

**FROSTFIRE CONDOMINIUM ASSOCIATION  
ANNUAL HOMEOWNER MEETING  
July 23, 2016**

**I. CALL TO ORDER**

The meeting was called to order at 9:06 a.m. in the Keystone Fire Station.

Board members present were:

Mary Parrott, President, D39  
Bruce Blank, B20

Gary Howard, Vice President, E42

Owners present were:

Stacy Huntoon, A1

Ted Nelson, B3

Gilbert Roman, C21

Cindy White, C35

Jeff & Wendy Helton, E10

Bud Clifford, A34

Darold Douglas & Karen Duncan, C5

Diane & Bruce Johnson, E9

James & Marie Keeney, C38

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 23, 2016.

**III. DETERMINATION OF QUORUM**

With thirteen properties represented in person and six by proxy a quorum was confirmed.

**IV. APPROVE PREVIOUS MEETING MINUTES**

Bud Clifford made a motion to approve the minutes of the July 25, 2015 Annual Meeting as presented. Stacy Huntoon seconded and the motion carried.

**V. TREASURER'S/FINANCIAL REPORT**

*A. 2015 Year-End Results*

The Association ended the year with \$7,766 in Operating and \$67,728 in Reserves. The Association was \$173 under budget overall. Major variances included:

1. Electricity - \$1,283 under budget.
2. Snow Removal - \$1,319 over budget.
3. Internet - \$1,217 over budget.
4. Insurance - \$1,376 under budget.

All Reserve and Hot Tub Reserve contributions were made in 2015.

**B. Balance Sheet and Income Statement as of June 30, 2016**

As of June 30, 2016 the Association balances were \$20,345 in Operating and \$108,689 in Reserves.

The Income Statement reflected an \$8,245 positive variance in Operating expenses.

Major variances included:

1. Security Expense - \$1,495 over budget.
2. Repair & Maintenance Buildings - \$1,253 over budget.
3. Repair & Maintenance Hot Tubs - \$1,133 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 the balance allows.

**VI. MANAGING AGENT'S REPORT**

**A. Completed Operating Projects**

1. Roof snow removal and repair.
2. Fire extinguisher inspection.
3. Gutter cleaning.
4. Entryway carpet repair.
5. Deep feeding for trees.
6. 2015 tax return filed.
7. Various touch-up painting projects.
8. Renewed insurance policy.

**B. Pending Items**

1. Major Exterior Remodel – This item will be discussed during this meeting.

**C. Reminders**

1. Owners are responsible for their tenants. Owners should review the House Rules with tenants.

**D. Dryer Cleaning**

An owner said that a dryer vent was closed off. She asked if dryer vents will be cleaned. Mary Parrott agreed that the vents should be cleaned again.

**VII. EXTERIOR REMODEL**

Bruce Blank reviewed the exterior remodel progress. He reported that the original price from Travis Construction was \$654,890 and was changed to \$703,363. The total spent so far was \$465,248 and this included legal expenses, drainage, architectural services and construction.

With no additional change orders or problems, Frostfire is projecting to have a surplus once the project is complete. Money was saved on drainage work and the contingency fund. The projected year-end Reserve Fund balance is \$110,637.

The boiler for hot tub A was \$28,444 and will be coming out of the General Reserve and not from Special Assessment funds. Gary Howard explained that the hot tub was installed incorrectly and problems were detected during the construction process. Darold Douglas asked if the contractor will be held accountable since the hot tub was not very old. Kevin Lovett said he did not manage the Association at the time of installation and that the boiler was not installed by the hot tub contractor. Mary Parrott said it is important to have a Liaison between the HOA and the construction company (Travis Construction) to oversee the project. The architect Jerry Westhoff serves as the Liaison for the current Exterior Remodel project.

Darold Douglas asked if ongoing and completion of operations was part of the contract. Mary Parrott answered that it was part of the original contract. He asked for a copy of the contract. Stacy Huntoon asked about the insurance. Kevin Lovett said the insurance information was sent out in April. It was clarified that the architect was responsible for proper insurance and inspections. After discussion, it was decided that the Board will review the contract to ensure everything is included.

