

**LAKE CLIFFE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
February 19, 2021**

I. Call to Order

The Lake Cliffe Association Board of Directors Meeting was called to order at 6:05 p.m. via videoconference.

Board Members Participating Were:

Shawn Horvath, Treasurer, A101

Lisa Peraino, President E306

Jeremy Carr, Director, F109

Chris Rhodes, Secretary, F309

Tony Thomas, Vice President A204

Camille Van Vurst, Director A306/C102

Owners participating Richard & Jeryl Peterson, Scott Murray, Robert Downing, Jane Johnson, Barbara & Ken Leach, John & Earlane Worrell, Jeff Williams, Roland Gaasch, Eric Kaler & Irene Fernandez, Nic Zador and Jim Penta.

Perry Unruh was present. Erika Krainz of Summit Management Resources was recording secretary.

II. Approval of Previous Meeting Minutes

Motion: Tony Thomas moved to approve the December 11, 2020 Board Meeting minutes as presented. Jeremy Carr seconded, and the motion carried unanimously.

III. Homeowner Comments

There were no owner comments.

IV. Financial Report

A. *Review/Approve December 2020 Financial Statements*

1. Operating Cash – \$61,832.
2. Reserve Cash – \$92,204
3. A/R - \$4,914. The unit that was delinquent has sold.
4. Gross Rental Income - \$5,200 unfavorable to budget due to the unit being vacant during the remodel from March through October 2020.
5. Office Equipment - \$1,186 unfavorable to budget due to purchase of a new laptop for Zoom meetings.
6. Plumbing & Heating - \$19,445 unfavorable to budget due to several repairs.
7. Net Income - \$18,126.
8. Total Reserve Expenses - \$129,391 unfavorable to budget.

B. *Review/Approve January 2021 Financial Statements*

1. Operating Cash – \$120,970.
2. Income – on budget.
3. Expenses – \$3,120 favorable to budget.

Shawn Horvath noted that the Board approved 1.5% dues increase, effective April 1, 2021.

Action Item: Perry Unruh will talk to Mike Kurth about the budget spread of the rental unit income, the \$62 rental unit expense and the high Operating Cash balance.

Motion: Shawn Horvath moved to approve the December and January Financial Reports. Tony Thompson seconded and the motion carried unanimously.

V. Committee Reports

A. *Rental Committee*

Scott Murray did not have a report.

B. *Landscape Committee*

Eric Kaler said a dwarf Blue Spruce between A and B Buildings died and should be replaced under warranty. A contract should be signed with Greenscapes for perennial maintenance. The contract should be modified to ensure they do not pull up seedlings. He will need some help with projects and Play in the Dirt Day. Scott Murray volunteered to assist.

Action Item: Perry Unruh will ask Greenscapes to provide a draft contract.

Perry Unruh stated that the owner of B302 is replacing windows and has requested permission to use a lift. Winter is the best time to do this work since the ground is frozen. The owner will be responsible for repairing any damage. The lift should be on site for about two days.

C. *Insurance Committee*

The insurance policy expires in April and the renewal was just received from Farmer's.

Action Item: Perry Unruh will post the new policy on the website.

D. *Architectural Committee*

There are two remodels in progress. The Board approved a floor repair in B302 last week. The new concrete was poured on Wednesday. The remodel in F Building is finishing up. The owners of F105, F304 and A305 are planning remodels.

E. *Rules Committee*

The recommended updates to the House Rules will be discussed under New Business.

VI. Old Business

A. *Laundry Locks*

Perry Unruh is still researching lock options.

Action Item: Jeremy Carr will work on the lock project.

VII. New Business

A. *Property Manager Hiring Update*

Lisa Peraino said 13 applicants responded to the posting for the Property Management position. The Board conducted phone interviews and narrowed the candidates down to four, who will be interviewed next week. RFPs were also sent to several management companies.

B. *Property Data Collection*

Perry Unruh and Camille Van Vurst will be meeting before he leaves to transfer important property information.

C. *Rules Update Introduction*

The Board will be reviewing the House Rules and Policies changes at the April meeting. Perry Unruh reviewed the recommended revisions.

House Rules:

1. Section 3.C. – strike the requirement to move cars for plowing.
2. Section 3.E. – remove vehicle length/width restriction.
3. Section 6.A. – add “unless they are service animals”.

