

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
JULY 28 & 30, 2016**

Bob Lichtenstein called the Board of Directors meeting to order at 3:40 pm, on Thursday, July 28, 2016, in the Lodge at Lionshead, conference room. Directors present were Bob Lichtenstein, Katy Lichtenstein and Mike Steele. Also present was Jeff Bailey of Peak Resort Services, Inc.

Presence of a quorum was established with 100% of the Board in attendance or by Proxy.

Board reviewed the proof of meeting notice.

The minutes of the January 26, 2016, Board of Directors meeting were reviewed. **Motion made by Katy Lichtenstein to approve the minutes as presented. Motion seconded and passed unanimously.**

Financial Report.

Bob Lichtenstein reported that McMahan and Associates will attend the Annual Meeting to present the Financial audit Report.

Budget Proposal.

Management reviewed with the meeting a report on the ten year operating expense history for the Association.

Management presented an operating budget proposal of \$217,776. Management reviewed with the board the expense line items that have changed from the prior year. Bob requested that the operating assessment decision be tabled until the replacement fund study and Capital Replacement projects are reviewed. The Board agreed.

Old Business

Management reviewed with the Board the status of the most recent fire sprinkler system pipe failure that occurred in the building. The mitigating steps taken, as specified by B2CE, engineer, to try and contain the corrosion in the pipes were reviewed.

Bob Lichtenstein reviewed the information received from Comcast on adding the "triple play" package to all individual units. Management was directed to continue to explore this opportunity.

Management reviewed the "Resolution of Members Approving and Authorizing Amending the Condominium Map and Declaration to Implement Remapping". This Resolution was prepared by Association Attorney, Dan Wolf, for vote at the July 30, 2016 Annual Meeting.

Management presented reports on the completed siding and fascia replacement project and a CertainTeed litigation and Class Action settlement recap. **Attached**

Management reviewed with owners the Capital Replacement Project expenses FYE 4/30/16 report. Expenses totaled \$477,854. A \$438,056 replacement fund balance was carried forward in the Association's Replacement Fund. **Attached.**

New Business.

Management presented the Board with a proposal from Colorado Land Art Studio for Successional Landscape Master Plan Study.

Management reported to the Board that the TOV has incorporated a provision of the National Fire Code into the town building code. It requires monitoring for carbon monoxide in all units with fireplaces and/or bedrooms. The Association's existing alarm monitoring panel, shared with Phase I, will not accommodate the combination smoke and carbon monoxide monitoring devices that are now available in the marketplace. Additionally, the Association's Gamewell alarm panel installed in 2003 is no longer being manufactured, so parts may not be available for repairs. Management has collected replacement costs for the alarm panel and all devices on the system. Replacement cost have been included in the Associations Replacement study in the year 2017 – 2018.

Bob presented a request from Phase I to cooperate on an architectural concept study on enlarging the Phase I fitness center and the Phase II sauna/shower area to create improved amenities for Association's use.

Bob requested that the Board table further discussion and a decision on the Landscape Succession plan, alarm panel/carbon monoxide detectors and the architectural study until getting Peggy Sciotto's input on Saturday and having further dialogue with the LAL I Board of Directors.

Management reviewed with the Board the proposed Capital Replacement Projects FYE 4/30/2017. **Motion made by Bob Lichtenstein to keep operating and replacement fund quarterly assessments the same FYE 4/30/2017. Motion was seconded and passed unanimously. Approved Operating Budget and Approved Capital Replacement Projects FYE 4/30/2017 are Attached.**

Nomination of Board of Managers for Annual Meeting.

Mike Steele presented the Nominating Committee Chairperson's report. Katy Lichtenstein and Crys Margolis were nominated for two year terms. This report will be presented during the annual meeting elections on Saturday.

Scheduling of next Board of Managers Meeting.

The next Board of Manager meeting will take place on Saturday, July 30, 2016, immediately following the owner's meeting.

Board Meeting was not adjourned. It will reconvene before the Annual Meeting on Saturday, July 30, 2016 at 9:00 am.

Board Meeting reconvened on Saturday July 30, 2016 at 9:00 am. Meeting place was Lodge at Lionshead unit #360. In attendance were Board of Directors Bob Lichtenstein, Peggy Sciotto, Katy Lichtenstein and Mike Steele. Also present was Jeff Bailey of Peak Resort Services, Inc.

Board reviewed the updated Capital Replacement Study prepared by Peak Resort Services, Inc.

Board reviewed the Landscape Succession Planning proposal, carbon monoxide and alarm panel project and fitness center/bathroom improvement planning concepts.

Adjournment

Motion made by Bob Lichtenstein to adjourn the meeting at 9:32 am. Motion was seconded and passed unanimously.

