



Steamboat Grand Resort Hotel Condominium Association, Inc.
Annual Homeowners' Meeting
Saturday, December 6, 2025
9:00 A.M. (MST)

MEETING MINUTES

DRAFT

- I. Call to order
 - A. Jim Webster called the meeting to order at 9:01am MST.
 - B. Roll Call & Establish Quorum
Board members in attendance: Jim Webster, Stan Poladsky, Dave Sladek, Josh Miller, Jim Smeeding, Jim Dunn & Blair McNamara. A quorum was established with over 20% of the ownership attending in person, on Zoom, or by proxy.

- II. Owner Open Forum
 - A. Carol Moore brought up her frustration with trying to do real estate showings between guests and requested clearer procedures and communication. She also brought up a similar need around maintenance items, and requested clearer instructions about letting someone know when items need repair or attention.
 - B. Allison Grant let management know that the knives in the unit were not usable.
 - C. Jane Howell thanked Owner Services for reliability and being readily available.

- III. Approval of Prior Meeting Minutes – December 7th, 2024
 - A. Minutes from the prior annual meeting were distributed by mail in the packet in advance of the meeting and emailed with the monthly updates. Blair McNamara moved to approve the minutes. Carol Woodfield seconded. Minutes were approved.
 - B. Bud Romberg requested follow up on the leakage in tub 1 and wifi, which were mentioned in the minutes. Hot tub and pool information will be covered later in the presentation. Andrew Barnett addressed the wifi upgrades: two phases have been completed. This included adding more access points to eliminate dead zones and provide for higher speeds. We are still experiencing growing pains, but the upgrade is complete.

- IV. Election of Directors
 - A. Josh Miller (commercial candidate) ran for re-election uncontested. The two candidates for the open residential board seat, Jon Graf and Jon Kurtis, were each asked to speak.
 - B. Owners in attendance were able to ask questions. Greg Hansen asked what the candidates' priorities were in terms of expenditures and balancing income. Jon Kurtis stated that he wants to focus on capital projects and work with internal Grand teams to see timely action. He's been highly involved with contractors in Florida at his association there, and he specializes in planning and development. Jon Graf wants to

keep the condo values up and hopes to bring down overall dues costs to avoid a loss in property value. He expressed concern that people don't buy into the Grand as an investment property. He would like to look at every line item to make sure the overall benefit to the owners matches the cost.

- C. Following the speeches, ballots were collected, and Amelia Nordin began the tallying process while the meeting continued.

V. President's Report by Jim Webster, Board President

- A. Jim Webster gave an overview of the strategic vision of the board and how they work with SSRC/management. There have been many changes over the past few years beginning with the shutdown in 2020—changes like new management with Blair and Kathy, Dave Hunter at the resort, the special assessment and 8-month closure. In the summer of 2024, the board looked at a broader property snapshot around Steamboat as to see how The Grand could improve and stand out. They set forward a 7-year capital plan to do improvements around the property while maintaining needed reserve funds and avoid a future special assessment. This was to address the comments by guests about tired rooms and a worn out feel. Mockups started in 2022 which has led to the current CPLA (carpet, paint, lights & art) project. This is part of a coordinated, consistent design plan for guest room upgrades and visual updates around the property. Key infrastructure projects are also being addressed, including replacing the chillers this year, exterior building painting, roof repairs, etc.
- B. A major goal of the capital plan is to avoid another Special Assessment by anticipating big upcoming projects like the pool and roof replacements. These will be discussed later in the presentation. The pool replacement is targeted for 2028 and its current estimated cost is approximately \$8 million. The roof replacement/repairs doesn't have a confirmed date but is being budgeted for 2029-31.
- C. Because of these reserve allocations and planned improvements, dues are higher than they might otherwise have been. The total current cash reserve is about \$13 million. In 2026, \$6.5 million is allocated to go into reserves and about \$7 million is projected to be spent. The goal of the spend is to stay competitive with more properties coming online in the coming years. Marketing is the responsibility of Blair and the new GM, Joey Andrew, but rental income is highly important when it comes to overall costs.
- D. The board is comfortable with this reserve amount going forward and notwithstanding that costs can change for the unexpected, the current plan keeps everything funded through 2032. Barring any unexpected surprises, projections indicate low dues increases going forward (single digit, 5% or less) which is the current forecast.
- E. Sarah Hansen asked about bathroom renovations and what those would include. These will include a lighted vanity mirror, new backsplash and extra under-sink storage. There is no current plan to replace the tubs, tiles or shower. Floors 3 and 4 will receive these upgrades during the 2026 CPLA closures. Floors 2, 5, and 6 will receive this bathroom work in 2027.
 - o Sarah had concerns on electrical costs and the additional timing required for that work. Andrew commented that there is electrical work to add the lighted vanity, but any form of new lighting will have a cost if the existing electrical needs to be moved and adjusted. This work has already been contracted for 2026 with Haselden. In regards to whether it is a good use for the money, Jim responded that it's a judgement call as to the overall look

and feel of the rooms to achieve the type of guest experience desired for rental revenue sought balanced against the cost of the upgrade. His belief is that this adds a lot to the bathroom lighting and overall appearance and competes well with other upscale hotels.