Policies:

1. Section 2.C. – strike the entire section regarding shower tempering valves. This is homeowner responsibility to hire a plumber for replacement.
4. Section 14.G. – change employee goals to twice annually.
5. Section 16.E. – strike the section regarding information to realtors and buyers.
6. Section 20.G. – strike last sentence.
7. Section 3.I. - extend Saturday work hours to 6:00 p.m.

Camille Van Vurst requested adding a prohibition on drones on the property, except for maintenance or repair purposes.

Action Item: Camille Van Vurst will send the wording to Perry Unruh.

The Board agreed to extend the pool hours to 6:00 p.m. as a test for one month.

VIII. Manager Report

A. *Boiler Update*

The boilers in C and E Buildings are about six years old. The boiler in C Building was having problems igniting. Perry Unruh made some adjustments and it appears to be working well now. PSI feels both boilers need to be replaced. Perry Unruh recommended hiring a contractor to do preventative maintenance and provide an analysis of their condition.

Action Item: Perry Unruh will contact the manufacturer and try to hire a contractor from the Front Range. Perry to obtain 2 bids for boiler service.

B. *Subfloor Replacement B302*

This agenda item was discussed under Section V.D.

C. *Unit Checks*

Unit checks are being done but less frequently due to rental occupancy and COVID precautions.

D. *A Building Roof*

One bid has been received and another one is expected. The roof was installed in 2001 and has reached the end of its useful life. The project will entail replacement of seven of the eight roof sections (the eighth section was replaced more recently and will match the new), the scuppers and downspouts. Since the heat tape is new, it should be removed and reinstalled. Camille Van Vurst requested calculations for the downspouts and gutters for appropriate sizing before the bid is accepted.

E. *Blower Repair*

The Resner blower and motor on the Clubhouse were replaced by PSI five weeks ago but failed within two weeks. The technician indicated the failure was due to a bad part. Perry Unruh was told the equipment was not under warranty. He spoke to the owner of PSI and was informed they will not repair it again since they feel the entire unit needs to be replaced. The replacement cost would be \$35,000 – \$45,000.- Repair was a total of \$3600, 41800 was paid up front, still owe \$1800.

Action Item: Perry Unruh will keep the Board informed of the progress.

F. *Gaasch Unit Damage*

There is an issue with access panels that were installed in the unit. Wallpaper will be hung to cover the panels. The Formica countertop has two long scratches that apparently occurred during the work in the unit. There was also a hole in the wall by the kitchen light switch that was not repaired well. Perry Unruh said there were several contractors in the unit and he did not know when the damage occurred. The hole in the wall can be repaired in house.

Action Item: Perry Unruh will obtain a bid to replace the countertop.

G. *Recognition*

Perry Unruh's last day is March 15th. He was thanked by the Board for his many years of service to the Association.

IX. Set Next Meeting Date

The next Board Meeting was scheduled for Friday, April 9, 2021 at 6:30 p.m.

X. Executive Session

The Board convened Executive Session at 8:00 p.m. to discuss administrative and personnel issues.

XI. Adjournment

The meeting was adjourned at 9:25 p.m.

Approved By: Christine Rhodes Date: 4/8/2021
Board Member Signature - electronic

**LAKE CLIFFE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
April 9, 2021**

I. Call to Order

The Lake Cliffe Association Board of Directors Meeting was called to order at 6:04 p.m. via videoconference.

Board Members Participating Were:

Shawn Horvath, Treasurer, A101

Lisa Peraino, President, E306

Jeremy Carr, Director, F109

Chris Rhodes, Secretary, F309

Tony Thomas, Vice President, A204

Camille Van Vurst, Director A306/C102

Owners participating were Richard Peterson, Scott Murray, Jane Johnson, Barbara & Ken Leach, John & Earlane Worrell, Jeff Williams, Roland Gaasch, Eric Kaler & Irene Fernandez, Kate Vumbaco & Matt Storms and Dianne Bernez.

Property Manager Luke McCann was present. Mike Kurth of Summit Bookkeeping was a guest at the meeting. Erika Krainz of Summit Management Resources was recording secretary.

II. Approval of Previous Meeting Minutes

This agenda item was not discussed.

