

**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
January 6, 2023**

Minutes

I. CALL TO ORDER

The Cinnamon Ridge III Condominium Association Board of Directors Meeting was called to order at 5:02 p.m. in the Summit Resort Group Conference Room and via videoconference.

Board Members Participating Were:

Mike Black, President, D222
Mike Pederson, Vice Pres., B101/D124
Kevin Donofrio, Secretary/Treasurer, C112
Fred Davison, Director, B312
Andrew Vest, Director, B102/D122

Owner Skyler Lowery C211 was also at the meeting.

Representing Summit Resort Group were Kevin Lovett and Steve Wahl. Erika Krainz of Summit Management Resources transcribed the minutes from recording.

II. OWNER'S FORUM

There were no owner comments.

III. APPROVE PREVIOUS MEETING MINUTES

Motion: Fred Davison moved to approve the minutes of the October 5, 2022 Board Meeting and November 21, 2022 Budget Ratification Meeting as presented. Mike Black seconded and the motion carried.

IV. RESERVE BUDGET and CAPITAL PLAN

The Reserve Budget and Capital Plan was reviewed as follows:

A. *Line-Item Projections*

Mike Black reviewed highlights of the Reserve Budget and Capital Plan.

1. Roof Overall Repairs - \$700 maintenance costs were encountered in 2022. The remainder of the 2022 budgeted amount will be rolled into 2023.
2. Painting Exterior Unit Deck and Railing Staining – These two painting tasks will be aligned to occur at the same time vs. in different years.
3. Hot Tub Facility – There are some outstanding invoices, which will roll into 2023.
4. Boilers/Mechanicals – Heating – There is a current \$3,000 annual accrual amount through 2032 for Building B polybutylene piping replacement. The annual accrual amount increases as the number of years between the current period and projected replacement year of 2032 decreases. The Board is having discussions about possibly increasing the annual accrual amount further since the piping replacement will be a costly endeavor. As previously presented, the polybutylene piping has a history for failing over time. Building C&D do not have this type of piping. There

is an allowance of \$16,000 for C Building expansion tank replacement in 2023 and an allowance of \$4,000 for C Building glycol for 2023.

5. Fire Sprinklers - \$9,300 was spent in 2022 for the 5 Year Hydrotesting. The proposal for repairs needed from the Fall 2022 is pending and will be sent to the Board as soon as received. The budget carries an allowance for this work.
6. The budget includes the increased Reserve Fund addition for 2023 - \$19,524.

V. FINANCIALS

A. November 30, 2022 YTD Financials

1. November 2022 close financials report \$12,166 in operating, \$19,869 in the Money Market reserve account and \$94,542 in the Alpine Bank reserve account. It was noted that reserves are currently high because several of the Hot Tub Project costs are not yet paid.
2. November 2022 close P&L reports \$200,000 of actual expenditures vs \$192,841 of budgeted expenditures resulting in a \$7,158 year-to-date expense overage. Areas of major expense variance were reviewed.

VI. MANAGING AGENTS REPORT

A. Completed Items

1. The unit modification form was modified to include the language on the window treatment color and was posted on the website.
2. Waste Management delivered a new dumpster that has side doors that slide much more easily.
3. A new 20' heat mat was purchased for the walkway to the hot tub. It failed and was replaced under warranty. The new mat is performing well except occasionally the breaker trips. This will be checked out possibly using a different outlet/circuit.
4. The HOA policies were revised as needed for compliance with House Bill 1137. The revised policies were approved by the Board and were posted on the website.
5. The annual roof inspections were conducted for all three buildings and preventive maintenance was completed.
6. Dryer vent inspections and cleaning were conducted at all three buildings. Steve Wahl and Mike Black will be meeting with Consider It Done on Monday to get a better understanding of their process, their reported findings and suggestions and their proposed pricing. A follow up report will be sent to the affected owners.

B. Report/Pending/Discussion Items

1. Leaks – The leak damage in all buildings has been repaired, including Unit 222 bathroom ceiling, Units 124 and 224 drywall, Unit 203 pinhole leak in common wall and Unit 103 back bathroom drywall and medicine cabinet.
2. Trash – The pickup scheduled was changed to Monday and Thursday.

VII. RATIFY ACTIONS VIA EMAIL

1. 9/30/22 Plowing Contract Approval
2. 10/11/22 2023 Budget Approval for Distribution to Owners and Ratification
3. 11/7/22 103 & 203 Insurance Claim Cancellation Approval
4. 11/14/22 Turner Morris Roof Repair Approval

5. 12/8/22 Fire Suppression Repair Approval

Motion: Fred Davison moved to ratify the five approvals that were done by email. Mike Black seconded and the motion carried unanimously.

VIII. OLD BUSINESS

A. *Hot Tub*

Both of the hot tubs are functioning however the County is requiring stainless steel flues for the boilers vs. the installed galvanized steel material. The flue revision is holding up final inspection. There is sign-off on the final as-built plans, all electrical items and changes to the lights as requested. Updates on the revised flue work and final inspection will be sent out as those items progress.

