed)
- \*Proposed lift additions/deletions

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- \*Location of lift terminals at the mall and at Base Village
- \*Notation that almost every aspect of the development requires zoning changes

Mr. Shepard noted that he would take the members concerns back to Intrawest and the SkiCo and left the meeting.

The members continued their discussion of Base Village and initial strategies to accomplish their goals. Mr. Blumenthal had attended all of the public meetings to date, and the members asked him if he would chair a committee to present the association's position. Mr. Blumenthal agreed, and interested members can contact Mr. Blumenthal at (310) 441-1064. Mr. Blumenthal recommended that the association issue a draft letter to the members of the Base Village issues, to accompany the meeting minutes. The members went on to discuss the pros and cons of hiring an attorney immediately versus retaining one to act in an advisory capacity during this early public discussion period. The members agreed that hiring an attorney to act in an advisory capacity was the best current strategy. Mr. Blumenthal will interview various local candidates. The association can decide later whether more aggressive legal representation is needed, as the project progresses through review. Mr. Blumenthal will also draft the letter, subject to Board review, to send to the members with the annual minutes. The members are free to write their own letters or to sign the letter provided by the Association. Send letters to: Town Council, P. O. Box 5010, Snowmass Village, CO 81615.

5. Landscape Plan Review - Mr. Porcaro advised the members that

Alan Styers, project manager, has prepared two options for consideration by the members. Glen Fisher summarized the scope of work in two options of the plan.

Option 1 @ \$457,638 includes:

- \*snow-melted concrete to replace 6,000 sq ft of the concrete in the uncovered areas of the driveway (roughly half)
- \*heated, colored concrete and new railings for the main stairs and stairs above and below the spa
- \*3/8" colored exposed aggregate around the pool and spa with snowmelt around spa, the surrounding stairs and the south side of pool
- \*larger hot tub
- \*landscaping throughout, excluding the roadside areas
- \*irrigation and drainage improvements throughout grounds
- \*reduction of hardscape around pool

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\*replacement of grounds lights

Option 2 @ \$534,867 includes:

all of the above, but also includes the replacement of the entire driveway and would include snowmelt throughout driveway. These options do not include concrete replacement in the parking bays.

Mr. Porcaro noted that the association now has \$560,560 available for the grounds renovation project, if the association considers use of the concrete line item in the Reserve as part of the grounds work. Mr. Porcaro will make sure that Mr. Styers allows for adequate zoning of the snowmelt system, so that zones can be bypassed when appropriate to help control gas consumption operating costs. Mrs. Lustberg made a motion to proceed with option 2, and Mr. Murray seconded. The motion passed.

Mrs. Wissing commented that management had recommended construction of in-house laundry facilities during an earlier meeting and wondered whether the old ski shop would be an appropriate location. There was general discussion of potential uses of this space, and Mr. Blumenthal made a motion to include excavation and appropriate plumbing for gas, sewer, and water supply lines to the ski shop room during the grounds renovation, so that the association will have more use options for the space after further review. Mr. Porcaro advised the members that the Board had voted during its last budget meeting to allocate \$2,000 of the fiscal 2000-2001 operating surplus to fund a study to determine best use of the space.

Mr. Lustberg brought up the idea of adding trees to the landscape plan for the south sides of the building outside the patios. After general discussion the members decided not to add trees at this time. Mr. Fisher noted that tree installation in front of the carports would be delayed until decisions regarding possible changes in Wood Road alignment have been made.

Mr. Porcaro reminded everyone that the management company would not be accepting rental guests this summer. He stated some members were planning to do some improvements in their units this summer and if anyone needed assistance to contact him. He also stated that members should contact him prior to making plans to visiting the Enclave this summer if they had concerns about safety and access.

6. Report of Officers

State of the Property

Mr. Fisher reported that projects completed in the past year include:

- \*continued work on the landscape plan
- \*ongoing replacement of fogged windows, as the seals have failed
- \*stained the entire backside of the building
- \*painted the arrival center
- \*repaired damage due to raccoons, in two bathroom ceilings in EN 110

The Snowmass Resort Association continues to have problems, as its President has resigned, and fall off in business for Snowmass Village this winter has substantially affected the Association's revenues. Most marketing expenditures have been deferred, and Bret Huske, Vice President of Sales and Marketing, has assumed concurrent duties as interim President. Management expects the current situation to continue until the SVRA Board of Directors and the members decide on the future of the organization.