III. Homeowner Comments

Owner comments addressed the following topics:

1. Parking – There has been a large black camper parked in front of Building B this winter. It stuck out about 4’ and blocked through traffic. There is also a long pick-up truck. The owner of the truck claimed that he pays \$100/month to a rental agency for the parking. Lisa Peraino explained that if the vehicle fits in a parking spot, it is allowed. The Board will follow up.
2. Board Recognition – Barbara Leach thanked the Board for their work on behalf of the owners.
3. Owner Contact Information – Lisa Peraino asked owners to ensure their contact information on Front Steps is up to date.
4. Work Orders - Lisa Peraino reminded owners to use the online ticketing system to submit work orders.

IV. Financial Report

A. *Review/Approve March 2021 Financial Statements*

The Balance Sheet reflected Operating Cash of \$127,820 and Reserve Cash of \$154,959. The significant P&L variances were reviewed:

1. Total Income – \$2,782 favorable to budget.
2. General Building Maintenance – \$5,086 unfavorable to budget.
3. Insurance – \$2,083 unfavorable to budget.

4. Bulk Rate Gas - \$8,818 unfavorable to budget due to the spread of the expense.
5. Net Income – \$2,575 unfavorable to budget.
6. Reserve Income – on budget. The monthly contribution is about \$15,000.
7. Reserve Expenses - \$2,199 unfavorable to budget for unbudgeted roof repairs.

There were no owner delinquencies of concern.

Motion: Shawn Horvath moved to accept the March 2021 Financials. Lisa Peraino seconded and the motion carried.

V. Committee Reports

A. *Rental Committee*

Scott Murray said the Town implemented a requirement last year for a short-term rental license. The 2020 license renewal has been extended to May 1, 2021.

B. *Landscape Committee*

Eric Kaler reviewed the following:

1. Replacement of a dead dwarf blue spruce under warranty is an open item from 2020.
2. Work for the spring and summer includes spring cleanup, repair of snowplow damage, irrigation start-up, replacement of broken landscaping equipment, mowing and trimming, Play in the Dirt Workday, shrub trimming, perennial bed plant replacement and maintenance and planting of 32 – 35 thorny bushes between Buildings E and F.
3. Play in the Dirt is tentatively scheduled for June 12th.

There is \$12,000 in the landscaping budget this year. The cost for Greenscapes to do the mowing would be \$400/week.

Action Item: Luke McCann will research the cost of a new riding mower and submit a proposal to the Board.

A. *Insurance Committee*

Matt Storms volunteered to serve on the Insurance Committee. He owns a brokerage and can provide good insight. The Board will discuss his qualifications and follow up.

Action: Matt to send contact info to President for follow up correspondence

A. *Architectural Committee*

Kate Vumbaco volunteered to serve on the Architectural Committee. The Board will discuss her qualifications and follow up.

Action: Kate to send contact info to President for follow up correspondence

C. *Rules Committee*

This agenda item will be discussed under New Business.

VI. Manager's Report

A. *Bids for Boiler Maintenance*

Luke McCann talked to PSI this week. They can do an inspection of the boiler rooms for \$400/building (\$2,000 total). Their cost to clean the boilers would be \$325 each. Jeremy Carr suggested getting an opinion from someone who does not have an interest in performing the repairs. Scott Murray said he spoke to a contractor who recommended cleaning and photographing before and after at a cost of \$800/boiler so a plan can be developed to address the problems over time. Tony Thomas suggested contacting a representative from the manufacturer who could perform the inspection to provide a baseline on which decisions can be based.

Action Item: Luke McCann will request a referral from the manufacturer for a representative who can perform the inspection.

Action Item: Luke McCann will request clarification of the PSI bid.

B. *Installation of Heat Blower in Pool House*

The blower fan was repaired this morning but the heating element is not working. It is not critical to replace the heating element right now but it will need to be repaired or replaced before next winter. The estimated cost is \$30,000 – \$40,000.

Action Item: Luke McCann will request bids to replace the heating element for review at the June meeting.

C. *Basement Locks*

Electronic locks will not be necessary if the staff is willing to lock the doors nightly. Lisa Peraino said the easiest solution would be to keep the doors locked and issue keys to all owners for access.

Action Item: Luke McCann will ensure the basements are locked at night.

D. *Plumber Bids for Building F Copper Pipe Issue*

There were some pinhole leaks in the 1-1/2" pipes that feed the units. The pipes are original and leaks are occurring throughout the property.