Mary Parrott said two different renters have called complaining about the construction. She asked owners who rent to notify their tenants that there is ongoing construction. Gary Howard asked owners to park towards the east, away from the construction vehicles. He said he will discuss parking in the designated spots with the contractors.

Lisa Kehaya said that there is a hole in the siding. It was explained that the trim will be painted. The Board will carefully inspect completed construction and create a punchlist. Owners were encouraged to report anything they notice that should be fixed. Katie Kuhn will send an email to the membership closer to construction conclusion. Bud Clifford asked if 10% is being withheld. Gary Howard said that a small retainer will be withheld until all repairs are satisfactory. Mary Parrott said that the company has a good track record in the county.

A different punchlist will be created for window replacement. There are some headers that have to be fixed and additional work has to be done in four units. Window invoices were sent to owners and they were asked to pay their invoice immediately.

Gary Howard said that there is a sample of the new paint on Building E. All vertical parts will be painted dark green, horizontal parts will be painted in a tan color and trim around windows will be painted dark chocolate. Lisa Kehaya said she thought that homeowners were going to vote on the paint. Mary Parrott said selecting the paint was a Board decision. The Board will meet with the painters to ensure proper paint application and painting should start next week. Owners were asked to move grills inside. Mary Parrott asked owners to collect chairs, grills and propane bottles from the yard.

Karen Duncan asked if there will be sound mitigation on the staircases. Katie Kuhn explained that they will have more support and will be secured to the building and not the landing. They will not be completely silent but there should be improvement. Bruce Blank said the staircases were built up to code. Darold Douglas suggested installing rubberized treads to mitigate sound. An owner will give the Board the contractor's information. The Board responded that it was important to do proper research regarding if the material tends to have ice build up and if it has a nice appearance.

Mary Parrott noted that the Board decided to install new light fixtures because the wiring was improper and covers were broken.

Gary Howard said construction is still going on and there will be noise and contractors on the property. He asked that owners minimize communication with the construction workers as it results in loss of productivity. Questions should be directed to the Board or Property Management. The Board and Property Management meets regularly with the construction management team. A completion date is not known yet.

In 2017 the Association will need to permanently reroute the water being pumped out of the crawl spaces and repair the bike path to include water mitigation. Other things that are on the 2017 wish list are to replace the existing chimney caps and re-side the dumpster enclosure. The water level seems to get higher every year. The Board will gather ideas for improving the path and present a proposal to the membership. There should be funds available in 2017. Permanent pumps have been installed and hoses and a permanent exhaust to remove as much water as possible will be addressed when the bike path is redone. Mary Parrott noted that there should not have been any buildings built on these wetlands. There was a massive clear cutting across the road, which influenced the water run. Water levels were very high the past two years. The problem has to be addressed. Property Management will keep a close eye on crawlspaces in the interim.

Karen Duncan asked about details of the change orders. Katie Kuhn explained that a change order has to be created every time a change is made. She summarized that changes were made in electrical, entry way, deck appearance and lighting.

Lisa Kehaya said she noticed that metal siding on the chimney was installed over the siding. Bruce Blank said some boards at the bottom part were replaced. Mary Parrott said all other boards were in good shape.

Gary Howard said that the construction has been progressing smoothly and is ahead of schedule by more than a month. Assessments were outpaced and outstanding invoices total about \$400,000. While the project is expected to be under budget once completed, the Association currently does not have funds to continue paying invoices. The Association either will have to take out a line of credit (\$400,000) and pay interest (about \$3,000), or the work will cease until more money is received. Due to this hardship, the Board is asking that anyone who is able to pay earlier than October 1, 2016 to do so, even it is not the full amount. The Board informed the owners that they will be pursuing a short-term loan in order to resolve the current cash flow issues. There were no objections.

James Keeney asked if all owners paid the first half of the assessment. Katie Kuhn answered that there is one outstanding invoice and the owner will pay next week.

In response to an owner question, Gary Howard stated that there were no additional projected capital costs.

Bruce Blank said the Board was hoping to have enough metal left from construction to do work on the dumpster. Mary Parrott will check with the contractor about painting the storage shed and utility box.

Lisa Kehaya asked if the metal on the chimney will rust. Bruce Blank said it is treated metal and will not rust.

