

## MINUTES of THE ENCLAVE ASSOCIATION, INC.

### ANNUAL OWNERS MEETING

March 9, 2014

#### 1. Roll call and certification of proxies

Mel Blumenthal, President of the Association, called the meeting to order in the meeting room of The Enclave, at Snowmass Village, Colorado at 4:03 P.M. Nonmembers Michael George and Joe Porcaro of Snowmass Lodging Company (SLC) were present for the entire meeting.

Members Present	Unit #	Points	Rental Non rental	= R = NR
Owens	101	1860	NR	
Klein	105	1170	NR	
Blumenthal	106/107/206	3885	NR, NR, NR	
Burns	109	1170	NR	
Lustberg	204	1170	NR	
O. Novo	207	1545	NR	
Hilsinger/Barford	208	1545	NR	
T. Word	304	1170	NR	
Garon	307	1860	NR	

Members Present by Proxy	Unit #	Points	Proxy given To
Canfield	110	1545	R O. Novo
Jacobs	201	1860	R Blumenthal
G. Novo	203	1170	NR O. Novo
Eldean	205	1170	R Blumenthal
Kliewer	212	1170	R O. Novo
Kaufman	213	1545	R Blumenthal
Oleshansky	302	1170	NR O. Novo
Rimland	310	1545	R O. Novo
Fisher	311	1170	NR L. Garon

**TOTAL: (27,720/ 52,515 = 53%)**

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

#### 2. Proof of notice of meeting

Joe Porcaro presented proof of notice of meeting.

#### 3. Reading and approval of minutes of March 3, 2013, meeting.

Management had previously posted the minutes of the March 3, 2013, meeting on the slcassoc.com website. Mr. Blumenthal made a motion to waive the reading of the minutes and approve them as written. Mr. Lustberg seconded, and the motion passed.

#### 4. Report of Officers

The attending members discussed the concepts of building renovation and capital replacements of major components, such as the roof, relative to the investments of nearby competition. The members also had a lengthy discussion about the merits of various improvements scenarios in the context of potential impacts upon real estate prices. Mr. Garon offered to chair a committee of members to restart investigations into renovation ideas and to redistribute the renderings and strategies of that prior plan to the members.

#### State of the Property

Completed projects last year and through this fall

##### 1. Completed projects

- A. Repair seven (7) post-to-grade walkway connections
- B. Completed 1<sup>st</sup> and most of 2<sup>nd</sup> phase of crawl space remediation project
- C. Completed most critical structural repairs of decks and balconies
- D. Installed treated boards in the exterior tie walls by the pool
- E. Repaired the domestic hot water recirculation plumbing line
- F. Repaired minor roof leaks by EN309 and the pool boiler room
- G. Repaired storage room doors
- H. Repaired light in maintenance shop
- I. Performed annual test and inspection on the fire alarm system
- J. Performed annual fire extinguisher tests, recharges, and replacements, as needed
- K. Performed annual safety inspection on elevators
- L. Re-carpeted elevator cabs
- M. Replaced photo cell for common lights
- N. Repaired exercise room heat
- O. Repaired mechanical components of snowmelt system
- P. Replaced pool deck GFCI outlet
- Q. Repaired landscape lights
- R. Repaired plumbing leak over 107
- S. Replaced exercise room carpet
- T. Repaired lobby boiler
- U. Replaced one large broken window pane
- V. Repaired multiple leaks in recirculation plumbing lines
- W. Repaired failed heat tape runs over the garages
- X. Added lighting to crawl space
- Y. Replaced dryer in housekeeping/maintenance shop

- Z. Bought grey key fobs for segregated owner use to open unit front doors
  - AA. Replaced spa pump
  - BB. Replaced pool spa light fixture
  - CC. Cleaned all fireplace flues
  - DD. Washed and sealed pool and spa decks
  - EE. Performed routine monthly testing of emergency lights
- 2. Projects proposed to be completed this spring/early summer
  - A. Continue crawl space remediation project
  - B. Continue structural repairs of decks and balconies
  - C. Consider overlay for all walkways after item B repairs are completed
  - D. East entrance conceptual improvements
  - E. Repair/replace closet doors by front doors, as needed
  - F. Check/replace timer(s) on hot tub
  - G. Add signs at lockers for users to lock them
  - H. Check exterior lights for intermittent faults

#### Financial Position

The Association is undergoing its outside audit at this time and expects neither adjusting entries nor negative management comments. The completed audit will be made available to any member upon request.

Current year operations through the first four months show The Enclave to be on budget with various line item variances offsetting.

There are three units – EN110, EN305, and EN308 - with delinquent receivables, as of the meeting date. Mr. Porcaro or Mr. George has contacted them to request that they bring their accounts current.

The Reserve Fund (unaudited) at fiscal year-end 2012-2013 was \$840,085, after spending \$12,747 on the balance of the new key system. The Enclave also spent \$12,840 on topical re-surfacing of some walkway sections and one of the early engineering costs for the structural post and beam investigation. Subsequent to that investigation, the Enclave expanded its investigations and also initiated repairs to the Crawl Space (CSR) at \$23,445, and to the Decks and Balconies (DBR) at \$8,003 during fiscal 2012-2013.

