

Stonebridge Condominiums

Board of Directors Meeting

May 2, 2024

The following were present:

Board of Directors (in person)

Bill Kritzik
Jack Fields
Susie Leonard
Deb Cote
Brittney Greenfield

Owners (via Google Meet)

Ingrid Adkins	925
Rob Delia	812/814
Janice Fuller	912/913/915
Gary Greenfield	622/623
Dania Heredia	942
Arthur Jones	932
Lori Jordan	813
Danial Randa	710/711
Kathy Rudge	601
David Seglin	703
Marla Weiss	724

Staff

Perri Mickles	General Manager
Kelly Wallace	Assistant General Manager
Sheldon Hoelsken	Director of Facilities
Michelle Horcica	Director of Housekeeping

The meeting was called to order by Bill at 10AM. All Board members and the Management team were present.

FINANCIAL REVIEW

Perri did an overview of the Budget and Budget vs. Actuals and said the finances are looking positive. Actual overall revenues were 9% over budget. This winter we were able to provide daily housekeeping.

Housekeeping salaries were down. Michelle had to use outside contractors but even with that expense housekeeping still came in at budget. Maintenance expenses are up however they are bringing in more revenue than in the past. The Pool expenses were over budget but include new covers for the pool, both hot tubs, boiler repairs and a new pool cleaner that were not in the budget.

Between the Alpine savings account and the UBS reserve fund, our current reserves are at \$1,300,000. We recently transferred \$300,000 to UBS which has been deposited into CDs with varying maturity dates.

GENERAL MANAGER'S REPORT

Guests and owners seemed happy and appreciative of the authentic service that we provide. Both repeat guests and first timers expressed their excitement at returning to Stonebridge Condominiums. Thank you to owners who released your dates early as we were able to capture reservations for next year as the guest departed.

Two staff members retired after this season. Pammy retired after 9 years, and Dale is taking over her position in reservations. Kevin has been working with us since 1993 and has retired after 30 years.

We did get our new reservation system onboarded and live in December of 2023. Our focus this winter was to manage the reservations and get owners paid. Now we will begin fine-tuning the system for better back of the house operations.

Short term legislation SB24-033 changing the tax status of short-term rentals went to the financial committee and has died in committee. Perri thanked everyone for sending letters. We do expect there to be other bills introduced in the future. For the TOSV Short-term Rental Permit Program, we saw no enforcement from the town. We were able to use the policy to better enforce occupancy limits within the condos.

The management team has been meeting regularly to work as a cohesive team and improve communication among the departments. As part of our retreat here, we spent yesterday updating our employee manual. Our next management team work sessions will be to update job descriptions and an owner welcome folder. Brittany suggested we add pictures of staff members in the owner's portal. Deb suggested an organization chart. Susie asked about extending hours for our shuttle service.

Bill and Brittany provided updated information on the replacement of the Coney Glade lift with a high speed quad from Fanny Hill. Brittany said the lift will have a midstation with loading and unloading near Spider Sabich. Deb has spoken with people who said Lynn Britt Cabin lost group events because non-skiers cannot access the area. This new lift will allow for foot traffic.

HOTEL OPERATIONS REPORT

We had another successful winter and for the first time achieved gross sales over \$1 million per month for January, February, and March. We also saw an increase in the average daily rate for each of these months. Summer is pacing ahead of last year however June is down. We are hoping to increase June sales with an on-line travel agent that specializes in those wanting reservations within a 30-day booking window, yielding, and email campaigns.

Our guests seemed happy during their stays with very few guest complaints. The team did an excellent job, especially considering the volume of guests we had come through this winter. This season was the first with a dedicated driving/valet department. The candidates we hired turned out to be great additions to our operations team and the feedback was incredibly positive.

The Owner X portal is now live. This portal is an excellent tool for you to obtain information regarding your unit, submit a work order, view monthly statements just to name a few. Please let Kelly or Aron know if you have any issues getting into your portal. We are also working on activating several other features of our new software that should be live this summer. Happy Stays is an app for our guests giving them information on their reservation, check-in, etc., and RevMax which is a revenue management program designed to help us fine tune our revenue strategies.

After about 7 years, it is time for our website to be modernized. Kelly will be undertaking this project this fall. Look for a new refreshed website hopefully by winter 2024 & 2025. Brittany asked that we put this project out to bid.

Brittany asked if the new rental condos in Base Village would affect our rentals. Deb said those units will attract a different clientele. Susie asked how much of our business is repeat business and Kelly said about 50%. Brittany asked how the comp stay initiative for marketing purposes was going. Kelly said to date we have used it for one stay as part of a marketing agreement we have with Aspen Skiing Company. She mentioned that MTS, a large trade show for the ski industry, will take place in SNOWmass Village in 2025 and we will be able to use our comp stays to promote Stonebridge Condominiums during this event.

MAINTENANCE

Sheldon thanked everyone for welcoming him to Stonebridge.

