

MINUTES OF THE MEETING OF DIRECTORS

OF

THE STONEBRIDGE CONDOMINIUM ASSOCIATION, INC.

The following were present on May 4, 2023

Bill Kritzik	President	
Deb Cote	Vice President	via teleconference call
Jack Fields	Treasurer	
Susie Leonard	Director	
Brittany Greenfield	Director	
Perri Mickles	General Manager	
Kelly Wallace	Assistant Manager	

Owner's present in person or via teleconference call:

Doug Borrer	Building Committee
Beppie Cerf	611 & 631
Gary Greenfield	623
Janice Fuller	912,913,915
David Seglin	703
Robert Delia	812

CALL MEETING TO ORDER

Bill made a motion to call the meeting to order. Jack seconded the motion and Bill called the meeting to order at 9:00 AM.

BUILDING COMMITTEE

Doug Borrer spoke on behalf of the Building Committee and was happy to announce that all the structural work has been completed and punch list items are being completed this spring. The concrete in the stairwells of the 600 & 700 stairs has cracked despite the bonding added last fall. The 900 stairs have minimal cracking. Patching and painting of the stair railing and interior walls are in progress. The Building Committee has communicated to the construction company that a construction default claim may be made against them if it is not remedied.

The 600 & 900 Hallway project is almost complete with the benches which were initially delayed but will be here before we reopen for the summer. The flat roof on the 800 building began leaking again this winter. We received 3 bids and contracted with Umbrella Roofing to replace the tar and gravel roof with a membrane roof. This cost will be paid from the Reserve Fund. The roof has a 20-year manufacturer's guarantee along with a 7-year workmanship warranty from Umbrella Roofing. The work is currently in progress and will be completed before our June 9 opening date.

The last building assessment was completed in 2018. With current inflationary trends, the building committee has suggested that management commission a new study and update the 15 year plan based

on the study. Brittany agreed and Bill felt that this type of study should be routinely done on a 5 year basis.

SUCCESSION PLANNING COMMITTEE

Headed by Deb Cote, the Succession Planning Committee was formed to provide a seamless transition when Mark retires. His proposed retirement is September 2024. Proactively preparing for Mark's departure, the committee met every 2 weeks throughout the winter.

A comprehensive job description has been created and the committee also developed a search plan with a planned implementation for next fall. If any owners have an informal candidate they would recommend, please contact Perri. External and internal candidates will be considered. We are also in contact with a local headhunter.

The committee also identified processes that will aid in the transition of this instrumental position. Establishing an effective communication system will be crucial for owner maintenance requests prior to Mark's departure will be necessary for a smooth transition. A maintenance supervisor position was created and filled with an in-house candidate, Tony Sia. One of the first duties will be to research software that will offer an easy and effective for request to be entered and processed.

WIRELESS and TELEVISION UPDATE

Brittany said that the Wireless Committee is considering proposals, and we are currently on-track for a fall implementation for a wireless upgrade.

NOMINATING COMMITTEE

Bill said that Susie Leonard's first three-year term will be completed this summer. She is eligible to serve a second term and will seek re-election. Bill asked Brittany and Jack to serve on the Nominating Committee. For those interested, please send a letter of interest along with your resume to the Association office at PO Box 5990 Snowmass Village, CO 81615, or email to perri@stonebridgesnowmass.com. Interested parties must have supplied the letter of interest and resume to the Association office by noon on Thursday, May 18, 2023. Ballots will be sent the following week.

INSURANCE REVIEW

Perri and Bill have been researching an increase for our building insurance because of a substantial increase in current building costs and concern about wildfires. Our current broker is unable to offer additional coverage at an affordable price. Perri is working with a broker from Denver to give us a proposal for increasing the replacement value cost for the buildings and supplementing the umbrella policy. We are also looking into protection against cybercrime.

YTD FINANCIALS

With increased rates, strong occupancy, the resort fee, and the owner-guest resort fee, our rental income is over budget. Variable expenses such as housekeeping wages are also over budget. Inflation has also responsible for higher than budget expenses such as supplies and utilities. Overall though, we

had a \$138,000 surplus for our net operating income over the budgeted amount. Excess funds go into the operating and capital improvement funds.

MANAGEMENT REPORT

Kelly gave an update on several programs that have been in the works. A linen program was implemented this winter with much success. Since Covid, guests are hyper-aware of their bedding and want to know that all their bedding has been laundered. Michelle has done a great job working with owners and we have seen more participation than originally projected. We have received positive feedback from owners and guests on this program as well as the upgraded kitchen supply program that was instituted last year.

The Town of Snowmass Village is now requiring all rental units to have a permit. As part of this program, they require each rental unit to pay a \$300 fee, per year, for the permit. TOSV is requiring we get a signature from each rental owner on a Self-Compliance Affidavit and Good Neighbor Guidelines. Kelly will be sending these forms to each rental owner this spring. The forms will be sent via email and will need to be signed and returned to Kelly as soon as possible so that we can continue booking each rental unit.

PACING REPORT

For the 2022 & 2023 Winter season, we were up over 12% in gross sales vs. the 2021 & 2022 Winter season. Both ADR (average daily rate) and occupancy were up contributing to the increase. This January, we are starting to see more guests from Australia and New Zealand. Jack asked how we are reaching these guests. Perri explained that Kelly has connections with tour operators in those countries from her years of hospitality marketing.

For summer, we are pacing 9.5% behind last summer as of April 21, 2023. However, Aspen and Snowmass combined are pacing over 20% behind compared to this time last year. On a positive note, we are outpacing Aspen Snowmass as a whole and our comp. set. We are prepared to pull the trigger on promotions and yield rates if needed.

POOL DECK FURNITURE

Three proposals from different companies were reviewed for new pool deck furniture. The Board liked all three and decided to let management, Perri and Kelly, decide on what they think will offer the best as far as aesthetics, comfort, and longevity. There is a 6 - to 12-week fulfillment period for all three proposals.

Susie suggested that we ask our designer to create a patio set of matching furniture for any owners who would like to upgrade their deck furniture. Management will get photos and pricing and will e-mail owners as well as post on the owner's page of the website for anyone who is interested.

FUTURE MEETING DATES

The July Board Meeting, Annual Meeting and BBQ is scheduled for July 14, 2023, at the Stonebridge Condominiums. The Winter Board Meeting is scheduled for Friday, December 1st, 2023. Other Board meetings and the Owner's Holiday Party are to be decided at the July Board meeting.

OWNER QUESTION & ANSWER SESSION

David Seglin is on the Town of Snowmass Planning Commission and noted that the Mall Transit Center project application has been withdrawn and sent back to the drawing board.

Beppie Cerf and David Seglin would like to challenge the recent property appraisals from Pitkin County and inquired if they could be appealed as a group. Perri said she would look into it and send an email to all owners with the County's answer.

Beppie Cerf commented that the new door locks are different and automatically lock when they close. Perri said she would look into new hardware for the doors in the 600 & 900 buildings as they are different from the 700 & 800 Buildings.

The Shiffmans hired an engineer to look into an issue they are having with excessive heat. Mark has an insulation contractor looking into the heat sources both outside and inside their condo. Janice asked Perri to send a follow up e-mail to the Shiffmans.

Bill moved to adjourn the meeting. Jack seconded and the meeting was adjourned at 10:04.