

Sun Vail Condominium Association
Board Meeting Minutes
Wednesday, June 23, 2021, at 4:00PM MT
Via Zoom.us

BOARD MEMBERS PRESENT VIA VIDEO CONFERENCE CALL: Jennifer Barp, Mike Block, Sharie Grant, and Brian Wilson

ALSO PRESENT VIA VIDEO CONFERENCE CALL: Dan McNeill, Managing Agent, Dave Zippie, CPA, and Sara Thurston McNeill, Secretary to the Meeting

BOARD MEMBERS NOT PRESENT: Charles Croney

- I. Roll Call. With four of five Board members present by Zoom, a quorum was established. Jennifer Barp called the meeting to order shortly after 4:00PM.
- II. Review and Approval of the Minutes of the April 15, 2021, Board of Directors Meeting. These minutes were drafted by Jennifer Barp and circulated to the Board for review prior to the meeting. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE APRIL 15, 2021, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.
- III. Review and Approval of the Minutes of the April 21, 2021, Board of Directors Meeting. These minutes were drafted by management and circulated to the Board for review prior to the meeting. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE APRIL 21, 2021, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.
- IV. Financial Review. Dave Zippie, CPA prepared and presented the current financials (May 31, 2021) to the Board. According to the Balance Sheet, the association has \$717,933 in total assets, liabilities and equity, including \$555,109 cash in the bank, \$18,631 in accounts receivable, \$118,947 in fixed assets and \$25,246 in prepaid expenses. Dave noted that Garage Unit #3 sold in May for \$85,000 so a portion of fixed assets has been reduced. Garage Unit #4 sold in June, so that will be reflected in the next set of financials. The gain of these sales is reflected in the Reserve Capital Fund.

In terms of accounts receivable, there are two owners who still owe for the second and third quarters; four other owners owe for the third quarter. Management has been in contact with these owners. Late fees and interest are being applied, per the Collections Policy.

The Income Statement reveals that eight months through the fiscal year, the association has a net surplus of \$69,394 in the operating account. This compares to a budgeted surplus of \$13,011. Therefore, the association is \$56,383 ahead of budgeted expenses. Landscaping, Interest Expense and Snow Removal line items are all under budget. Dan suggested that the Board consider some frontal landscaping upgrades (per a recent owner suggestion) with some of the landscaping savings.

The 2020-21 fiscal year beginning balance in the Maintenance Capital Reserve Account was \$280,185. Funding through regular assessments totals \$36,000 so far, \$146,947 was added from the 2019-20 fiscal year-end operating surplus, \$82,866 was added from the gain on the sale of Garage Units #3 and #6 and \$7 in interest has been earned. Capital expenses total \$58,846 so far and include \$4,208 for the Xfinity conversion project, \$30,543 for the remodeling of Garages 3 and 4, \$10,833 for roof consulting work, \$588 for asphalt repairs, \$4570 for walkway paver repairs, \$4,013 for jetting of sewer lines, \$7109 for retaining wall work, \$888 for tree removal, and \$6,094 for a new pool heater. The ending balance in the Maintenance Capital Reserve Account is \$477,159. After discussion, there was consensus to reclassify the walkway paver work to the operating account since these repairs are done on an ongoing basis.

Dave Zippie will send a draft of the proposed 2021-22 fiscal year operating budget to the Board for review prior to the next Board Meeting.

V. Manager's Report. Mark Sauerman, Maintenance Manager submitted the following report along with the updated Projects List to the Board via email prior to the meeting:

- The pressure reducing valve and the backflow preventer for the pool house are in need of replacement. This is on the schedule for late tomorrow morning.
- I had a mandatory inspection that was initiated by the Vail Fire Department on June 10th. Most of the alarm system is in good condition and passed but they are making us do some drywall repairs in mechanical rooms and some other minor items. I will get this work completed this week. There will be a follow up visit to make sure we address these items that were all existing prior to us taking over management.

