

**MINUTES TO ANTLERS BOARD OF DIRECTORS MEETING**  
**SATURDAY, JUNE 24, 2017**

Catherine Michela called the meeting to order at 1:00. Other board members present were Helen Wachendorfer, Lori Radcliffe, Susan Hagy Humphrey, Jim Taylor, Rich Buckley and Joe Forish. Kathleen Flynn (#212 owner) called in to the meeting. Staff present included Magdalena King, Tom Schlader, Ryan Kelsey, Liana Moore, Kim Rediker and Rob LeVine, consultant.

Previous Minutes – The minutes of the December 3, 2016 meeting were approved as presented.

Financial Report – Magdalena and Ryan reviewed the advance booking data, which reflected a very strong booking pace for the remainder of the summer as well as next winter. They also presented historical data on assessments and gross revenue, as well as similar comparative data from other Vail properties.

Magda presented the projected year-end financial numbers which showed a surplus for 2016-17 of \$16,450 compared to the budget. She pointed out that those are preliminary numbers and will likely change by the end of the year, but should be on the conservative side. She then presented the proposed budget for 2017-18, touching on some of the highlights which included no change in the owners' assessments nor the rental split. She talked about several new projected sources of revenue. The most significant of those was the reinstatement of a spring cleaning charge for owners. After a number of years of absorbing carpet cleaning, small maintenance items and seasonal deep cleaning by virtue of the rental split, in order to balance the budget for next year it would be necessary to start charging those owners in the rental program for spring cleaning again.

Using the A/V system and Prezi software, Liana and Ryan made strong presentations about the current Antlers marketing and revenue management efforts. After some discussion, the board voted unanimously to recommend approval of the budget as submitted, to the ownership.

Capital Improvements – Tom and Magda reviewed a number of improvements made recently. The current status of the Capital Reserve Fund (\$214,000) was noted, along with the list of future potential improvements. Magda asked that discussion of the elevator project be put off until the end of the meeting, due to its complexity.

Annual Owners Meeting – There was a brief discussion about the annual meeting on September 3, with an anticipated agenda similar to last year's. Helen's seat on the board is the only one up for election. After nineteen years on the board, Helen said that it was time for her to step down. Everyone expressed their appreciation for her many years of service. Magda shared that Jeff Brundage, the owner of #308, had expressed interest in running for the board.

Information Update – Kim reviewed the LQA Unit Improvement status which continued to reflect great progress under her coordination.

Ryan shared information on the parking analysis which had been conducted during the year and reiterated that the Antlers would be testing the waters by charging some guests for parking this winter (those that book through on-line travel agents).

Tom reviewed the need to replace the electrical MDC (Main Distribution Center) for the original building, as well as the meter stacks on each floor. He explained that while there was enough capacity to provide air conditioning throughout the building, the study conducted for that purpose revealed the limited life expectancy of the current equipment. Initial cost estimates were around \$180,000, and the building would be without electricity for several weeks.

Other Business – Magda said that there were no new developments with regard to the arrangement with Ski Butlers and the improvements to the ski locker area which had been discussed in the past, were on hold for now.

Rob gave a very brief consultant's report, referring to the letter which he had recently sent to the board. That provided a segue into the discussion of the elevator project.

Elevator Project – Magda and Rob briefly reviewed the need to replace the south elevator which had been discussed at length in previous meetings. Magda presented the conceptual plans drawn up by Henry Pratt, AIA. She explained the decision to

include a renovation of the lobby/reception/office area, in lieu of alternate locations for the elevator, which had been quickly deemed infeasible.

A preliminary cost estimate had been prepared by Hyder Construction with a value of \$1.68 million for the elevator alone, \$3.23 for the lobby area and \$4.35 for doing both at the same time. The \$600K savings of doing both at the same time did not include the additional costs associated with the impacts of two construction projects rather than one (temporarily closing the building, etc.). Magda stressed that these were very preliminary numbers, just like the plans themselves, which would also likely change before any final decisions were made.

The board was generally supportive of the plans. Joe spoke to the sustainability of the Antlers success going forward and the need to stay competitive with all of the other improvement projects in and around Vail. Jim agreed, referring to a business case analysis with a viewpoint beyond the next ten or fifteen years. With a disclaimer that she was just brainstorming, Susan asked about the possibility of adding a third floor to the two story lobby, and adding employee dwelling units. She speculated that would enable the Antlers to sell some of the existing employee housing on the east side of the building, which have a better view. The difference in price might help subsidize the cost of the whole project. Rich cautioned about adding any uses that would add more parking demand, citing that as a limiting factor. Rich also made the case that it might be better to abandon the existing elevator, rather than try to keep it operational after a new one was in place.

Naturally, there was significant discussion about the cost of the project and a general consensus that the Antlers would need to formulate flexible payment plans with various options for owners to pay their portion of the cost. Rob noted that had been done for all of the Antlers previous special assessments over the years.

Kathleen Flynn asked telephonically to be recognized and then made the case that the owners should be given the opportunity to prioritize the various capital improvement possibilities around the building. She also questioned whether the by-laws allowed for a decision of this magnitude to be made solely in the context of a budget proposal. Staff responded that both those questions would be addressed long before proceeding with any construction.

Finally, Rich reminded everyone that whatever was decided, there would undoubtedly be a vocal minority opposed to the decision. He said that the board should be respectful of those opinions, but not let them unduly sway the desires of the majority, even if those views were less vociferous.

The board then instructed Magda and Rob to develop and implement a communications plan for the owners at large, with the expectation that this would be a major item of discussion at the annual meeting in September.

**Future Meetings** – The next meetings were set for Friday, September 1 at 4:00 and Monday September 4 at 9:00AM to review the annual owners meeting the previous day.

With no other business, the meeting was adjourned at 5:45 PM