



**Board of Directors Meeting Minutes
Tuesday August 17, 2021 6:00 PM MDT
Via GoToMeeting**

Call to Order:

The meeting was called to order at 6:01 PM, MDT. Board members present virtually included Rennie Fleckman, Kim Northrop, Tuck Mallery, Melissa Warnock, and John Baderman. Other owners included Cliff Clark, Andy Harris, Becca Pape, John Knoedler, Brian Crawford, Laura Melahn, Ethan Jordan, Kaia Lee, Brent Cromley, Lila Prigge, and Jay Frischman. Also present were Doug Shanley, CPA; David Saenz of Montana Construction Management (MCM, representing the HOA); Scott Hammond, and Robbeye Samardich of Hammond Property Management and Patrick Tyvand of Big Sky Resort.

Doug Shanley provided the financial report:

Doug went over the financials included in the meeting packet. Currently, the budget shows to be under mostly due to a timing issue, a big contributor is the water shut off valve which was budgeted with \$9,000.00 but the project has not yet been completed. Initial siding outlays were covered by Phase 1 electives which have been fully paid by owners. The general construction costs so far involve \$381,097.00 paid out of the special account and \$546,855.00 paid from the loan. Shanley estimates that after the siding project the HOA will still have around \$600,000.00 in cash reserves (addendum: Reserves are earmarked funds for roof, road, etc). Rennie Fleckman reminded owners that the steel for the entire project was already purchased and shows in the phase 1 cost. Even with the loan, the HOA is in very sound financial standing.

David Saenz presented an update on the siding project that began April 19, 2021:

Materials to finish phase 1 should be on site by the 24th of August, manpower is still an issue.

Progress on buildings:

E1 – siding and fascia in progress, deck ledger installed, unit 10 patio door installed

E1 – E4 – helical piers are currently installed

E4 – trim work is being done

E3 – helical piers installed for decks, building should be completed early next week

E2 – helical piers installed for decks

E7 – ¾ of Tyvek is complete, windows still need to be installed

F1, F2, E7 – earthwork scheduled to start on 23rd of August

With exception of E7 all windows in E1, E2, E3, E4 and F1 are completed.

The elevated decks will all be completed this building season.

These reports are posted on the Hammond Property Management website at <https://hpmmontana.com/> and providing the password **bighorn**.

John Baderman presented further details. It is a possibility that not all buildings in phase 1 will be completed this year, buildings E5, E6, E8, and E9 might be pushed into phase 2 for next year. Langlas is



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working on a cutoff date by when they will decide on those buildings. Shortage in materials and manpower are the cause for this delay.

Window screens will be installed at the very end to not damage the screens.

Again, due to supply chain issues, garage doors will be installed in all units that will be completed mid to end October. No work will take place this winter. Insurance coverage will be investigated for the eventuality that buildings are left unfinished with exposure to the elements [Addendum: Langlas and MCM are scheduling carefully to avoid any building exposure over the winter]. Possible work on weekends will be explored due to the project being behind schedule

[Addendum: following the August 17 meeting, almost every Saturday has been a workday].

Windows were replaced with the exact same brand as originally installed, however there are issues with inside color and inside trim. Existing windows are darker than the new ones due to years of exposure, some of the new windows have a slightly different profile which causes problems with reusing the original trim. Solutions are being explored. The contract states that indoor trim will be reinstalled; results may not be satisfactory to unit owners. The contract provides for an allowance for inside trim work, there is a possibility of returning this allowance to owners to finish inside trim in their units themselves.

Owner(s) questioned the slow pace of construction and length of time spent per building. John Baderman pointed out that supply chain issues resulted in approximately a six-week delay in delivery of steel, that some fasteners were further delayed, preventing siding of buildings, and that a workforce then had to be reassembled. That is, the apparent time to complete a building has not been representative of time required when supplies and workforce are available.

The Board was questioned about Service Level Agreements in the Contract. Was there a contract or labor supply to measure up to? Rennie answered that our contract, which has been on the website for owner perusal, excludes delays related to Covid, weather, supply chain and labor shortage.

Owner(s) asked about exposure to up-charging [resulting from delays] and pushing the costs through to the HOA. Board members didn't know the answer. David Saenz of MCM responded that if the delays were under the scope of work, he didn't think there's a possibility for upcharge. A follow up question about a force majeure went unanswered.

Completion of all work (with the possible exception of garage doors) is November 19th.

One owner pointed out significant issues with sealing of interior windows. Because of this, further sealing was stopped on all units. [Addendum: As a result, Langlas hired a trim expert for all owners who didn't choose to use their own contractor].

Next meeting: October 19th at 6:00 PM, MDT

Meeting adjourned at 7:02 PM, MDT