- F. Jon Graf and Greg Hansen stressed the need for ROI information to justify planned expenditures. Jim Webster clarified that the revenue figures side of the equation belongs to SSRC as the owners' rental manager, and historical or projected revenue figures are not required to be shared with the HOA by SSRC. Rental contracts are signed between individual owners and management, and the HOA is not a party to those contracts. Corky Corkadel raised the example of Mountain Resorts, who do share this information with their owners. The Grand HOA board does not have SSRC's rental revenue projections but the board does feel the justification for upgrades ultimately comes down to a board decision as to either let the hotel property decline over time or to make sensible cost-effective improvements in a building that is 25 years old. In this case, the bathroom improvements are rather modest given we are not replacing tile, showers or tubs. Some owners present requested this information from Blair McNamara as a representative of management. Blair agreed to speak with SSRC's legal team to see what is possible.
- G. Warren Johnson asked what the reserves will look like in 2032 after the forecasted 7-year capital plans. Jim Webster answered that funding is being determined based on both independent reserve studies and on a projection of specific projects during this period which shows adequate funding to meet the costs. The board believes gradual small increases in reserve allocations from the present level are adequate to insulate owners from a special assessment while keeping a reasonable view on what is needed and how everyone wants the Grand to look in the future.
- H. Wayne Traub expressed that the updates so far are helping support the peak room rate. Prior to the upgrades, the price didn't seem worth the product.

VI. 7-Year Capital Improvement Plan and Budget Presentation

(See accompanying slideshow, presented by Mike Swartz and Jim Webster)

- A. Residential Projects Review (2025)
 - Room Upgrades included the carpet, paint, lights & art project (CPLA) and the closet conversions. Jim Webster highlighted the example of the storage and closet conversions—the original furniture upgrade missed the mark on storage. The board accepted this issue as having not been requested of the designers and contractors and sought solutions. It was determined that the closet space was inefficiently used and presented an opportunity to address storage needs at a reasonable cost. These closet conversions are going into rooms that have been determined to need the storage. It won't be every room and is not completed yet. Floors 3 and 4 will be done in 2026.
 - Artwork is all local, not the same old pieces. The replacement was done to address the issues with the current art, which didn't match the interiors, was outdated, and unframed. We believe they provide a unique visual for the guest experience.
 - The King room TV conversion upgraded the small TVs in the cabinet by adding an insert above the fireplace and mounting a 55" TV.
 - The Owner's Lounge Upgrades followed responses from a survey of owners and is a space we are proud of. It adds value to an ownership.

- The Guest Laundry was updated from a dingy space into a pleasant, new asset. New lighting, flooring and machines have been installed. The machines are now free for both guests and owners in residence (though detergent is still a charge).

B. Common Projects Review (2025)

- Projects this year in common spaces included the chiller replacement project, stairwell painting, additional security cameras and landscaping improvements.
- Andrew Barnet talked about the chiller replacement. It's the driving force behind our A.C. on property. The original chillers were replaced with magnetic bearing chillers. These work more efficiently and are higher tech and shouldn't need to be addressed again for 25 years. Jim Webster discussed that such preventative maintenance needs to be standard part of our planning. The board takes recommendations from internal and external teams to determine the risks and plan ahead—for example, can the chillers make it a few more years? What's the risk of them giving out during a peak summer week when AC is vital? The contract for this chiller replacement was signed a year ago and saved \$75,000 in tariffs by getting out ahead of the new tariffs.
- Some landscaping work was done this year, but it is recommended that more attention is given to the back of the building where guests and groups use the space in the summer.

C. Reserve Funding & 7-Year Plan

- Residential: Future projects could include a floor replacement plan in the bathrooms such as an LVP overlay. About 30-40 rooms have an issue with cracking. Cracked tile can't be repaired/selectively replaced. The room ceramic tile would need to be covered with LVP or re-tiled. Further penthouse upgrades will be coming soon. There will also be updates to linens, utensils, dishes, etc. through the rental program/4% fund. The replacement process is pending phased approach due to wanting to avoid different aesthetics at the same time.
- Common: There are ongoing, low-cost lobby updates including furniture, paint and signage. We anticipate that the building will need to be painted in 2027, costing approximately \$2.4 million. Farther out, there will be a boiler replacement and cooler tower replacement. We would also like to do some changes to the patio sliding doors.
- Pool Replacement: Andrew Barnet addressed the leakage in tub 1 and the pool. In 2018, tub 2 failed and needed replacement due to excessive leakage. In 2023, that same issue was discovered in tub 1, leading to increased monitoring and planning for eventual replacement. A full pool and hot tub replacement is currently scheduled for 2028. Tub 1 is measuring 3,000 gallons of leakage a day, which is half the volume. This year, American Leak Detection did surveys and gave us an extensive report on tub 1's structure and plumbing. As well many leaks were identified on the pool deck from the snow melt system. The pool itself is also leaking, though less severely than tub 1. It is prudent to begin putting together a team to design the new

pool/tub/deck setup. We received two independent quotes for design costs and intend to get a third. The consultants we have spoken with about different scenarios suggest there is significant risk to addressing just one item (like just tub 1 or just the pool deck), since everything is connected. Haselden, our partners in many projects, ran rough pricing for replacing just tub 1 or just the deck and well as for the whole pool, deck, and tubs, and it was not a significant difference in price. We are currently in an investigation and design phase while planning the project.