It has been a challenging project and there will be some punch list items. Mike Black, Kevin Lovett and Steve Wahl are meeting to go over the hot tub punch list. Mike Black noted that the new deck design that developed a functional deck and a seat wall is a significant improvement to the hot tub facility.

Fred Davison mentioned adding a security camera to surveil the hot tub area to address concerns about people climbing over the fence and getting injured, thereby creating liability for the Association. Mike Pederson and Skyler Lowery were opposed to installation of a camera with concerns about privacy driving this opposition. When the hot tubs were previously operational the procedure was to lock the hot tub gate at night during the months of December through March at a cost of \$250/month, however the lock has been reprogrammed to not permit access after 10:00p.m. The nighttime lockups by staff will be suspended. There was agreement to observe the use over the winter and to continue discussion after ski season if any staff lock up or monitoring is necessary. **Action Item:** Kevin Lovett, Steve Wahl and Mike Black will review the facility and develop a punch list at an onsite meeting.

IX. NEW BUSINESS

A. *Remote Lock Issues and Renewal 9/1/23*

Kevin Lovett was finally successful in connecting with a sales representative who was better able to answer questions about the CR3 account. They made some adjustments to the system in an effort to restore the original features and functionality. As a test, the Board members were set up with the adjustments. If, or once, the adjustments are successful, the adjustments will be rolled out to the rest of the ownership. All Board members should now be receiving all notifications. Individual owners can then select specific notifications based on their preferences as before. The various notifications are connectivity, power level, battery replacement, unlocked/locked status, requests for lock/unlock, access denied, access user guest synchronized, access user guest synchronization failed and access guest late synchronization. The main issue at Remote Lock has been new and inexperienced staff.

The Remote Lock contract renews on September 1, 2023. The Board needs to decide if they want to renew, how to renew and the cost. There is a signed agreement with a set price, which Kevin Lovett resent to Remote Lock. Andrew Vest noted that the term of service provides for the contract to automatically renew unless notice of termination is received 45 days prior to the end of the term (July 15th). In addition, Remote Lock can cancel the agreement at any time. He recommended that the Board have a backup plan in case Remote Lock cancels the contract or increases the pricing to an unacceptable level. **Action Item:** Kevin Lovett will try to schedule a call with the Remote Lock representative Scott next week and will request the name and contact information for Scott's supervisor so that there is an even higher level of contact person should follow up be necessary.

B. Mechanical/Water Heater Service Provider

The Association has had Design Mechanical perform annual preventive maintenance review and services of the heating and domestic water systems in the past but due to apparent personnel changes this service has lapsed. The Association will engage Premier Plumbing to restart the preventive maintenance services. Premier will be asked to look at the Bldg. D boiler which is again making excess noise again and can be heard in unit D124.

C. Insurance Deductible Change

Kevin Lovett suggested considering increasing the deductible for the Association policy from the current \$5,000 to \$10,000. The board has in the past elected on a case-by-case basis to not submit a claim when they run slightly over the \$5,000 amount such as the recent leak events that have run about \$8,000 so as to keep the loss history down. Any filed claims, and particularly an excessive loss history have a significant impact on the insurance premium. A \$10,000 deductible would accommodate the common practice of "self insuring" losses that run a little over the current \$5,000 deductible however the Board discussed that if multiple losses of greater than \$5,000 but less than \$10,000 occurred within a close time frame, it might become unfavorable for the Associations account to cover the loss amount that exceed the deductible. Since the premium savings would only be a magnitude of \$200-\$300, it was decided to keep the current \$5,000 deductible.

Kevin commented that Farmers is no longer insuring properties with values over \$25 million. Cinnamon Ridge III is currently valued by the insurance company at less than \$25 million. Our insurance policy values the property at \$7.8 million. Properties that are receiving renewals are seeing increases of about 15%.

D. Parking

The current policies provide for vehicles to be moved at least every ten days. Vehicles that are not moved can be tagged. Some vehicles have been observed to not have been moved within the 10 day period. Going forward, the procedure will be to sticker vehicle that have not been moved, try to contact the vehicle owners to confirm the vehicle is operational and /or not abandoned and ask them that if the vehicle is infrequently moved to park in the berm-side parking spaces (dumpster side of the lot)..

Action Item: An email will be sent to the owners of units with long term tenants to remind them to ask their tenants to display parking permit and follow parking rules.

E. Ring Camera

There is a Ring camera installed on the door of Unit 114. The doors are Association property and a request for permission to install the camera was not submitted to the Board. The Board has previously denied requests by owners to install private cameras that monitor the public areas.

Action Item: The unit owner will be asked to remove the equipment and repair the door.

F. House Rules

An update to the House Rules to address parking and surveillance cameras was discussed.

Action Item: SRG will email draft rules update to the Board for consideration of proposed changes for the House Rules.

X SET NEXT MEETING DATE

The next Board Meeting was scheduled for Wednesday, April 19, 2023 at 2:00 p.m.

XI. ADJOURNMENT

Motion: Fred Davison moved to adjourn at 7:37 p.m. Kevin Donofrio seconded, and the motion carried.