- There have been a few recent issues with the fire alarm system. There was a renter in Unit 33-E that removed the smoke detector from the ceiling which caused the alarm to go off and I had to manually silence the panel twice a day so it wouldn't disturb the owners of Unit 11-E until I could get the device replaced by Johnson Controls (which took two weeks). My time for this was billed to the owner. There was an issue with the 3rd level west side pull station in Building C that literally caused over 100 trouble signal emails from the monitoring company. I met with Johnson Controls and got the issue resolved. Most recently there was an issue at Building A where the fire department and I were dispatched at 2:30am. By the time I arrived at 2:50am the fire department had already left. I investigated it the next day with a tech from Johnson Controls and we found out that the renter in Unit 14-A had been running a humidifier in a closed bedroom. Mike from Berkshire Hathaway Home Services (the rental management agent) happened to be in Unit 14-A during the investigation. We explained to him what happened, and I asked him to remove the humidifiers. He said that he could not do that. We do continue to get the random nuisance trouble signal emails from time to time that usually restore themselves.
- The loose pavers on the stairs continue to be an ongoing issue. Currently, there are not any loose pavers that I am aware of after the last round of recent repairs. This will continue to be a liability until something permanent is done to the stairs and walks.
- All of the annual flowers were planted last week. The hanging baskets for the pool area should be ready and delivered early this week.
- We found a lot of irrigation issues related to the Xfinity trenching project from last fall. The repairs have been made and the invoice will be sent to Xfinity. They are fully aware of this.
- The common bathroom, shower and sauna are now open, and management is cleaning them three times a week.
- Corey continues to service the pool and hot tub seven days a week.
- It sounds like there are roofing supply issues and Arapahoe will not have the materials for the Building A, B and C roofs until the end of August.

Dan reviewed the Reserve Study with the Board. Capital projects under consideration for the 2020-21 fiscal year include the conversion of Garages 1 and 2 from office space to garage spaces, the installation of a security camera system, new hallway carpets and the pool fence / gate project. The first phase of the Roof Replacement Project is also slated to

begin at the end of the summer 2021 with the remaining buildings to be done in the summer of 2022. Dan will also get a landscaping architect's proposal for bed upgrades and arborist's report on the health of the existing trees on the property.

The work for the pool fence and gates is scheduled. The roof replacement for Buildings A, B and C is somewhat delayed due to materials, but will be completed this year prior to winter and WITHOUT the need for a special assessment. The Board decided to table a decision on the security camera project and will present the proposals to the membership for consideration at the upcoming Annual Meeting. It was duly noted that a secure internet connection will be required for any cameras installed at the pool and hot tubs.

The Board approved the conversion work for Garage Units 1 and 2 (at the same cost at the work for Garages 3 and 4 with Timberlee Construction). The association plans to retain ownership of one of the garages until the Declarations for the Sun Vail Garage Condominium Association can be amended. Currently, these Declarations require the SVCA to own at least one of the units in the Garage Association in order to control its management.

- VI. Other Business. The Board discussed some recent code violations issues, including whether or not benches are permitted in the common hallways. Several homeowners have these types of furnishings set near their front doors for the ease of taking off ski boots, etc. Under the current House Rules, benches are permitted. One owner, however, has an oversized bench with an upper rack that partially blocks the opening to the front of the building. Management was directed to ask them to replace this with a smaller bench.

Per the discussion held at the April 21st Board Meeting, management has notified the owner of a fire pit that this device is not permitted by either the SVCA or the Vail Fire Department and has asked the owner to remove it as his earliest convenience.

The Board recently send a communication to all owners regarding a proposed Amendment to the Declarations calling for a minimum rental period of three nights and possible approval of an annual rental fee to help cover increased operating expenses that result from rentals. The Board has asked for comments from all interested parties. The comments are being received and will be discussed by the Board at the next Board Meeting.

Brian Wilson gave an update on the Vail Resort Rentals / Dale Bugby lawsuit. The court has issued a final Satisfaction of Judgment and the legal process is now complete. The association's insurance company (American Family Insurance) paid total damages of \$12.34 to the plaintiff and covered all legal fees associated with the lawsuit.

The next Board Meeting was scheduled for Tuesday, July 13, 2021, at 4PM MT. The meeting will be held via Zoom.

The 2021 Annual Meeting is scheduled for August 21st, 2021, at 1PM MT and will be held via ZOOM. Three seats on the Board of Directors will be up for election: Jennifer Barp, Brian Wilson and Mike Block. Jennifer indicated that she will not seek re-election. Management was directed to send out a request for volunteers with the Annual Meeting Notice on July 21st.

VII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 5:20PM.

Respectfully submitted,

Secretary to the Meeting