**LODGE AT LIONSHEAD I and II
SIDING and FASCIA REPLACEMENT PROJECT
BUDGET vs. ACTUAL AS OF 4.30.16**

	BUDGET	ACTUAL	VARIANCE
Phase I Estimate (includes cedar material upgrade \$31,068)	460,397	405,340	\$ 55,057
Phase II Estimate (includes cedar material upgrade \$33,657)	439,502	418,799	\$ 20,703
TOTAL CONSTRUCTION COSTS	\$ 899,899	\$ 824,139	\$ 75,760
PRE-DEVELOPMENT / SOFT COSTS			
Architectural/ Engineering	20,000	17,286	
Legal Fees: Bonds, ROW Permits, Access	3,000	1,334	
Misc Fees: Design Review Fees, Bonds, Reprographics	3,000	0	
Town of Vail Material Use Tax	16,000	9,324	
Building Permit	15,000	6,088	
TOTAL SOFT COSTS	\$ 57,000	\$ 34,032	\$ 22,968
PROJECT COSTS SUMMARY			
Construction Costs	899,899	824,139	
Pre-Development/ Soft Costs	57,000	34,032	
Architectural Construction Administration	12,000	-	
Associations Contingency (+/- 20%)	179,979	-	
TOTAL PROJECT COSTS	\$ 1,148,878	\$ 858,171	\$ 290,707
TOTAL COST ESTIMATE LODGE AT LIONSHEAD I	\$586,976	\$ 422,356	\$ 164,620
TOTAL COST ESTIMATE LODGE AT LIONSHEAD II	\$561,902	\$ 435,815	\$ 126,087

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
SIDING and FASCIA REPLACEMENT PROJECT
COMPLETED COST RECAP**

REVENUES	
CertainTeed Settlement	112,500
1st Payment Class Action Settlement	24,657
TOTAL REVENUES	137,157
EXPENSE CATEGORIES	
Siding & Fascia Replacement	431,827
Architectural Engineering	23,074
Legal	71,998
Destructive Testing	719
Mock-up	2,906
TOTAL PROJECT EXPENSES	530,524
TOTAL COST TO ASSOCIATION	393,367

LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
CAPITAL REPLACEMENT PROJECTS COMPLETED
YEAR ENDING APRIL 30, 2016

REVENUES	
Beginning Balance	\$ 462,032
Quarterly Assessments	55,981
Special Assessments	294,409
CertainTeed Settlement	24,657
#320 Loft Lease Payment	38,250
#330 Loft Lease Payment	38,250
Interest Income	2,331
TOTAL REVENUES	\$ 915,910
EXPENSE CATEGORIES	
Siding & Fascia Replacement Project	
Construction	431,827
Architectural/ Engineering	8,980
Legal	667
Unit C-3 Special Assessment	2,913
Unit #290 Special Assessment	1,303
Fire Sprinkler & Alarm System	13,090
Mechanical Systems	4,415
Pool/ Spa	3,787
Landscape	1,991
Building Wi-Fi	1,710
Legal/ Documents & Condo Map	1,288
Misc. Tools & Equipment	3,409
Project Mgmt & Supervision Fee 2015	2,474
TOTAL EXPENSES	\$ 477,854
ENDING FUND BALANCE FYE 4.30.16	\$ 438,056

LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
PROPOSED OPERATING BUDGET
FOR YEAR ENDING APRIL 30, 2017

	2016	2016	2017
	BUDGET	ACTUAL	PROPOSED
REVENUE			
Assessments	202,395	202,395	204,754
Lease Assessments	11,992	13,022	13,022
TOTAL REVENUE	214,387	215,417	217,776
EXPENSES			
Trash Removal	5,000	4,728	5,000
Snow Removal	2,500	753	2,500
Landscape	9,500	7,112	9,500
Professional Fees - Accounting	4,850	4,960	4,850
Professional Fees - Legal	200	247	200
Office Expense	750	695	750
Management Fee	31,152	31,152	34,267
Insurance	17,635	17,635	18,369
Pool Maintenance	5,500	4,649	5,500
Building Maintenance	16,000	14,607	16,000
Water and Sewer	16,500	17,676	17,500
Gas - pool, spas, site & driveway snowmelt	16,000	10,752	12,500
Fire Alarm & Sprinkler Test & Inspect	3,000	3,250	3,000
Electricity	18,000	18,123	18,000
Common Area Cleaning	9,500	9,256	9,500
Maintenance Man	27,000	28,689	29,000
Elevator Expense	5,000	5,072	5,000
Manager's Office Assessments (Unit C-3)	4,000	5,102	4,000
Director's Fee	0	0	0
Unit 290 Expenses	2,000	1,798	2,000
Miscellaneous/ Contingency Expense	50	0	50
Cable Television	17,700	17,698	18,240
Meeting Expense	50	0	50
In- Room Internet	2,500	1,630	2,000
TOTAL EXPENSES	214,387	205,584	217,776
VARIANCE		9,833	

**LODGE AT LIONSHEAD II CONDOMINIUM ASSOCIATION
CAPITAL REPLACEMENT PROJECTS PROPOSED
YEAR ENDING APRIL 30, 2017**

REVENUE	
Beginning Balance	438,056
Quarterly Assessments	55,980
Interest	2,000
TOTAL REVENUE	496,036
EXPENSES CATEGORIES	
	COST ESTIMATE
Siding and Fascia Replacement/ Final	17,500
Deck Resurfacing	55,000
Paint All Common Area: walls & ceilings	21,350
Condo Map Project	12,500
Tree Removal/ Root Barrier/ Paver repair	5,950
Landscape Improvements	3,500
Building/ Unit Re-Key	3,630
Fire Sprinkler System	3,070
Lobby Stairs: carpet & nosing	2,185
Pool/ Lighting System	2,000
Pool Component Replacement	2,500
Contingency	5,000
TOTAL ANTICIPATED EXPENSES	134,185
ANTICIPATED ENDING FUND BALANCE FYE 4.30.2017	361,851