



PO Box 160099 Big Sky, MT 59716

**Board of Director's Meeting**

March 22, 2012 @ 4:00 p.m. Mountain Time  
Hammond Property Management, Inc. Conference Room

***Minutes***

**I: Call to Order/Quorum Established**

The meeting was called to order at 4:10 p.m. by Brad Fretz.

In attendance were the following Board members: Brad Fretz, Todd Chapman (via conference call), Judy Nilon (via conference call), and Stephen Pruiett (via conference call). A quorum was established.

Also in attendance were Scott Hammond, Scott Foley, Ryan Welch, and Alison Gregory with Hammond Property Management, Inc.

**II: Approval of Board Meeting Minutes**

**a. 12/1/2011 Minutes**

Mr. Fretz made a motion to approve the 12/1/2011 Board meeting minutes. Ms. Nilon seconded the motion. All in favor; motion passed.

**b. Paint Finish Failure with Ice Melt System (Update)**

Mr. Chapman asked about the status of HPM's communication with the President of Thermo Tech USA, Inc. regarding incidents of paint finish failure with the ice melt system as discussed at the 12/1/2011 Board meeting. While the areas of paint failure are limited and generally not noticeable from street level, HPM did contact Mountain Home Technology, Inc. (contractor that installed the system) and the manufacturer, Thermo Tech USA, Inc. multiple times to address the flaking. There has been no response from the manufacturer.

In December, the Board asked Mr. Hammond to once again contact Thermo Tech USA, Inc. and request a formal analysis of the condition of the flaking. Mr. Hammond contacted the President of Thermo Tech, USA, Inc. but there has still been no contact and no response.

The BOD agreed that Ms. Nilon will represent the Board and SPC Association with a letter to Thermo Tech, USA, Inc. seeking remediation. Ms. Nilon will meet with Mr. Hammond the first week of April to identify areas of failure then communicate this in a

letter to Thermo Tech, USA, Inc. again requesting remediation. Further action will thereafter be determined based on their response (or lack thereof).

### **III: Reserve Funding Review**

Mr. Fretz indicated the need for the BOD to periodically conduct a reserve study that reviews the common area items that require maintenance as well as establishing and communicating to homeowners the funding objectives for the bigger tickets items such as roofs and siding. Such a reserve study starts with the identification of all common area maintenance items as well as the associated maintenance and/or replacement costs. Projections are then to be made in terms of when and how much each item will cost, adjusted for inflation. This will, in turn, allow the BOD to best determine how much needs to be funded each year under varying funding assumptions. Mr. Fretz suggested that most upper-end condominium complexes strive to pre-fund 75-100% of known maintenance items. Mr. Fretz said that, from an accounting perspective, this best matches consumption with the associated expense. For example, he said that if you pre-funded 100% of costs straight-line each year and you owned a unit for 10 years, you would have funded your 10 years of usage.

The Board agreed that a reserve study was necessary and asked HPM to provide an estimate to conduct an internal reserve funding study. Assuming HPM can conduct such a study cost-effectively, the Board will evaluate the results, make a reserve funding budget and communicate to the homeowners the funding objective for the major maintenance items.

### **IV: 2012 Project List**

There were no questions or discussion regarding the 2012 project list. It was discussed in detail at the Annual Owner's Meeting.

### **V: New Business**

#### **a. Installation of Bird-B-Gone (HPM)**

Ravens have been building nests throughout the complex and have become a nuisance. HPM would like to install Bird-B-Gone (plastic spikes that prevent ravens from landing) on the end units on the knee braces underneath the soffits. Another option is to tie wire across the knee braces to prevent the ravens from landing and building nests. The Board authorized HPM to install either Bird-B-Gone or wire on knee braces of units #12 and #28 as a test to determine if the Bird-B-Gone or wiring prevents ravens from building nests. If the install of either Bird-B-Gone or wire is successful in preventing ravens from building their nests, HPM will move forward with implementing this throughout the complex.

#### **b. Chimney Inspections Update (HPM)**

HPM received feedback from the chimney inspection subcontractor after chimney inspections were performed in the summer 2011 requesting authorization to perform a more thorough chimney inspection/clean summer 2012. Normally, the subcontractor inspects and cleans the chimney from the inside of the condo. It is recommended that every 5 years the chimney be inspected and cleaned by pulling the caps off of all chimneys and inspecting/cleaning them from the top down. SPC has not had the chimneys inspected and cleaned in this manner and it is recommended to do so for summer 2012. It will cost an additional \$75 per cap. Mr. Hammond also

recommended this be performed. The additional cost would be absorbed in the building maintenance line item.

The Board authorized HPM to move forward with allowing the chimney contractor to perform the chimney inspections and cleaning as recommended for summer 2012.

**c. Concrete Slabs (HPM)**

Mr. Welch has noticed several concrete slabs and front stoops throughout the complex that have cracks in the concrete with some associated crumbling. HPM has also been asked by a few owners if this is an Association responsibility or is it an owner's responsibility to repair. The concrete entry slabs in the front of the unit may be considered a limited common element particularly those that only serve one unit. Clearly the back patio slabs are considered a limited common element.

After discussion, the Board agreed that repairs will need to be addressed in the reserve study with the likely solution (due to cost) involving the repair of several common stoops per year. It was determined that the majority of the concrete problems are aesthetic and do not represent a liability to the Association. However, since the solution is expensive. Ms. Nilon will research the governing documents for the Association and confirm the Association's responsibility as well as the owner's responsibility. More discussion will follow at a later time.

**d. Pool Coping (HPM)**

The pool coping around both the pool and hot tub is deteriorating and needs to be addressed. Mr. Welch has talked with the subcontractor (Dave Hoover; Old World Builders, Inc.) who may have a new product that will help with the concrete flaking around the pool and hot tub. At this point, there is little information regarding the new product, other than it is a rubber membrane coating that is supposed to help seal and protect coping around pools and hot tubs.

Upon commitment from the subcontractor and receipt of the new product, the Board authorized HPM to apply the new product to the area around the hot tub as a "test" area.

More information will follow at a later time.

**e. Schedule of Pool Opening**

The dates for the SPC pool for summer 2012 are as follows:

- The pool will open 6/22/2012
- The pool will close on 9/10/2012

**f. Temporary Access for Boyne/Big Sky Resort**

The Board elected to grant temporary access to Boyne/Big Sky Resort through the eastern access to SPC's property for the duration of the 2012 golf season, solely in order to accommodate vehicular transportation to the golf course maintenance building, with the constraints previously discussed concerning restrictions protecting the safety and well-being of our residents. Passage for golf course employees and the drivers of any delivery vehicles will be limited to business purposes during business hours only, with speeds not to exceed 10 mph, radio volumes kept low, and utmost care exercised

to avoid injury to people or pets, or damage to property. Mrs. Nilon will send a letter to Brian Wheeler in the next few days notifying him of the granted temporary access.

**VI: Adjournment**

Mr. Fretz made a motion to adjourn the meeting at 4:58 p.m. Ms. Nilon seconded the meeting. All in favor; motion passed.