The boiler room project was put on hold from last fall as the department transitioned to a new leader. He has put this out to bid and the project has come back at \$545,000, which is over the original budget. This is due in part to the inflation we have seen in the recent years and a change in the scope of work. Control systems have been added that will allow for remote alarms if there is a failure and the ability to troubleshoot remotely. The snow melt loop will also be separated from the building loop so we are no longer heating the driveway at the same temperature as the building which will bring cost savings with our natural gas bills. This project will take place in the fall off season.

Looking to the future, Sheldon is working with an engineer to determine the needs for the roofs. The most immediate issue is the 700 roof that the maintenance crew patched last fall. He is also working with a stone mason to address the descaling stone throughout the property.

The expansion joint on the upper parking deck has been leaking into the lower deck causing an ice issue. Sheldon has a bid for \$40,000 to seal this to stop the leaks. Jack asked when this would be done and Sheldon said it would be slated for the fall off-season.

We have purchased some loaner appliances to be used when an appliance fails during our rental season. He would like to charge a fee for the use of the equipment that allows a renter to continue to occupy the unit with minimal disturbance. Brittany said that should be a management decision in which Perri can decide and the Board does not need to approve.

Brittany asked about the evaluator coming out. Perri mentioned they will be out in the Fall.

Kevin retires May 3, 2024 and we are sad to see him leave but really happy for him to have the time to pursue his other interests. There is no new candidate yet.

Safety program-- There will be roof training for maintenance, other training will be all team members. As a private pool we do not need a backboard and training however some level of training will take place. Susie suggested lifeguard training for the pool house employees.

Sheldon thanked everyone who filled out the survey, please do fill it out if you have not.

Sheldon is working on expanding options for treatments in the massage room. We were able to get a motorized massage bed that has been minimally used. A pilot program will be launched this summer. We are hoping to see more business in the room this winter.

At the pool, we do have a failure within some of the pipes. Sheldon is still investigating the cause. The boilers are getting cleaned and maintained and should be ready to go by next season.

Jack asked about wifi and Sheldon said we are currently using fiber bridge instead of fiber wiring through resort internet. Susie asked about Roku—we have had very few issues.

HOUSEKEEPING

Housekeeping provided everyday service for guests and owners. The Top sheet program is a tremendous success with about 80% of rental owners in the program. For environmental and cost savings, we moved to Brita pitchers instead of individual water bottles. Michelle calculated this will save the disposal of 5500 water bottles each winter. The Filters are changed twice per year. Brittany suggested water filtration on water taps. Michelle has also moved away from disposable makeup wipes and to black make-up wash clothes to reduce waste and cost. Staffing was successful with the use of contract labor. Michelle is standardizing the main items for kitchens. Each rental unit will need to have a minimum of plates, cups, glasses. Bill felt it is a good idea to standardize and have essential items in each unit. Michelle will be reaching out to owners if there are inventory items needed. Pillows need to be replaced in many condos. The hospitality industry standard for the life of a pillow is 1 - 2 years. Michelle has sourced some good pillow options through Marriot that are also priced well. SHe is happy to loan pillows to owners who may want to test them before purchasing.

Housekeeping prices will need to be increased for owners so that we can break even. Products, laundry, & labor cost have increased 10% roughly. A small renovation to the laundry room will take place this fall for safety and productivity concerns.

NOMINATING COMMITTEE

There is one position up for election this July. Brittany Greenfield has served one three-year term and is eligible for a second term.

Jack and Susie volunteered to be on the nominating committee.

LEGAL COMMITTEE PPP LOAN COMPLAINT

Last fall we, and other local properties, were named as a defendant by a whistleblower alleging that as a homeowner's association, we were not eligible to apply and receive PPP Loans. We filed a claim with our insurance company who provided us with legal counsel along with other parties who they insured. The case was officially dismissed without prejudice in April.

FUTURE BOARD & OWNER MEETINGS

July 11 – 12, 2024: Board Meeting, Annual Meeting & BBQ-- Stonebridge Condominiums

December 12, 2024: Winter Board Meeting—Stonebridge Condominiums

May 7 – 10, 2025: Spring Meeting

NEW BUSINESS

We have been written up by the elevator inspectors because the signage for floors is not consistent among the elevators. Sheldon received a bid for \$11500 for a design package to create consistent signage throughout the entire property as well as including new logo design options. To maintain our elevator certificates for operation, we do have to have that issue resolved by November. Bill agreed the logo needs to be updated. Deb suggested there be better signage at our ski valet. Brittany suggested parking signs.

Wood burning fireplaces are becoming a concern. This winter two local properties had fires, with one right in our backyard. Both fires caused a total loss of building on each property. One fire was immediately determined to have originated within the chimney. The other is still under investigation but the chimney is still being looked at as a potential source. There are still nine wood burning fireplaces in existence at Stonebridge. We need to look at our insurance policy and consider liability & life safety issues. Jack asked for remediation. Sheldon feels it is a Board decision. Bill feels it will become an insurability issue. Deb feels that at some point TOSV will institute a ban on wood burning fireplaces. Bill would like to discuss at a subsequent meeting.

Bill opened the floor for comments and there were none.

Jack motioned to adjourn the meeting. Deb seconded and Bill adjourned the meeting at 11:20AM.