- Owners in attendance had a variety of questions and concerns about the pool. This included:
 1. Where the water is going/if it's causing damage.
 2. The costs of water loss and heating and whether this has changed drastically since last year?
 3. Whether SSRC will be paying proportionally for the replacement.
 4. Whether design is necessary/how much is being spent on that portion of the project.
 5. If owner feedback will be considered on the design.
 6. Whether we have considered closing tub 1 until the repairs can be made.
- Andrew Barnett answered that
 1. We don't know exactly where the water is going, but studies have been done to sample the soil and mitigate danger. Water appears to be sinking into the ground and making it to the perimeter drains North of the building.
 2. In relation to the whole hotel, the cost of the water and the heating are not significant, but it is a cost.
 3. SSRC will be paying ~18.5% of the project total through their responsibility to common dues.
 4. Design is expected to be roughly \$200-\$300k. It is primarily engineering/structural design (not aesthetic)—we do not anticipate the appearance of the pool to change significantly. We do not want to repeat the design flaws that have led us to needing to replace the pool. The pipe issues, failing hot tub structures and lack of snow melt are all design issues that we are hoping to rectify. Two bids have been received and a third is being sought to be sure that the HOA is getting the best deal.
 5. Yes, we anticipate seeking/considering owner feedback.
 6. We are not currently considering closing tub 1. The leakage is currently manageable.
- The current timeline is based on the lead time for contracts, budgets and the need for group sales to inform future groups of the pool closure. We currently anticipate that the closure will take at least 4 months, currently planned for an April start to avoid additional winter costs, even though that will impact popular summer months.

D. 2026 Operating Budget

- Mike Swartz spoke about the two operating budgets, Residential and Common. Residential Owners pay 100% of the residential budget.

Commercial Owners (SSRC & the first level shops) pay 22% of the common budget and residential owners pay the rest. Budget is determined in a process largely governed by the property management agreement and Mike works with SSRC to determine labor.

- See slide 19 for a chart of dues and special assessment costs over 2024, 2025, and 2026.
- Residential owners who were NOT paying special assessments in 2025 will see an increase of 2% in 2026. Residential owners who were still paying special assessments will see a reduction in total overall payments of 24%.
- Commercial owners who were NOT paying special assessments in 2025 will see an increase of 1.3% in 2026. Commercial owners who were still paying special assessments will see a reduction in total overall payments of 39%.
- We anticipate low, single-digit increases over the next 4-6 years while keeping on pace to fund our reserves.
- The Property Management Agreement is up in 2027.

E. Real Estate Update – Kat Murphy – Steamboat Sotheby’s

- Kat was invited to speak as an agent who has worked frequently with the Grand for many years (over 200 sales since 2008) but does not own a unit, making her a kind of neutral third party.
- She presented on the prices, sales, and unit values over the last few years.
- Price fluctuations are generally consistent with real estate throughout town. Currently, there are about 20 shares on the market, which is quite low in comparison to other times in the Grand’s history.
- She has seen most sellers since COVID in a position to have equity when they sell. The biggest jump in prices comes from 2020 and 2021.
- From the MLS sales statistics, it appears that the Special Assessment did NOT ruin sales.
- From what she sees, Kat believes that the Grand is heading in a positive direction and that all the planned improvements will keep it popular.
- Values should continue to rise since the price to purchase at The Grand is still low compared to other properties in the surrounding area (The Amble at >\$2,000/sf and Torian Plum at \$1,300/sf were referenced).
- Days on the market are generally good, with most units selling in a couple of months. Larger units are harder to sell.
- We have not seen a price difference between the upgraded units and not upgraded units, probably since buyers know they will be getting the upgraded product on a schedule.

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VII. Election Results and Board to Appoint Officers

- A. Jon Kurtis is elected to the open Residential Board Director seat.
- B. Jon Graf is invited to participate as a non-voting member and to give input on the budget process for next year.
- C. The board also welcomes Josh Miller to the board following his reelection to the Commercial seat he was appointed to a few months ago.
- D. All board members to continue in their same officer positions, with Jim Smeeding taking the Secretary role from outgoing Board member Dave Sladek.

E. The board introduced Joey Andrew, the new General Manager of the Steamboat Grand. He has a lot of experience with hospitality and management and comes to us from One Steamboat Place, where he helped create a hospitality culture that achieved a 90% NPS (“Net Promoter Score”), which is extremely high for the industry.

VIII. Motion to Adjourn

A. Blair McNamara motioned to adjourn. Jim Webster Seconded. Meeting adjourned at 11:56 am.