

HI COUNTRY HAUS
COMMUNITY IMPROVEMENT AND RECREATION ASSOCIATION
DELEGATE MEETING

Saturday, February 23, 2013 3:00 pm

Welcome and Call to Order: The Board of Directors members in attendance were Dan Madigan, Carolyn Piro, Don Holland, Julie Daehn, Jeff Oehm, Greg Demmin and Bob Mercer. Board members Grant Schwartz and Ryan Johnson were absent. Mark Johnson was also present as Property Manager.

Carolyn introduced Jeff. Started power point. Explained HCHCIRA – all HCH bldgs pay into roads and bridges as well as the rec center. PUD and Rec Center are two separate funds.

Delegates

Review on process: Delegates are elected by bldg to vote on these issues. Each building needs to designate/elect a delegate. Discussion on who the default delegate is.

Responsibilities – attend meetings, gather input and questions from owners, and vote. Both presidents and delegates will receive information on the process/issues.

Next meeting intended – June 22nd 9:00 am at BVM.

Maintenance Review: December, 2012 through January 31, 2013: Mark Johnson went over the various maintenance items that have occurred during the last several months. A pump in one of the hot tubs broke during a deep freeze in January but other than that, there was very little going on overall.

Pool Update: Mark Johnson gave an update on the pool repair work. Vern Pennell implementing adjustable supports, rebuilt the entire floor around the pool. Partnership with Kobe/JVA as consulting engineers. Jeff addressed that problem is building, ventilation issues. Steel rusting is not structural, but beams have rusted. JVA notified of problems in May 2012, determined floor unsafe to walk on. Got a better scope of repair depth before sending someone in to work. Life expectancy of 2+ years of these repairs. Work only addresses structure of pool deck. JVA did beam replacement and rebuilt hot tub room, included electrical and pump, between 1999 and now. Remodel repair work was done on the rec side.

Other problems identified during repair process: Poor building design – no good ventilation. Future concerns – 2012 Cap Reserve study – replace mechanical equipment <6 years – cost to remove equipment more than cost of equipment, steel pool structure/glass roof <8 years (two studies 13 years apart targeted 2019/2020), pool bowl – doesn't have definitive life, rec center (none pool side) roof and gutters <7 years. Need to plan for these repairs.

Future options –

1. Abandon the rec center – remove it then fill up the hole.

- a. BVM – Put together usage charts for rec center, maybe do a comparison with another association with a pool on rates, value of pool vs hot tubs
- 2. Perform a major repair/rebuild/refurbishment on the existing pool structure. If we do this option, will it trigger other problems? ADA problems.
 - a. Replace pool deck, mechanical systems, and install new windows, create under pool access to get to under pool mechanics, ADA compliance – putting in lift to meet 2013 requirements.
 - b. Estimates on price in meeting packets – did not include structure just deck, mechanicals (ventilation systems,) replace windows but not there structure in the same area with new access.
 - c. Delegates – decide on financing, increase dues, onetime payment or combine them to get unit obligation for plans
 - d. Benefits – don't impact property values, less costly than replacement, refreshes existing building
 - e. Risks – continuity with other side of building, code upgrades, planning to address non upgraded area, design flaws in bldg may not be completely addressed, need to look at life expectancy
- 3. Rebuild entire rec center (both sides.)
 - a. Taking structure – removing it and adding new structure, community will decide what will be put in. Maybe meeting space to generate revenue.
 - b. Target estimates depend on what you put in there, architect provided with drawing and estimates closer to 1.5 million.
 - c. Have starting point (not high end resort but comparable to Fraser Rec) - drawings approximately 1.4 million (within 5%,) break down of unit assessment on 1.4m, timeline 18 to 24 months includes decision, construction itself may be under one year
 - d. Key to put new bldg in perfect spot (right next to it may not be efficient,) easements to review
 - e. Benefits – Increase property value, increase rental rates, marketability of brand new amenity, potential revenue from meeting rooms, modern amenities, refreshes replacement cycle of all cap assets, lower maintenance costs
 - f. Risks – Cost, if not completed on time, miss another rental season

Assessments to pay for it – need majority of delegates to pass one time assessments.

Consensus of group – compile financing information to present to owners for all options before a vote. Art Ferrari volunteered to go to banks to get financing options for \$500,000, \$1 million, and \$1.5 million for each unit.

Carolyn took a majority of the opinions of each option to gauge where we are moving toward. Nothing definitive at this point; delegates will get with their buildings to decide which, if any, of the options can be taken out of the running. This will be getting the board to a general direction. In the next month, delegates go to owner's with all information Carolyn has (via email) and send the board emails (from delegates) about

information and questions from the buildings. This is to get good feedback before the June meeting to prep more specific information. Goal deadline of end March.

BVM – Requests to compile pool/HCHCIRA maintenance costs to see if there will be any savings.

Next Meeting: The delegates meeting will be the Annual Homeowners meeting held on Saturday, June 22, 2013. The next meeting of the Board of Director's will be held on Tuesday, March 12, 2013 at the law offices of Hindman Sanchez.

Adjourn: The meeting was adjourned at 5:30 pm.