

**SNOWFLAKE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTOR'S
SPECIAL MEETING
March 28, 2011**

Call to order:

Leo Bennett, president, called the meeting to order at 8:55 AM (weather delayed the arrival of some participants). The meeting was held in the IT Offices of Copper Mountain – Commercial space C5.

Board Members Present:

Leo Bennett
Steve Misch
Nancy Barnett
Susan Byers
Jim West

Others:

Tom Malmgren

Overview presented by Leo Bennett:

Leo outlined that the purpose of the special meeting was to discuss the revised bid from Travis Construction for the second and fifth floor ceiling project – this would include asbestos abatement of the ceiling drywall, installation of shut off valves that would allow for stacks of units to be segregated for shut off purposes, and a new suspended ceiling and lighting.

Leo stated that there are risks of proceeding and not proceeding with this work. If we do not proceed, the possibility of a plumbing leak that would necessitate removal of some of the drywall ceiling could put the HOA in a position of having to deal with the asbestos abatement issue(s) in an emergency situation with no ability to seek competitive bids. The probability of having to vacate the building due to this during peak occupancy time periods could be very significant.

The risk of proceeding with this work is that the possible unknowns might cause cost over runs that obviously would put the association in a position of having to proceed forward once the initial decision was made to start the project. The proposal of moving forward with this work using existing reserve funds would cause a modification of the reserve plan that is in place, delaying some planned projects and/or requiring a special assessment from the ownership to replenish the reserve fund to become sound again.

Leo presented a list of “Allowances/Extra Charges” included in the bid that speculated some of the ‘what ifs’ involved. He stated that this total equaled almost 25% of the bid from Travis Construction which = \$81,208.

Leo stated that he is very supportive of moving this forward with a realistic anticipation of the project costing \$90,000 but he would favor simply planning on a \$100,000 budget. There are occupancy challenges of the permanent residents and governing agencies that will dictate exactly what does or does not have to be done.

Leo presented examples four different scenarios which might be representative of what could be presented to owners at the annual meeting (based on doing the project this spring):

- A) Make do with planned funding; No special assessment
- B) Replenish funds, get back on track – do essential planned maintenance
Lobby upgrade – special assessment of residential - \$60,000
- C) Same as B but add asbestos abatement of floors 3 & 4 – New ceiling &

Lighting – special assessment of residential - \$100,000

- D) Same as C – but plan an additional exterior upgrade –
- special assessment of residential - \$120,000

Leo emphasized that these scenarios are not proposals, but examples of the way scenarios might be formatted to be presented to the owners.

Jim West stated that he does not see the need to move ahead so quickly with this work and supports more verification of exactly what will be required. He believes engineering guidance should be obtained and that all governing agency requirements be fully known and understood. Conveying this information to the membership and giving them the opportunity to plan for the ultimate assessment required, dictates slowing this down. He felt that trying to start in less than 30 days was an improper action.

Nancy Barnett, the third and final residential board member, was placed in a rather difficult position of supporting for or against taking action immediately. She expressed that until all of the questions regarding exactly what will be required by governing agencies she would not vote.

The commercial board members, Steve Misch and Susan Byers, stated that while they participated in the discussion the residential board members should be the ones making final decisions on this, a residential issue. Susan did agree with Jim, that trying to move forward as quickly as suggested was not taking into consideration all facts that need to be compiled.

Ultimately, Leo conceded to the time element being extremely short and agreed that until all questions are answered we need to delay. Possibly having the project timed for a fall start could happen, although Jim felt at least a year's delay was appropriate.

The board will continue to do research and get all unknowns possible, answered. It was suggested that at the annual meeting in September the board will recommend a scenario similar to D and go from there.

Susan suggested that the board should engage the services of Dede Tusso, a Frisco based interior designer, to work up the Lobby rehab ideas and get that process moving with a proposal ready for Labor Day and the annual meeting.

Other Business:

Leo circulated, “Rules & Guidelines for Owners and Contractors when working in Snowflake” for the board’s consideration. Jim West moved that this document be accepted. This was seconded by Nancy Barnett and passed unanimously.

Leo next circulated, “Rules for Contractors When Working For the Snowflake HOA” for the board’s consideration. Jim West moved that this document be accepted. This was seconded by Nancy Barnett and passed unanimously.

Leo instructed Tom Malmgren to present this to all contractors doing routine work at Snowflake and have them sign it. All new contractors will be asked to execute this prior to working at the complex.

Discussion of Meeting March 31, 2011 that the board has been invited to:

Leo briefly reminded the board members about the upcoming meeting this coming Thursday where a presentation of future funding for Transportation, Security and Marketing would be presented. The proposal includes a significant increase in the Resort Chamber dues

and a proposed mandatory surcharge be imposed all on taxable sales. Some spirited discussion followed with several board members planning to attend the presentation on Thursday.

Resort Internet:

Leo briefly outlined that Resort Internet communicated that Tom Malmgren had approved a dish installation (for the enhanced television service) on the flat roof of the complex. Tom stated that he had not provided said approval and that he believed this was a board issue/decision, not his. Leo and Tom will communicate with Resort Internet and resolve this matter.

Hallway Doors:

The board instructed Tom to have the rocks that are at the hallway/stairway doors removed and to stop allowing the fire doors to be propped open. Tom responded that he believes this practice has been going on due to the hallways being so warm, especially on floors 2 and 3, but he will follow through with the board's request.

Glycol Leak at shut off valve – unit 201

The board instructed Tom to communicate with the owner of unit 201 regarding a small heating system leak inside their unit, requesting that they have this repaired or the HOA will have it repaired and send them the bill.

Unit 309 Owner's e-mail:

Not everyone had read the e-mail from the owner of 309 requesting drywall repairs inside of their unit caused by a leak at the window wall. Tom stated that he and Cheri had discussed this and he thought the owner understood that it would have to wait until spring/summer to solve the source of the leak and that the drywall would be repaired after the leak was totally resolved. Tom and Leo will follow up with this owner.

Registration with State Agency:

Tom reported that he registered the HOA with the new state agency requiring all Community Associations to file and pay the \$10 fee.

Next Board Meeting:

The next board meeting was scheduled for May 9, 2011 at the IT Offices in commercial space C-5, Snowflake building.

Adjournment:

There being no further business, the meeting was adjourned at 11 AM.

Respectfully submitted,

Accepted:

Thomas J. Malmgren

Leo Bennett

Thomas J. Malmgren, Managing Agent

Leo Bennett, President