

Sun Vail Condominium Association
Board Meeting Minutes
Wednesday, February 24, 2021, at 4:00PM MT
Via Zoom.us

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

ALSO PRESENT VIA VIDEO CONFERENCE CALL: Dan McNeill, Managing Agent, Dave Zippie, CPA, Mike Gardner of CMW Roof Consulting and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With all 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 December 9, 2020, 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 DECEMBER 9, 2020, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.
- III. Financial Review. Dave Zippie, CPA prepared and presented the current financials (December 31, 2020) to the Board. According to the Balance Sheet, the association has \$646,325 in total assets, liabilities and equity, including \$425,578 cash in the bank, \$18,107 in accounts receivable, \$163,307 in fixed assets and \$39,333 in prepaid expenses. The loan to Alpine Bank is now fully paid.

Dan reviewed the list of owners in arrears with the Board. There are several owners who are over 30 days past due. Management has been in contact with them (except for one new owner for which no email address or cell phone number has been provided). Late fees and interest charges are accruing, per the Collections Policy.

The Income Statement reveals that three months through the fiscal year, the association has a net surplus of \$27,115 in the operating account. This compares to a budgeted surplus of \$8304. Therefore, the association is \$18,811 ahead of budgeted expenses.

The 2020-21 fiscal year beginning balance in the Maintenance Capital Reserve Account was \$280,185. Funding through regular assessments totals \$13,500 so far, \$146,947 was added from the 2019-20 fiscal year-end operating surplus, \$41,396 was added from the gain on the sale of Garage Unit #6 and \$7 in interest has been earned. Capital expenses total \$25,736 so far and include \$4208 for the Xfinity conversion project, \$10,833 for roof consulting work, \$588 for asphalt repairs, \$4013 for jetting of sewer lines and \$6094 for a new pool heater. The ending balance in the Maintenance Capital Reserve Account is \$456,299.

IV. Manager's Report. Mark Sauerman, Maintenance Manager submitted the following report via email prior to the meeting:

- I have not received any reports of unit-to-unit leaks since the last update. All of the repairs related to past leaks are fully completed including restoration.
- I have not received any reports of roof leaks.
- There are currently no issues to report with the pool or hot tubs. Corey is still servicing the pool and hot tubs 7 days a week and Charles and family are still closing the facility 7 nights a week. It seems to be getting plenty of use as Sun Vail remains a very popular place to stay.
- We did have a decent amount of snow this month. I have had the front-end loader out twice (since my last report) to push back and move snow piles from plowing.
- We are having issues with loose pavers on the steps. This is a perpetual problem during the winter months. We do our best to identify these and mark them with cones. Last week was too cold to address but AMMI will be out tomorrow to make repairs. It is still not ideal weather, but we need to keep up with them as much as possible.
- I recommend that we do some preventative roof shoveling by removing the snow from the perimeters and making sure that the entries to the roof drains are clear.
- All heat tapes are currently working and heaters in common water meter/fire sprinkler rooms are working.

- We continue to get the occasional trouble signal from the fire system in Buildings A, B and C. These are the buildings with wireless devices. I do investigate and most of the trouble signals restore on their own.
- The Garage Conversion Project will be starting next week. It took a very long time to get the building permit from the Town of Vail.

Dan reviewed the Reserve Study with the Board. Capital projects under consideration for the 2020-21 fiscal year include the conversion of Garages 1 through 4 from office space to either garage spaces or storage units, the installation of a security camera system 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.

Mike Gardner then joined the meeting to discuss the bids garnered for the Roof Replacement Project. After review, there was consensus to go back to Arapahoe Roofing (bidder with the lowest price) after Dan recommended them based on the professional work they recently completed at Chapel Square Building B in Avon. The Board asked Mike to go back to Arapahoe to see if they would hold their contract price steady for two years, phase the work to address the oldest buildings first, and to give a cost to replace the roof on the garage buildings in 2022.

The Board had some questions for Mike about his scope of work as consultant. Once the bidding process is finished and the contract signed, Mike plans to meet on site with the contractor for a preconstruction meeting to identify the areas where materials can be stored, how parking will be allocated and what the allowable construction hours will be. He will periodically make site inspections as the work on each building progresses and will make a final visit to compile any punch list work. He estimated that the first phase of work will include 11 site inspections. Each building should take between one and one-and-a-half weeks to complete.

The Board plans to make a final decision on the roofing project at the April 21st Board Meeting.

V. Other Business. Construction related to the Garage Conversion Project is slated to begin on Monday, March 1st. A roll out dumpster will be placed in front of Garage Units #1 through #4 and demolition of walls, flooring, electrical heaters, air conditioning units and ceilings will occur. The electrical panel will be replaced. Units #3 and #4 will be converted to usable, sellable garage spaces with concrete floors, drywall on the walls and

ceiling, working electrical service, an overhead light and an overhead door. After discussion, there was a MOTION: TO ENGAGE SARA THURSTON McNEILL AS THE REAL ESTATE BROKER TO SELL THESE TWO GARAGE SPACES AT A LIST PRICE OF \$90,000. The motion was duly seconded and carried unanimously. It was duly noted that the garages can only be sold to Sun Vail Condominium owners. The listing period will begin as soon as a certificate of occupancy has been issued from the Town of Vail.

Jennifer Barp noted that the draft of the Rental Agreement that was sent to the association's legal counsel for review. She is awaiting his response.

Brian Wilson gave the following Lawsuit Update:

The initial lawsuit by Dale Bugby & his companies against the Sun Vail Condominium Association; Brian Wilson and Barry and Jan Coleman (March 2017) culminated in a two-week jury trial during April 2019, with Bugby et al vs. Barry and Jan Coleman and Brian Wilson. At trial's end, the jury found homeowners Barry and Jan Coleman and Board member Brian Wilson liable for defamation and civil conspiracy. However, minimum economic and non-economic damages of \$1.00 to \$4.00 were awarded to Bugby et al, totaling \$14.00 per person for the Colemans and Wilson. On May 3, 2019, Bugby et.al. filed a motion with the court for a new trial, exclusively for damages. This motion was denied by the Court on July 2, 2019.

On August 5th, 2019, Bugby filed a motion with the Colorado Court of Appeals for a new trial for damages only. Oral arguments before the Appeals Court were heard on January 27th, 2021. The Appeals Court judges rendered their decision on February 18th, 2021, which affirmed the previous jury's verdict, thereby denying Bugby's appeal. Under the appellate rules, Bugby has the option to file a petition with the Colorado Supreme Court within 42 days from the Appeals Court decision.

VI. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 5:10PM.

Respectfully submitted,

Secretary to the Meeting