

## THE HOMESTEAD AT SNOWMASS BOARD MEETING

May 23rd, 2019

### I. CALL TO ORDER

Mike Estes, President of the Association, called the meeting to order at 2:02pm Mountain Time. Board members present via conference call were Colin Heggie, Mike Kurzman and Heather Burcher. A quorum existed at all times during the meeting. Barton Craig, 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. Kurzman made a motion to waive the reading and approve the Minutes of the Board Meeting of April 17th, 2019. Ms. Burcher Campbell seconded and after a voice vote, the Minutes were approved as written.

### IV UNFINISHED BUSINESS

#### **Landscape Project-Architect Meetings and Selection**

Improvements that have been discussed at prior Board meetings that have been prioritized are redesign of the Homestead entry flower gardens, the hot tub entry, grass lawns (damages from the constructions project in 2019), tree removal as needed, screening of the new AC condensers, ground cover planting in areas where grass will not grow, improvements and changes to the irrigation system.

Mr. Kurzman and Mr. Estes interviewed the owners of Gorgeous Gardens and Escape Garden Design on May 18<sup>th</sup> to discuss their ideas and provide cost estimates for these projects. Mr. Kurzman felt either company could do the job, but felt that significant money could be saved by using Gorgeous Gardens. Mr. Estes noted that the bid from Gorgeous Gardens was not comprehensive and did not include some significant necessary costs. Mr. Estes also noted that Escape Landscaping offered expertise in all aspects of the projects, and not just in the flower gardens and that they could provide a more unified design.

Ms. Burcher Campbell asked about possibly phasing scope and budgets for these projects over time. Mr. Kurzman expressed that all of the components of landscaping are integrated, so that phasing is problematic. Mr. Heggie dissented and expressed the opinion that phasing and funding over time could be managed via regular reserve and operating fund contributions. Mr. Estes then commented that scopes for particular areas, in his opinion, should be comprehensive, but that there may be value in phasing work by locations.

Ms. Burcher Campbell then commented that after the recent renovation, funding a landscaping renovation needs to be considered in the context of also needing to prepare for the near term funding – perhaps within the next five years - of a roof replacement.

Mr. Estes then commented that his preference would be to accomplish what landscaping improvements can be done without a special assessment, even if that means staging the work by location around the property.

Mr. Craig advised that he has had the current grounds maintenance company begin testing the irrigation system, which has been essentially shut off for the better part of two years. This company estimates that zones can be replaced at approximately \$1,500-\$1,800 per zone, and that the property has approximately 30 zones. This company further estimated that establishing a setback of approximately 3 feet from each building, because of the geometry of the presently installed irrigation system, could be done within an estimated range of \$6,000-\$10,000. Bart Craig then noted that his understanding of the present condition of the irrigation system is that normal seasonal repairs are needed, understanding that the system has been dormant for two years – a reasonable estimate would be approximately twice the expense of what could be expected on an annual basis.

After careful consideration the Board decided to engage Escape Garden Design for the project. The general instruction will be to develop a two year phasing plan in greater detail, assuming an investment of \$125,000 year one and \$50,000 in year two. As noted lower in these minutes, part of the work scope will be to develop an annual maintenance plan.

## **Funds Available for Post Project Issues and Funding Options**

### **Near Term Projects other than Landscaping**

#### **a.) Crawlspace Plumbing repairs**

Per instructions from the Board, the HOA plumber has inspected the 12 crawlspaces that have not already received repairs to plumbing and drain lines supports and replacement of fittings. The conclusion of this inspection is that 3 additional homes (#3, #9 and #12) should be prioritized for repairs, as soon as possible. The estimated cost to perform the repairs is these 3 homes is \$5,000 each, or \$15,000 in total, at

which point 5 of the 14 homes would have been completed. After discussion, the board approved this work scope to be billed the reserve fund.

