



Board of Directors Newsletter March 11, 2019

Dear SMC Owners:

It is worth documenting in the HOA Newsletter that Snowmass Village is experiencing the snowiest winter of the 21st Century. Skiers are ecstatic, and the complex has been busy with short-term renters who've come to take advantage of the snow. Hikers and other summer people will be anxious to see whether the generous snowfall will alleviate the parched mountain lakes, streams, and rivers that we saw last summer.

This newsletter highlights several items of interest to SMC Owners. First is the final version of the **Capital Investment analysis** undertaken by the Board over the past two years. The full report will be mailed to Owners, and the Executive Summary is appended to this Newsletter. The report, as Owners may recall, was the result by this Board of a thorough review of the current structural state of the complex to identify and outline the areas and potential costs of replacement or repair of essential infrastructure, along with a timeline for doing so. Owners gave input to the process in the form of a survey and extensive commentary to the Board and during the annual HOA meetings over the past two years (2017-18).

Second, the Board wishes to report back to Owners that, effective immediately, a portion of each quarterly assessment for capital improvements (major maintenance funds) will be held in a separate **interest-bearing account** so that funds can accumulate for anticipated structural needs in the future. Owners may recall that this was a suggestion voiced by Owners at the recent annual meeting, and it has now been implemented by the Board.

Third, Owners are reminded that they have ready access to documents that describe thoroughly the monthly and yearly **financial status of the HOA** via the Financial Documents section of the Owners webpage. If you wish to know how closely aligned expenditures are to budget, or where the HOA funds are expended, or which expenses have increased or decreased compared to the previous year, you can find the information on the website. Since his election to the Board in September, Treasurer Doug Mercatoris has worked diligently to increase the comprehensiveness and standardization in the HOA's financial information and to make it available to all Owners. The following reports will be posted to the Owners Website on a monthly basis: Current month vs Budget, Year-to-date [YTD] vs Budget.

Snowmass Mountain Condominiums

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The fourth item concerns **parking**. The HOA continues to experience problems with **parking shortages** for our owner residents, long-term renters, and short-term guests. Adding to the shortage of available spaces is the need of service people to park temporarily near stairwells to the units – UPS, FedEx, plumbers, cleaners, management company personnel, and the like. As many Owners will have experienced, parking within the complex has become an increasing problem over the last few years. In particular, the “guest parking” spaces have become increasingly occupied and finding available guest parking spots for visitors has been very difficult. The Board has instructed the Property Manager to restrict the time that individual cars are allowed to park in the guest spots to less than 48 hours in an attempt to increase the turnover and availability of these guest spaces. However, there is a fundamental problem that a number of Owners and Renters have two cars, and there are not enough spaces in the complex to accommodate them all. The increasing number of full-time residents living on the property is most likely exacerbating the problem. The Board has investigated the option of creating additional parking spaces at various points within the property, but the cost, which has been estimated at about \$30,000 to \$50,000 per space depending on the option, is considered too high by the Board to make this a viable solution.

The Board is currently considering various alternative options to manage this problem:

1. Encourage Owners who are not regularly using their assigned space within the property to share this with other residents who need parking – this type of community sharing could be very effective in maximizing the use of the spaces we do have. *Even if an Owner with a unit in the upper buildings who visits infrequently visits but keeps one car here, a second compact car could park behind their car. It would be best if there was direct communication between the two Owners/Renters involved. If any Owner is interested in this community sharing, please contact the property manager so he can pair up the Owners with an available parking space and Owners/Renters with an extra car.*
2. Remove all parking space allocations and move to a “first-come, first served” basis to maximize parking space occupancy.
3. Strictly enforce the existing rule of “one car per Unit” more stringently, requiring all Owners with two cars to find alternative parking for one of the cars within the Village (except for Owners who currently have allocated parking places under the upper buildings and for whom two cars can fit in these spaces).
4. Determine which Owners and/or long-term renters require space for two cars. Assign the parking spaces beneath the upper buildings to those individuals, but levy an annual surcharge for these “two car” parking spots.

We welcome Owner feedback on this problem and the potential solutions, and any other suggestions Owners may have. At present our property Manager is just about managing this problem by knowing what units are occupied when, and then connecting specific Owners who are willing to share their parking spaces with those who need extra parking, but the Board believes that a more robust solution is needed for the future.