Action Item: Luke McCann will track leak occurrences and research the potential for responsibility for defective materials.

E. *Insurance Claim*

This agenda item was addressed under Section VI.D.

F. *Review of Bids for Building A Roof*

Bids have been received from Trinity, Turner Morris and Lallier. The base bids are all around \$140,000 plus add-ons. One of the eight sections of the roof was replaced in 2018 but the rest of the roof is 21 years old and there have been leaks. There are some variations in the bids for materials and thickness of the membrane. Trinity and Turner Morris offered medium and low weight membrane with different warranties. Turner Morris can also provide an extended warranty for an additional \$5,000. All bids have same size and gauge metal for downspouts. Camille Van Vurst would like to see calculations for the size and volume of the downspouts and recommended hiring a roofing consultant. She estimated the cost for the consultant would be around \$190/hour.

Action Item: Camille Van Vurst will contact a roofing consultant.

G. *Review Bid for Heat Tape*

The Lallier bid for heat tape for heat tape was \$12,000 for Building B, \$16,000 for Building C, \$16,000 for Building E, \$20,000 for Building F and \$1,500 for the Clubhouse. These estimates do not include electrical connection. Shawn Horvath noted that it is likely a Special Assessment will be needed to fund the projects and there will need to be a vote to approve it.

Action Item: Luke McCann will solicit additional heat tape bids for review at the June meeting and obtain bids for the required electrical work.

H. *Review Bid for Building B Parking Lot*

There is \$72,000 budgeted this year for the Building B parking lot. A bid of \$62,000 was received two years ago and should probably be increased by 5% – 10% for current cost. Luke McCann suggested patching. Shawn Horvath noted that the bid included sealing and striping of some other lots.

Action Item: Luke McCann will request an updated bid for patching.

I. *Hiring of Outside Consultant*

This agenda item was discussed under Section VI.F.

VII. Old Business

A. *Adjustments to Capital Budget to Cover Newly Identified Community Needs*

There is more information to be gathered. This topic will be included on the next agenda.

VIII. New Business

A. *Pool Hours*

Summit County has moved back to the orange COVID tier. The pool hours will remain the same.

Action Item: Lisa Peraino will post the pool hours on Front Steps.

B. *House Rules & Policies Updates – Review and Approve*

The changes to the House Rules & Policies were reviewed at the last meeting. They included:

House Rules:

1. Section 3.C. – strike the requirement to move cars for plowing.
2. Section 3.E. – remove vehicle length/width restriction.
3. Section 6.A. – add “unless they are service animals”.
4. NEW – use of Drones
 - Proposed wording: Drones are not allowed to be flown on Lake Cliffe properties by any persons other than our Lake Cliffe management staff. The

Lake Cliffe management staff may use a drone to monitor the condition of the buildings and grounds at any time of the year.

Motion: Camille Van Vurst moved to approve the amendments to the House Rules as presented. Shawn Horvath seconded and the motion carried.

Policies:

1. Section 2.C. – strike the entire section regarding shower tempering valves. Camille Van Vurst noted that this section should be changed to reflect that the valves are an owner responsibility and cost.
2. Section 14.G. – change employee goals to twice annually.
3. Section 16.E. – strike the section regarding information to realtors and buyers. Camille Van Vurst noted that potential buyers need access to the information.
Action Item: Camille Van Vurst and Jeremy Carr will redraft the language.
4. Section 20.G. – strike last sentence. Camille Van Vurst recommended striking the last three sentences.
5. Section 3.I. - extend Saturday work/remodeling hours to 6:00 p.m.

Motion: Lisa Peraino moved to approve Policies 1, 2, 4 and 5 as discussed and to reword Policy 3. Jeremy Carr seconded and the motion carried.

IX. Executive Session

The Board convened Executive Session at 8:48 p.m. to discuss administrative and personnel issues.

X. Set Next Meeting Date

The next Board Meeting was scheduled for Friday, June 11, 2021 at 6:30 p.m.

XI. Adjournment

The meeting was adjourned at 10:00 p.m.

Approved By: _____ Date: _____
Board Member Signature

**LAKE CLIFFE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
June 11, 2021**

I. Call to Order

The Lake Cliffe Association Board of Directors Meeting was called to order at 6:32 p.m. via videoconference.