At present in fiscal 2013-2014 the Enclave has two ongoing Reserve fund projects – CSR and DBR. The strategic plan is to “loan” Reserve Fund cash to pay for these projects and for the members to replenish those funds over two separate three-year timelines. Discussion of the status of these two projects follows under the Old Business heading. The reserve fund after January 2014 has a balance of \$626,244.

#### 5. Election of Directors

Mr. Blumenthal noted that this year two Board seats are open for election – those held by Mr. Novo and Mr. Kaufman – both of whom indicated that they are running for re-election. Mr. Blumenthal asked if there were any other 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. Blumenthal then closed the nominations. Mr. Blumenthal made a motion to nominate the slate of candidates, and Mrs. Lustberg seconded. As the candidate ran unopposed, there was no need to do a paper ballot.

Mr. Novo and Mr. Kaufman were elected to the Board.

## 6. Old Business

### Crawl Space Repairs (CSR)

The Enclave has a three-year replenishment funding program via special assessments to pay for the costs of the CSR. Year one (fiscal 2013-2014) has a special assessment levy of \$81,084 for this purpose, and special assessments for years two and three will be adjusted, so that the costs of the CSR that have or will be expensed to the Reserve Fund will have been replenished by the members over those three years. A summary of the project by the outside engineer is attached to these minutes (Attachment I).

### Deck and Balcony Repairs (DBR)

The Enclave will have a three-year replenishment funding program via special assessments to pay for the costs of the DBR. Special assessments will be levied over fiscal years 2014-2015, 2015-2016, and 2016-2017 to replace the funds “borrowed” from the Reserve Fund to pay for this project. A summary of the project by the outside engineer is attached to these minutes (Attachment II).

Expenditures and estimates of project costs to date are described in Attachment III.

### Insurance

The Enclave continues to be insured under a master policy that includes Woodrun Place and Chamonix. The master policy allows these three properties to share in their combined, aggregate replacement value for the purposes of paying for a claim, while maintaining separate claims history evaluations. The aggregate replacement value of all three properties under the master policy is \$91,736,099.

Of this amount The Enclave has an allocated replacement property limit of \$28,089,810. Under just its allocated limit the Association has average replacement coverage of roughly \$451 per foot, based upon exterior square footages, and including the carports and the arrival center building.

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 there have been any upgrades or improvements to a Unit and/or its contents, the owner needs to insure the value of those upgrades and/or

contents. The Board advises each and every owner to have his insurance agent review existing association policies and that owner's policies 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 \$25 million umbrella. Increased costs of construction are separate from the property limits at \$2,000,000 under the building and ordinance section of the Package coverage. Demolition has a limit of \$2,000,000, separate also from the property limits. For fiscal 2013-2014 the Association purchased a minimum premium worker's compensation policy, primarily to protect against uninsured subcontractors working on site who might become injured.

The Association purchased an outside appraisal during December 2008 for \$250. The results of that appraisal yielded a projected replacement cost of \$320.55 per square foot. This estimate of replacement cost excludes at least site excavation, foundation and site drainage systems, and soft costs.

John Wilkinson of Aspen Neil-Garing 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 Mr. Wilkinson 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.

#### **Status of snowmelt leak**

We have deferred on making repairs to the leaks in our driveway snowmelt system at the east end of the property and instead have had staff members shovel these areas, as time permits. We are investigating cost estimates for the repair work, which will involve plumbing and concrete vendors.

#### **7. New Business**

##### **Other**

Mr. Blumenthal requested that the minutes reflect a reminder to all Enclave members regarding unit remodels, repairs, or renovations. Enclave members must first submit a written request to the Board, prior to commencement of any work, that adequately describes any work in units that would require any disturbance, change, replacement, movement, etc., of any limited or general common element that an owner desires to undertake. The Board will consider the proposal for the work and may, or may not, impose conditions to which the applying member must agree and to which the applying member must adhere in order for the Board to subsequently issue written approval for the commencement of any such work. It is the responsibility and obligation of the applying Enclave member to contact the Town of Snowmass Village Building Department (TOSVBD) to advise the TOSVBD of the scope of work under consideration and to subsequently obtain and post any building permits required by that entity. Members should refer to the Declaration and other controlling documents of The Encalve Association, Inc., for other rules and information regarding such work.

Various members asked about whether or not snow and water dripping off of the roof onto

decks can be addressed. Mr. George noted that the roof lines throughout the property are not conducive to a fix without significant investment in gutters, downspouts, and heat tape. Mr. Garon commented that roof line changes, as a part of an overall renovation, could resolve this problem. Mr. Porcaro advised that diverters in particular locations may reduce dripping onto decks. Management will ask a roofing contractor if there are any other potential solutions to be considered.

Mr. Klein asked if van rides at scheduled times to/from Aspen, for a fee, could be considered. Mr. George replied that management would investigate the possibility of doing a scheduled run at 11:00 AM to Aspen and a 1:00 PM pickup from Aspen.

Motion to Ratify the Acts of the Board and/or Directors

Mr. Blumenthal made a motion to ratify the acts of the Board and/or Directors for the last year. Mr. Lustberg seconded, and the motion passed.

8.     Adjournment

Mr. Klein made a motion to adjourn the meeting at 6:06 PM. Mr. Garon seconded, and the motion passed.

Respectfully submitted,

Mr. Oscar Novo, Secretary