Mr. Wilkinson requested and Mr. Porcaro agreed to try to find bulk pricing for the replacement of the original sliding glass doors in the units.

Third floor members brought up the issue of large quantities of dead flies in their units. Management will obtain an opinion from an alternate pest control vendor to determine if there are any other control/eradication options available.

#### Financial Position

The Association is undergoing its outside audit at this time. Management has had discussions with the auditors and some minor adjustments in response to a GAAP rule change for the proceeds and expenses of the Renovation Fund. Management recommended to the Board that the anticipated operating surplus of \$19,200 from the 2000-2001 fiscal year be transferred to the Reserve Fund, with \$17,200 specifically dedicated to the concrete replacement line item and \$2,000 to a feasibility study for potential conversion uses of the ski shop. The completed audit will be made available to any member upon request.

The Association will collect \$16,000 this year to use for future exterior staining/painting needs.

Current year operations through the first four months show an

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operating surplus to budget of \$9,597, primarily for savings in utilities and maintenance.

### 7. Election of Officers

Mr. Fisher noted that management had solicited resumes prior to this annual meeting from members who might be interested in serving on the Board of Directors. Two owners responded that they had some interest in running, but both decided that they did not wish to run against the incumbent whose term is expiring. Mr. Fisher noted that Andy Jacob is up for re-election this year, after serving for three years. Mr. Fisher nominated Mr. Jacob, and Mr. Blumenthal seconded. Mr. Fisher asked if there were any 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. Fisher asked for a vote, and Mr. Jacob was elected to a three-year term.

### 8. Old Business

Insurance - At \$18,522,000 property limit, the Association has average replacement coverage of \$333.76 per foot, based upon exterior square footages. The garages are insured for \$709,280, or \$88.66 per foot. The building replacement cost estimate includes the arrival center. 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 the appraisal sets the replacement cost value for a unit higher than the average square foot policy limit described above, the Board strongly encourages the affected owner to purchase coverage to supplement the policy obtained by the Association. The Board directed management to include a copy of the pertinent insurance sections of the Bylaws and Declaration with the mailing of the annual minutes to the members. The Board advises each and every owner to have his insurance agent review these documents and compare them to his existing policy 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 \$15 million umbrella. The deductible was maintained at \$5,000 per incidence to partially offset the cost of the replacement limit. Demolition costs are separate from the property limits at \$750,000 under the building and ordinance section of the Package coverage.

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John Wilkinson of Aspen 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 John 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.

9. New Business

While the declaration states that an outside appraisal is to be performed annually to verify replacement costs, management has been unable to find an appraiser who will perform the work for a reasonable price. Mr. Fisher made a motion to waive the outside appraisal requirement for fiscal year 2001-2002, Mr. Blumenthal seconded, and the motion passed.

10. Other Business

Mr. Blumenthal made a motion to ratify the acts of the Board for the last year. Mr. Klein seconded, and the motion was approved.

Mr. Porcaro will request via the annual minutes that homeowners provide him with their e-mail addresses. Members can send him the information at [j\\_porcaro@snowmasslodging.com](mailto:j_porcaro@snowmasslodging.com).

Subsequent to the annual meeting, Mr. Porcaro received a letter from Mr. Matthews, owner of unit #113. Mr. Matthews asked the Board to consider amending the grounds renovation program to include some way to make the west side stair more user friendly. Although the Board members could not think of any practical way to accommodate Mr. Matthews request, Mr. Fisher asked Mr. Porcaro to pass the request on to our project manager, Alan Styers, to see if he had any ideas that might work.

The annual meeting for next year will be at 4:00 p.m. on March 2, 2003, the first Sunday of that month.

11. Adjournment

The meeting was adjourned at 7:00p.m.

Respectfully submitted,

Glen Fisher, President & Acting Secretary