The fifth item concerns **insurance coverage** of individual units. Because there are many new owners – some of whom plan to rent their units – we are including here the following item that first appeared in the February 2016 newsletter pertaining to insurance coverage for unit owners and special advice for insurance coverage for rental units:

“The HOA is insured through Neil-Garing Insurance of Glenwood Springs. Unit owners are responsible for securing insurance for their individual properties. Each year Neil-Garing shares its recommendations for optimal insurance coverage for individual unit owners; their letter is posted to the owner's webpage. Additionally, the Association Declarations contain the minimal requirements for both the HOA and the individual unit owner, and these are also on the owners' webpage. Note also that **carbon monoxide monitors** are required by Colorado law in rental units; owners who rent their units need to be sure to comply.”

Finally, the Board asks Owners to consider running for **election to the Board**. Greer Fox, who has served as a Director for two years and then as Secretary for another nine, is rotating off the Board at the end of the annual HOA meeting in August. Kirk Samsel, whose second three-year term also expires this August, intends to stand for re-election to the Board. Owners are encouraged to talk to any Board member by phone, email or in person to express interest and discuss the responsibilities entailed in a position on the Board.

Property sales of units at the complex continue to be strong, with new owners taking over I-6 and B-2, and A-5 sale is pending. Our complex represents a great value in the valley market and demand to live on our side of the mountain continues to be strong. We bid farewell to the three long-term owners of these units and welcome the new owners to the HOA.

The Board continues to celebrate the strength and beauty of our complex and hopes all owners feel welcome and valued here.

The SMC Board of Directors

Attachment (1): Strategic Plan for Capital Investment 2018: Executive Summary of Owner Feedback and Board Proposals

Capital Investment Plan 2018: Owner Feedback and Board Proposals: Executive Summary

Potential Capital Investment	Owner feedback	Board Proposed Plan of Action
Roof	Owners preferred shingles to corrugated metal. The proposed charcoal grey color was acceptable to most Owners.	The Board proposes replacing roofs throughout the property in the summer of 2022
Windows and Doors	A majority of Owners accepted that wholesale replacement of windows and doors would be needed at some point in the future, but few thought this would be necessary within the next 5 years	A target date of 2025 is proposed for a further assessment of the condition of the windows and doors and the need for phased or wholesale replacement.
Building Exterior	Owners were split evenly regarding whether an external upgrade should ever be carried out. Neither example rendering was strongly endorsed by Owners. Few Owners were in favor this investment in the short term	No further action on upgrading the exterior of the Buildings will be undertaken in the short term. Instead, the Board will focus efforts on developing new color schemes for repainting the buildings. This repainting will be carried out in or before 2023.
Lighting	A majority of Owners were in favor of a lighting upgrade, and almost half of Owners supported doing this in the short term.	The Board proposes moving ahead with an upgrade in lighting fixtures for both upper and lower stairwells, landings, pool area, car ports and decks in 2019
Pool	A majority of Owners were in favor of retaining the pool. 75% of Owners were evenly split between a 5-10 year timeline for replacement and “at point of catastrophic failure”	In view of other higher priority expenditures in the next ten years or so, the current proposal is to wait for the pool to fail to the extent that it cannot be repaired in a cost-effective manner.
Building A upper and middle levels	A majority of Owners were against remodeling to the plans developed by the Board. Comments indicated that Owners thought the cost to be too high.	In view of this and previous feedback, the Board considers this a lower priority item, but will consider some more modest schemes for renovation.
Landscaping	A majority of Owners were not in favor of any additional development of the area behind the upper buildings or planting trees by the lower path to try to hide the back of Seasons 4 buildings.	The Board will continue its current path of exploring ways to introduce greenery around the property, but will not pursue any of the proposals presented in the Discussion Document further.
Financing	Owner’s opinions were divided between paying for capital investments in advance of the work, at the time of the work is done, or with an HOA loan.	The goal of the current Board will be to fund the new roof through the current Major Maintenance/Capital Investment Fund, and to continue to accumulate annual capital assessments to cover the cost of future replacement of doors and windows within the complex.