Board Members Participating Were:

Shawn Horvath, Treasurer, A101

Chris Rhodes, Secretary, F309

Lisa Peraino, President, E306

Tony Thomas, -Vice President A204

Camille Van Vurst, Director A306/C102

Owners participating were Amy Muramoto, Irene Fernandez, Jeff/Debbie/Ben Johnson, Jane Johnston & Tom Krusko, Linda Gregory & Dick Peterson and Richard Peterson.

Property Manager Luke McCann was present. Erika Krainz of Summit Management Resources was recording secretary.

II. Approval of Previous Meeting Minutes

Motion: Tony Thomas moved to approve the February 19, 2021 and April 9, 2021 Board Meeting minutes as presented. Chris Rhodes seconded and the motion carried.

III. Homeowner Comments

Owner comments and questions addressed the following topics:

1. Paving Building B – This topic will be discussed later during the meeting.
2. Rental of Parking Spaces – There are some long-term renters who pay \$100/month for parking per their agreement with the owners. There is no Association policy governing owners charging their renters for parking.
3. Texts – Luke McCann should respond to owner texts to confirm receipt. Owners are encouraged to use Front Steps to communicate requests.
4. Green Jeep – There is a jeep that has been parked without being moved for months. Luke McCann has tagged the vehicle and is trying to locate the owner.
5. E Building – The basement looks very nice.
6. Mowing – The mowing clippings were blown into the parking lot and there are now grass clippings in the entryways that need to be cleaned up.

IV. Financial Report

A. *Review/Approve May 2021 Financial Statements*

Shawn Horvath reported that the Balance Sheet reflected Operating Cash of \$132,580 and Reserve Cash of \$179,446. The significant P&L variances were reviewed:

1. Common Area R&M - \$6,079 unfavorable to budget due to subfloor replacement in B302.
2. General Building Maintenance – \$3,196 unfavorable to budget.

3. Total Expenses – \$3,272 favorable to budget.
4. Reserve Income – on budget.
5. Reserve Expenses - \$4,684 unfavorable to budget due to roof replacement on Building A.

Motion: Camille Van Vurst moved to accept the May 2021 Financials. Tony Thomas seconded and the motion carried.

V. Committee Reports

A. *Rental Committee*

There was no report.

B. *Landscape Committee*

Eric Kaler has resigned as the Committee Chair. Debbie Johnson expressed interest in helping with landscaping and plant selection.

Play in the Dirt is scheduled for tomorrow, June 12th from 9:00 a.m. – noon.

C. *Insurance Committee*

There was no report.

D. *Architectural Committee*

There was no report.

E. *Rules Committee*

There was no report.

VI. Manager's Report

A. *Capital Budget Needs & Total Costs*

Luke McCann reviewed the potential projects for 2021 in order of priority:

1. Pool Clubhouse Heater & Exhaust - \$100,000. This system is 20+ years old and has been repaired multiple times. Some elements are not to code. The contractor is unwilling to continue to make repairs and it must be replaced prior to next winter.
2. Heat Tape - \$116,595 to replace all the heat tape, scuppers and downspouts.
3. A Building Roof - \$154,629 for full replacement.
4. Boilers - \$20,000 for maintenance work.
5. Parking Lot Building B - \$70,000. Changed to \$2,000 for patching this year and moved \$70,000 to 2022.
6. Total - \$395,245.

The existing Reserve Study is several years old.

Action Item: Luke McCann will obtain bids for a professional Reserve Study prior to August HOA meeting.

B. *Summer Concert Plan*

There will be free concerts every Friday and Saturday night and 11 paid concerts throughout the summer. The plan is for the management staff to be on site on evenings when there are events. They will redirect foot traffic around the property. The sprinklers will be turned on to discourage crossing of the property. The staff scheduled days off have been adjusted so both managers will be on site on Fridays and Saturdays.

C. *Reminders*

1. The House Rules prohibit storage of personal items outside of the storage lockers in the basement. Some units have furniture and multiple unidentified bikes stored in the basement, storage rooms.
2. All items in the basement must be removed within 90 days (Thursday Sept 9th). At 90 days these items that are not in compliance, will be disposed of by property management.
Action Item: Luke McCann post notice on Front Steps asking owners to remove their items with a deadline for compliance.
3. There has been a suggestion to put a dumpster on site on Labor Day weekend for owners to dispose of unwanted items.
Action Item: Luke McCann will get pricing for a dumpster for the weekend.

