

Sun Vail Condominium Association
Board Meeting Minutes
Wednesday, February 26, 2020, at 4:00PM MT
MPM Office and Via Conference Call

BOARD MEMBERS PRESENT VIA CONFERENCE CALL: Jennifer Barp, Mike Block, Charles Croney, Tanya Hill and Brian Wilson

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent, and Sara Thurston McNeill, Secretary to the Meeting and Shari Grant (Unit 13-E)

ALSO PRESENT VIA CONFERENCE CALL: Dave Zippie, CPA and Mike Gardner of CMW Roof Consulting, Inc.

- I. Roll Call. With all five Board members present by telephone, a quorum was established. Jennifer Barp called the meeting to order shortly after 4:00PM.
- II. Review and Approval of the Minutes of the November 6, 2019, 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 NOVEMBER 6, 2019, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was duly seconded and approved unanimously.
- III. December 31, 2019 Financial Review. Dave Zippie, CPA, prepared and presented the December 31, 2019, financial reports, representing the first quarter of the current fiscal year. According to the Balance Sheet, the association has \$544,472 in total assets, liabilities and equity, including \$305,830 cash in the bank, \$11,810 in owner assessments receivable, \$8244 in garage rent receivables from Vail Resort Rentals and \$4933 in prepaid expenses. Fixed assets totaled \$213,655. The balance on the loan to Alpine Bank is \$77,935 (a payment of \$40,000 was made after the sale of Garage Condo #5 last fall).

Dave noted that as of the date of the meeting, there are three owners in arrears. Two of these owners owe for the last two quarters and the third owner is on a payment plan and

getting caught up. Notice of Demand letters have been sent to both owners who owe for two quarters.

The Income Statement reveals that the association currently has a net operating surplus of \$26,623 in the operating account. This compares to a budgeted surplus of \$17,416 at this point in the year. Therefore, the association is \$9208 under budgeted expenses. Overages have been experienced in the DirecTV Equipment Payments, Landscaping and Snow Shoveling. Savings have been achieved in Natural Gas, Interest Expense, Maintenance Buildings, Fire Alarm Systems and Maintenance Pool.

The 2019-20 fiscal year beginning balance in the Reserve Capital Fund was \$118,733. Funding through regular assessments has totaled \$13,500 so far, \$150,000 was added from previous years' net operating surpluses and \$8 in interest has been earned. 2019-20 fiscal year-to-date capital expenses total \$25,647 and includes \$2032 for the balustrade project, \$3290 for roof repairs, \$19,995 for a new snow melt boiler and \$330 to update the professional reserve study. The current fiscal year ending balance in the Reserve Capital Fund is \$256,594.

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

- We have had the loader on property pushing back snow piles two times since my last update.
- We are in the process of doing another round of roof perimeter shoveling. This also includes shoveling the top of parapet walls, clearing out scuppers, vents and satellite dishes and, of course, the ground snow. This will be done on all five buildings and garages.
- The satellite dishes were buried again since the last update. They went from completely cleared out to buried in less than 24 hours during the last big storm.
- There was a substantial amount of walkway and stair scraping after that big storm. Heavy foot traffic will compact the snow on the walks and turn it in to ice. That is a lot of square footage of compacted snow and ice to scrape and chop.
- Sun Vail did receive a bid to turn the old offices back to garages from HMR Construction. HMR Construction was the chosen contractor for Garage Condos #5 and #6. I have been asked to get additional bids for Garage Condos #1-4. I will be

meeting with ULF Built Construction on this Thursday. I have attached the engineering plans and the HMR bid for Garages 1 through 4 just in case anyone is interested.