b.) Asphalt repairs and seal coating

At the previous Board Meeting the Board has agreed to postpone asphalt repairs until 2020. Management will schedule inspection of the asphalt to determine if waiting another year will be detrimental to the overall condition of the driveways and parking lot. This work had been previously estimated at \$14,000-18,000. While this work is not currently scheduled, it is possible that some or all of it may be required this year.

c.) Painting of window frames

Mr. Estes asked Bart if numbers were available to repaint the window frames. Mr. Craig does not have a written bid yet for this work, but he has received a verbal of \$53,000 for the entire building (both levels, and both sides of the property) on all buildings. Mike Kurzman thought that the Board should determine the specifications for the window frame painting specifications, versus asking the painting contractor to establish the specifications. Mike Estes commented that asking a series of bidders to establish specifications for the work scope as part of the bidding process would be a good idea. Overall, the board concluded that deferring this work scope to a later year was a good idea. Mr. Estes then proposed that the board obtain a bid on first floor, south facing windows, only, and then doing further value engineering, as to whether any scope could be deferred.

d.) Water damage to #7 due to gutter drain pipe damage

Early in May a leak was discovered in unit #7 that was caused by a broken connection in the gutter drain piping, which is behind drywall in the unit. The damage to the unit includes drywall, paint, carpet, water mitigation and repair management. The repairs are not complete and the final expenses are not yet known, but are estimated at \$10,000

The damage inside the home was caused by the malfunction of an HOA element (the deck gutter drain line). It seems likely the failed connection of the drain line was caused by the gutter installation, which was part of the HOA Renovation Project. What is not 100% clear is whether the damage and/or insurance claim is the responsibility of the HOA or the Homeowner. Under section 6.1 (2), the Declaration notes that the Association is responsible for Maintaining as a Common expense (for)...incidental damage (to a Unit) caused through Maintenance or lack thereof by the Association. The Board then unanimously agreed (with Mr. Estes abstaining) that restoration of the interior unit finishes that were damaged as a direct consequence of the leak would be an HOA responsibility. The HOA insurance policy has \$5,000 deductible.

### **Total Funds available for Landscape Project**

The Board then considered the merits of establishing a line of credit (LOC) at Alpine Bank to backstop the reserve fund, as a concurrent strategy to using all of the currently available reserve fund for the landscaping improvements and some of the other projects outlined in these minutes. Mr. Kurzman made a motion to approve the acquisition of a LOC in the amount of \$250,000, or the maximum amount that can be approved by the local bank without incurring additional incremental acquisition costs, and that Board President Michael Estes and Board Vice-President Colin Heggie will be authorized as the signers on the Line of Credit. Ms. Burcher Campbell seconded, and the motion passed.

### **Landscape Maintenance for 2020 and Beyond**

The Board expressed general agreement that the chosen landscape designer establish ongoing maintenance specifications for the property. After installation the contract for the annual maintenance of the landscape will be rebid.

### **Update on Project Status from Rudd**

#### **a.) New issues noted**

Some of the units are showing a defect in the stucco at the lower edge of certain walls. This was thought to be due to application being done in late fall, but other units in buildings 2 have shown the same problem. The cause and resolution are being investigated.

#### **b.) Stone replacement and stucco repairs**

Due to start any day now.

#### **c.) Unit entryway coating**

Bob Kaufman and Brandon Watson looked at our spa area once the deck was cleaned and also at a driveway in Two Creeks that was done with the same material. They report that both looked good and are preparing to proceed with the Homestead entry walkways. Mr. Kurzman asked if the owners could also have their back patio done with the same coating at the owner's expense. Brandon will ask Modern Finishes to prepare a cost estimate.

### **Pitkin County Tax Valuations**

Mr. Estes commented that he had done some private analysis of values within the complex and had decided not to challenge the valuation for his unit.

### **Adjournment**

Mr. Kurzman made a motion to adjourn, Ms. Burcher Campbell seconded the motion, and the meeting was adjourned at 4:00 pm.

Heather Burcher Campbell, Acting Secretary