Bruce Blank said that there is still a lot of work to be done with the landscaping. The contractor will roll the grass, remove mud from the trail and may power wash certain areas.

## **VIII. OLD BUSINESS**

### *A. TV/Internet*

Ted Nelson noted that the TV dish is out of alignment and he has little or no reception. Gary Howard said TV/Internet has been a problem since the snow knocked antennas off the roof. The dish between Building B and C has been permanently installed and there are no trees near it. The wifi receiver was installed in an area toward the medical center. He explained that the boxes mounted to buildings are repeating antennas to the wifi. He said to contact Bruce Blank if owners experience problems. Owners were asked to be patient since things are getting disturbed by the construction workers.

### *B. Crawlspace*

Crawlspace A and E have been affected by the water. An owner recommended checking into flood insurance. Kevin Lovett said the property is not in a flood zone and flood insurance was very expensive.

## **IX. NEW BUSINESS**

### *A. Bike Path*

Gary Howard said the bike path will not be repaired this year. Due to the problems with increased water runoff, water has been seeping onto the path from under the back yard and from overflow of the pump output from crawlspaces A and E. Two contractors inspected the path and the Board will gather ideas on how to improve it. This year the path will be scraped once construction is complete.

A question was raised regarding responsibility for maintaining the bike path. A comment was made by Mary Parrott that the main bike path is being maintained by the County, but the maintenance of the spur paths, like the one behind Frostfire, is the responsibility of the condominium. Darold Douglas said he can recommend a concrete specialist if work will be done in conjunction with the drainage. The Board will inform the County that work on the bike path behind Frostfire will be completed next year."

### *B. Hot Tub*

Bruce Blank said that the plexiglass on the hot tub needs to be replaced with glass. The project was earmarked for 2017.

### *C. Redirecting Water*

Marie Keeney asked to note this line item under New Business to be reflected in the meeting minutes. Katie Kuhn noted the request. This project is on the 2017 wish list.

## **X. GENERAL DISCUSSION**

### *A. Recycling/Trash*

It was explained that the recycling bins had been contaminated with garbage (attracting bears), plastic bags and other non-recyclable trash, so the recycling service was discontinued. Owners/guests/renters can recycle normal recyclable items (paper, cardboard, glass, plastics, tin/aluminum cans) at the recycling centers in Dillon, Silverthorne, Frisco, Breckenridge. Some other items (including appliances, electronics, paints and hazardous materials) can be recycled at the landfill in Keystone. For residents of the County there is often no charge for this service. Gary Howard said that there is a refrigerator outside the dumpster and the trash company will not pick it up. Kevin Lovett asked owners to call Property Management if they need to dispose of something large.

### *B. Construction Images*

Bud Clifford said the construction images online are very good. He thanked Katie Kuhn for posting the images.

### *C. Thank You*

The membership thanked the Board and Katie Kuhn for their work on the exterior construction. Katie Kuhn has communicated weekly updates and will now do bi-weekly updates. The back stairwells should be completed by next Tuesday.

### *D. Path to the Bridge*

An owner asked who was responsible for the path to the bridge, which is getting overgrown. Mary Parrott was not sure but said it should be trimmed.

### *E. Roof Replacement*

A question was raised regarding the cost for the roof replacement. Bud Clifford said a new roof is estimated to cost around \$250,000. Mary Parrott noted that Turner Morris does an annual roof inspection and makes recommended repairs on an ongoing basis.

### *F. Reserve Study*

Bud Clifford said he noticed some items on the Reserve Study that appear to have an incorrect replacement date. He asked that the dates be checked and updated. Katie Kuhn noted the request.

## **XI. ELECTION OF DIRECTOR**

The term of Gary Howard expired and he indicated he would be willing to run again. The floor was opened for nominations and there were none. Bruce Blank made a motion to nominate and elect Gary Howard for another three-year term. The motion was seconded and carried.

**XII. SET NEXT MEETING DATE**

The next Annual Meeting will be held July 22, 2017 at the Keystone Fire Department

**XIII. ADJOURNMENT**

A motion was made and was seconded to adjourn at 10:36 a.m.

Approved By: \_\_\_\_\_ Date: \_\_\_\_\_  
Board Member Signature