

**FROSTFIRE CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
July 22, 2017**

I. CALL TO ORDER

The meeting was called to order at 9:06 a.m. in the Dillon Town Hall.

Board members present were:

Mary Parrott, President, D39	Gary Howard, Vice President, E42
Bruce Blank, B20	

Owners present were:

Stacy Huntoon, A1	Bud Clifford, A34
Ted Nelson, B3	Darold Douglas & David Duncan, C5
Gilbert Roman, C21	Dave & Sandy Robinson, E9
Jeff & Wendy Helton, E10	Lisa Kehaya, C22

Representing Summit Resort Group were Kevin Lovett and Katie Kuhn. Margot Mayer of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE

Notice of the meeting was sent June 22, 2017.

III. DETERMINATION OF QUORUM

With properties represented in person and proxies received, a quorum was confirmed.

IV. FROSTFIRE POWERPOINT PRESENTATION

Bruce Blank gave a PowerPoint presentation that covered the following:

1. A new boiler was installed for the A spa.
2. Extensive snowfall around the E hot tub caused some of the snow bars to break off the building, which caused damage to the deck and stairs and shattered window panes around the hot tub. An insurance claim was filed, repairs were made and the Association's share of the claim was the \$5,000 deductible.
3. Due to unauthorized entrance in a crawlspace, the exterior locks were changed to a digital lock, and deadbolts were added to the crawlspace doors. The Board hopes to add digital locks to the hot tub entrances next year.
4. Water run off affected the bike path and the steps on Building B. The initial bid to mitigate the water came in at \$65,000 but a second bid was accepted at a lower cost. After assessment, French drains were installed from Building A to B and curving to Building C. The pipe for E building sump pump was buried and discharged away from the building. The solution has worked well and the cost was \$14,000. No foundation issues or damage to the wood were found. The asphalt was patched at a cost of \$1,200.
5. The top of the retaining wall that was bulging between B and C building was repaired.
6. A rust hole in the primary water line in the parking lot was repaired. A valve was installed so the line can be isolated.

7. The fence has been broken several times by moose jumping over it. The broken boards have been replaced.
8. A building hot tub cover was rotated for more privacy.
9. A new air intake was installed and a jet pump was moved to generate more pressure for A hot tub.
10. Added gutter and heat tape to Building B entrance.
11. Individual key boxes were installed adjacent to units.
12. Entry carpets were replaced.

Bruce Blank thanked Summit Resort Group for doing a good job managing the Association.

V. APPROVE PREVIOUS MEETING MINUTES

David Duncan made a motion to approve the minutes of the July 23, 2016 Annual Meeting as presented. Bud Clifford seconded and the motion carried.

VI. TREASURER'S/FINANCIAL REPORT

A. 2016 Year-End Results

The Association ended the year with \$1,059 in Operating and \$140,980 in Reserves. The Association was \$3,647 unfavorable to budget overall. All Reserve and Hot Tub Reserve contributions were made in 2016.

B. Balance Sheet and Income Statement as of June 30, 2017

As of June 30, 2017, the Association balances were \$7,142 in Operating and \$110,249 in Reserves.

The Income Statement reflected a \$5,594 positive variance in Operating expenses.

Major variances included:

1. Snow Removal - \$1,126 over budget.
2. Roof Snow Removal - \$4,580 over budget.
3. Repair & Maintenance Hot Tubs - \$2,510 under budget.
4. Repair & Maintenance Buildings - \$4,647 under budget.
5. Landscaping - \$1,655 under budget.
6. Reserve Contributions - \$10,656 under budget.

The Association is currently four months behind on Reserve contributions due to low Operating funds. Contributions will be caught up as soon as cash flow allows.

C. Reserve Fund Review

The Reserve Fund balance was \$110,249. There is an outstanding invoice of \$50,278 for Travis Construction and one for \$20,000 for water line repairs.

The exterior remodel punch list will be completed soon. The final inspection with the County passed and expenses aligned with the budget. All owners paid the Special Assessment. Future Reserve projects include roof repairs, interior hallway painting, and carpet replacement for hallways and stairs. The bike path will be included when the asphalt is sealcoated, crack filled and striped next year.

Katie Kuhn will obtain bids to replace the wood around the A hot tub, and the plexiglass around that hot tub with glass.

VII. MANAGING AGENT'S REPORT

A. *Completed Operating Projects*

Katie Kuhn reviewed the list of completed projects, many of which were included in the PowerPoint presentation.

B. *Pending Items*

1. Diverter installation on roof
2. Snow bar replacement for the rear of Building B
3. Gutter repair and replacement

C. *Reminders*

1. Owners are responsible for their guests and tenants. Owners should review the House Rules with tenants.
2. Any issues with any projects at Frostfire should be reported to a Board Member or Summit Resort Group and not to the contractors.
3. The dumpster is for household trash only. Large items or construction debris from individual unit remodels should be removed by the contractor of the job, or taken to the dump by the owner. Summit Resort Group can assist in the latter option if necessary.
4. Lockboxes should be removed from the dumpster enclosure.
5. Parking for trailers and RV's is limited to three weeks per unit per year. Campers and trailers can only take up one parking space and cannot be parked off the asphalt. The House Rules will be revised to be more explicit.
6. Owners should pick up after their dogs and follow the pet policy.