- There are a lot of loose pavers on the stairs again. I am currently working on getting AMMI out again to do another round of paver replacement. This is a continual issue.
- Corey continues to provide seven days a week pool and hot tub service.
- Myra continues to clean the facilities in the pool house three times a week.
- Will continues to vacuum the common hallways and stairs once a week. The carpet in the hallways and stairs is due for another cleaning.
- The ongoing issues with DirecTV and the internet continue. However, there have not been as many issues reported the last couple of weeks.
- The trouble signals from the wireless fire / life / safety system continue and are frequent with nuisance emails coming in every day. The replacement of the entire system in all five buildings has been recommended in the near future due to the age and serviceability of the equipment.

Dan then reviewed the recently updated Reserve Study with the Board. Capital projects under consideration for the current fiscal year include the installation of security cameras on each building and at the pool, landscaping upgrades, Wi-Fi Internet and Cable TV system updates, payoff of the DirecTV equipment, and fire / life / safety equipment updates. Capital project under consideration for the next fiscal year (2020-21) include walkway lighting, asphalt mill and overlay, the replacement of some retaining walls and possibly the first phase of the re-roofing project.

Dan then opened discussion on the pending switch to Xfinity as the television and internet provider for the association. Apparently, there is a separate agreement with DirecTV for equipment rental and if the contract is terminated at the end of ski season, then the rental payoff would total \$5000. The Board asked Dan to try and negotiate a lower payoff. If a lower payoff cannot be negotiated, then the Board agreed to delay the project until mid-summer to try and garner some cost savings.

Mike Gardner then joined the meeting via telephone to discuss his potential role as a roofing consultant for the association. He explained that he has over 30 years' background in the roofing industry and structural engineering prior to starting his

consulting business. He gave the Board an overview on the process for replacing the current, low-sloped roofs versus changing the configuration of the buildings to include steep-sloped roofs, the latter being a multi-step process that would require structural engineering, architectural design, drainage work and Town of Vail approval. Creating the steep-sloped roofs would likely be three times as expensive.

By replacing the low-sloped roofs, the cost will likely be between \$15 and \$20 per square foot. He indicated that the minimum warranty on the products would be 20 years, but that a completely new roofing system should last about 30 years.

Mike's proposal cost would be about \$14,000 for the first phase of work. This phase would include the design and specifications of the project, working with a list of roofing contractors provided by the Board and/or management, plus a list that Mike is comfortable working with, overseeing the competitive bidding process and making his recommendations to the Board. The second phase of work is estimated to cost \$10,000 and this would include a pre-construction meeting with the roofing contractor and then various site inspections with written observations to the Board. The Board and the consultant would need to determine the frequency of his site visits.

The Board thanked Mr. Gardner for his presentation, and he excused himself from the meeting.

- V. Other Business. Sara McNeill then updated the Board with regard to the status of the sale of Garage Unit #6. The list price for Garage Unit #6 is \$95,000 and it is still available. There have been two separate parties who expressed some interest in the space in the past couple of months.

The Board was updated on the status of the lawsuit with Dale Bugby. The plaintiff has appealed the decision of the jury trial. The insurance company has settled the appeal of the Block portion of the case.

The next Board Meeting was scheduled for Tuesday, March 31st at 4:30PM MT. The Board will review bids for the conversion of Garage Units #1-#4, review proposals from some other roofing consultants, and review bids for the security camera system project.

The Sun Vail Garage Condo Association Board of Directors will meet beginning at 4PM MT on March 31st to review painting (and partial siding replacement) bids.

Dan reminded all present that the pool fence and gates still need to be addressed as part of the risk management inspection conducted last year by the insurance company.

Jenni Barp reported that the management contract with MPM was approved during an Executive Session just prior to today's Board Meeting. She'd like Dan to clarify exactly what items are included in the monthly management fee and what up and above costs the association can expect to have to pay at the March 31st meeting.

The 2020 Annual Meeting was scheduled for Saturday, August 29, 2020, beginning at 1PM MT at the Vail Public Library. A social gathering for owners and their guests is planned at the pool beginning at 4PM that day.

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

Respectfully submitted,

Secretary to the Meeting