

**Bay Club Condominium Association
Board of Directors Meeting Minutes**

03-10-2026

I. Call to Order

The meeting of the Bay Club Condominium Association Board of Directors was called to order by Summit Resort Group. Board members present included Janis, Randy, Craig, Darlene, and Karlyn. Representatives from SRG Armani and Kevin were also present. Additional attendees included Peter Mamich and Chris of the Mamich Agency.

II. Insurance Renewal Discussion

Peter from Mamich presented the association's insurance renewal options and provided an overview of market conditions affecting HOA policies, including increased wildfire exposure and broader industry adjustments following recent catastrophic events.

After reviewing several coverage scenarios, the Board approved the following insurance structure for the upcoming policy term: A motion made by Karlyn: 1st by Craig 2nd by Janis and motion carried unanimously.

- 5% Wind/Hail Deductible
- \$25,000 Property Deductible (**June 1st**)
- Building Limit of \$381 per square foot
- Increase in Sewer and Drain Backup Coverage to \$300,000 (additional \$55 annually)

The Board discussed how the 5% wind/hail deductible would translate to an estimated per-unit exposure of approximately \$30,000 in the event of a building claim. It was agreed that clear communication with owners would be critical.

Management will coordinate with the insurance representatives to prepare a customized unit owner letter explaining the deductible changes, including guidance for owners to review their HO-6 policies and loss assessment coverage.

III. Fire Sprinkler Head Compliance Project

The Board reviewed inspection findings indicating that many fire sprinkler heads throughout the property have paint overspray or obstructions, which is now considered a code violation under updated fire safety enforcement standards.

A proposal from Phoenix was reviewed to coordinate inspection and replacement work across the community.

The Board agreed to proceed with a community-wide project scheduled for mid-May, with the following cost structure: 1st by Darlene 2nd by Karlyn – carried unanimously.

- The HOA will cover draining and recharging the sprinkler systems, including antifreeze recharge for each building.
- Individual unit owners will be responsible for replacement or cleaning of sprinkler heads within their units.

The Board acknowledged that this may generate owner concerns but emphasized that the repairs are required for fire code compliance and safety.

Management will coordinate scheduling, ensure access to all units, and provide individualized cost notices to affected owners after the work is completed.

IV. Cable and Internet Services

The Board reviewed service options related to community television and internet services. After discussion, the Board agreed to maintain the current cable television contract and decline the addition of association-wide internet service at this time due to cost considerations.

V. Financial Review

The Board reviewed the year-to-date financials and operating position of the association. While the current reports reflected a positive balance, several expenses had not yet been fully accrued, including snow removal and utilities. When adjusted for those items, the association is approximately \$142 negative in operations.

Reserve activity was also reviewed. Recent reserve expenditures included:

- Asphalt repairs totaling approximately \$17,500
- Deck repairs completed earlier in the season

No additional major reserve expenses are anticipated in the immediate term, though a future deck replacement at Unit 203 will need to be considered in 2027/28.

The Board approved the year-to-date financial statements as presented. 1st Craig 2nd by Randy.

VI. Investment Strategy

The Board discussed opportunities to improve returns on reserve funds while maintaining sufficient liquidity.

The Board approved investing \$60,000 into Certificates of Deposit, structured as follows:

- \$30,000 in a 3-month CD
- \$30,000 in a 6-month CD

This approach allows the association to generate modest interest income while still preserving access to funds if needed. Craig 1st Darlene 2nd carried unanimously.

VII. 2026 Budget and Dues

The Board reviewed the proposed operating budget for the upcoming year. After considering increased costs related to insurance, utilities, maintenance, and upcoming fire safety work, the Board approved a 5% increase in HOA dues.

The Board noted that this increase is intended to maintain operational stability while continuing to build reserves for future capital projects. Craig 1st Janis 2nd motion carried unanimously.

VIII. Short-Term Rental Compliance

The Board discussed ongoing short-term rental compliance issues, including guest behavior and rule violations.

The Board reviewed strategies for improving enforcement, including:

- Encouraging owners to include clear HOA rules in rental listings and guest communications
 - Management will send all owners a memo on utilizing the Town of Frisco short term rental complaint hotline when violations occur.
 - Continuing monitoring and documentation of violations
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IX. Additional Business

Security Reports

Management will resume sending monthly property security and inspection reports to the Board.

Employee Fidelity Bond

SRG will provide documentation confirming the employee fidelity bond coverage required under the management agreement.

Signage Strategy

The Board discussed potential improvements to property signage related to parking and entry areas. The topic will be added to the agenda for the next board meeting.

Unit Compliance Issue

Management will send a letter to Unit 213 reminding the owner that dogs must be kept on leashes in accordance with HOA rules.

Board Orientation

An opportunity will be scheduled for new board members to meet the on-site caretaker, Brian Ross, to review operational procedures.

X. Next Meeting

The next Board meeting is scheduled for April 16th, following the Annual Meeting.

XI. Adjournment – No further business - Randy motioned to adjourn @ 5:19pm 2nd by Craig.