VIII. OLD BUSINESS

A. *Major Exterior Remodel*

The project will be wrapped up within the next month. Katie Kuhn said the lower decks were replaced and the 2nd and 3rd floor decks will be replaced in the future as needed. A wish list is being compiled by the board and will be distributed at a later date for consideration by the owners.

B. *Dryer Vents*

The dryer vents were cleaned last year. All vents have screens to prevent animal access.

C. *Punch List*

An owner pointed out that there are sharp metal points on handrails. The Board is aware of this situation and is working with Travis Construction on a solution.

D. Window Leaks

An owner said her windows started leaking on the inside after the flashing was installed, possibly due to insufficient caulking. Katie Kuhn will have Travis Construction inspect the flashing.

IX. NEW BUSINESS

A. Water Leak Financing

The amount owed on this unexpected project is \$20,000. The Board proposed a onetime Special Assessment of \$500 per unit to replenish the Reserve balance. Discussion followed on the timing for payment.

David Duncan made a motion to increase the Special Assessment to \$1,000 per unit. The motion was seconded. After discussion, he amended the motion to have owners pay \$500 down and the other half in another six months. Jeff Helton seconded and the motion carried.

Katie Kuhn stated that an invoice will be sent and the first payment will be due on September 1, 2017.

B. Parking Permits

There has been an issue with unauthorized vehicles parking in the Frostfire lot. The Board decided to issue two parking permits per unit with a possible replacement fee for replacement of lost permits. Signs will be installed warning that violators will be towed. A warning sticker will be issued before vehicles are towed. Discussion followed regarding the number of permits that should be issued for owners. Permits will be available after the meeting and any that are not picked up will be mailed.

David Duncan made a motion to issue three parking permits per unit. The motion was seconded and carried.

The Board will research the installation of signage indicating that the road is not a through street to reduce use by outside vehicles. A recommendation was made to install bollards. The Board will do further research on options. A suggestion was made to identify one parking space for loading and unloading only.

C. Unit Sales

David Duncan asked if it would be possible to give owners the right of first refusal when units come on the market. Katie Kuhn explained that this would require a change to the Declarations, which would require a 67% majority vote.

D. Dogs/Rules & Regulations

A fine policy is in place and will be enforced. Owners should notify Katie Kuhn of violations and if they see renters with pets. The Pet Policy will be reviewed and updated as necessary. A suggestion was made to condense the House Rules to one page so they can be framed and placed in each rental unit.

X. GENERAL DISCUSSION

A. Window Cleaning

Bud Clifford said the windows look great and asked how often they are cleaned. Katie Kuhn said they are washed once a year after pollen season.

B. Pathways and Bike Paths

Lisa Kehaya said that the trees near the walkways to the building and on the path to the bridge need to be trimmed. Mary Parrott said the trees on Association property will continue to be trimmed as needed. She also said that Frostfire is not responsible for other areas and so far, neither the County nor Vail Resorts have assumed responsibility for the maintenance of some 'spur' pathways. When meeting last year with a representative of the Keystone Owners Association, Mary Parrott indicated she was told that a plan for such maintenance was being prepared, but we haven't yet received such a plan.

C. Dogs

Lisa Kehaya said there have been issues with unleashed dogs. It was noted that Summit County allows dogs to be under voice command.

Lisa Kehaya made a motion to make Frostfire Association a dog-free zone. There was no second to the motion. Katie Kuhn explained this change to the Association documents would require approval by 67% of the owners.

D. Unit Rentals

Bruce Blank said the Association is paying a number of repair and maintenance expenses related to renters. The hot tub does not always get covered, there are loud late night parties, glass in the hot tub has to be cleaned up, there are cigarette butts on the ground and doors get banged up. He suggested implementing a surcharge for renters of \$5/night or \$50/month, whichever is less to help to offset some of the additional maintenance costs. Katie Kuhn said she will research the Rules & Regulations to determine if there is a unit occupancy limit. Any noxious odors or activities in violation of the rules should be reported to Katie Kuhn. A brief discussion followed about the logistics to collect such charges. It appears that most complaints are the result of rentals through VRBO or Air BnB.

In a show of hands, the majority of owners were in favor of a rental surcharge. The Board will study this topic and the logistics of collecting a rental surcharge and present their findings to the membership next year.

E. Communication/Owner's Contact Information

An owner said that he provided his new email address to management but did not receive an email about the meeting place change. Katie Kuhn said she sent notification and also posted the change on the website.

An owner said he did not get the email with the new lock code. Katie Kuhn said owners should notify her if they have new contact information.

F. Recognitions

Bud Clifford thanked the Board and Summit Resort Group for their work on behalf of the property.

G. Property Values

Bud Clifford said property values are increasing and owners have already realized a return on their investment in the Special Assessment.

H. Sprinklers

An owner said the sprinklers are noisy early in the morning. Mary Parrott said sprinklers were being run more often to support the new landscaping.

XI. ELECTION OF DIRECTOR

The term of Mary Parrott expired and she indicated she would be willing to run again. The floor was opened for nominations and there were none. Jeff Helton made a motion to nominate and elect Mary Parrott for another three-year term. The motion was seconded and carried.

XII. SET NEXT MEETING DATE

The next Annual Meeting will be held July 21, 2018 at 9:00 a.m.

XIII. ADJOURNMENT

A motion was made and was seconded to adjourn at 11:10 a.m.

Approved By: _____ Date: _____
Board Member Signature