VII. Old Business

A. *Update of Pool Hours*

The updated pool hours are 9:00 a.m. – 9:00 p.m. and they have been posted on Front Steps.

B. *Adjustments to Capital Budget to Cover Newly Identified Community Needs*

Lisa Peraino said a Special Assessment will be necessary to fund the Reserve projects. A vote of the membership will be required. There were Special Assessments in 2011 (\$3,000 per unit) for the railing replacement and in 2015 (\$300) to shore up the Reserve balance after completion of large roof and parking lot projects.

Motion: Shawn Horvath moved to send an explanatory letter, ballot and return envelope to owners this week requesting approval for a \$3,300 per unit Special Assessment with a response deadline of July 15, 2021 and for the assessment to be levied in August. Lisa Peraino seconded and the motion carried

C. *Rules and Policies*

The Rules and Policies approved at the April meeting have been updated on the website. One updated section requires Board approval:

1. Section 7.E. Information to Realtors and Buyers
Financial reports and information to lenders including the Balance Sheet, Operating P&L, links for insurance information and an explanation of the dues allocation for operating and reserves budgets can be accessed on the Front Steps community website. Access to the site can be provided by the seller. If additional information is required by the Buyer, the Board will charge a fee of \$250 (for costs incurred) to be billed at the property closing [Adopted 4/11/2014, updated and pending board approval 4/9/2021].

Motion: Lisa Peraino moved to approve the wording of Section 7.E. as presented. Camille Van Vurst seconded and the motion carried.

VIII. New Business

A. *Board Vacancy*

Jeremy Carr resigned from the Board in May. He was recognized for his service to the Association. His seat will be filled in September at the Annual Meeting. Owners interested in serving on the Board or on a committee should submit an application to Luke McCann.

B. *Building A Storage*

There is a storage room in Building A that has very old carpet on the floor and a mattress. **Action Item:** Luke McCann - to obtain bids for someone to tear out and dispose of the carpet.

IX. Executive Session

The Board convened Executive Session at 7:46 p.m. to discuss administrative and personnel issues.

X. Set Next Meeting Date

The next Board Meeting was scheduled for Thursday, August 12, 2021 at 6:30 p.m.* Note this one time change to day of the week. The Annual Meeting will be held on Saturday, September 4, 2021.

XI. Owner Questions submitted via Zoom Chat:

1. Are we allowed to rent out our parking places?

BOD answer: NO. Parking passes are owned by Lake Cliffe Association and provided for the convenience of owners and their guests. Language contained in long or short term leases governing the use of parking passes under a rental agreement of the unit are between the owner and leases and outside the purview of the BOD. At no time shall parking spaces be considered assigned, dedicated or guaranteed. Parking passes are not to be rented out as a standalone contracts (to non-owners or tenants) as parking places are part of communal Lake Cliffe property.

2. I thought the Heat Tape in Building A was working?

BOD answer: The heat tape in building A is functional. The heat tape in buildings B, C, E, and the clubhouse are not functioning and in need of replacement prior to winter.

XI. Adjournment

The meeting was adjourned at 9:05 p.m.

Approved By: _____ Date: _____
Board Member Signature

**LAKE CLIFFE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
August 12, 2021**

I. Call to Order

The Lake Cliffe Association Board of Directors Meeting was called to order at 6:00 p.m. Due to the rise on Coronavirus cases in Summit County and the small space, board members attended in person and homeowners via videoconference.

Board Members Participating Were:

Lisa Peraino, President, E306

Chris Rhodes, Secretary, F309

Camille Van Vurst, A306/C102

Shawn Horvath, Treasurer, A101

Tony Thomas, Director, A204

Owners participating were Aubrey Rhodes, Barbara & Jerry Zimmer, Guy & Elisea Floyd, Catherine Wrundle, Linda & Kate Vumbaco, Lin Merage, Linda Gregory & Dick Petersen, Mary Jo & Jeff Williams, McConn, Scott Murray, Wizewings, Dianne Bernez, Bear McConnell, John Becker, John & Cindy Nixon, Amy Muramoto, David Scott, Fred Van Vurst, Judith Wiesner, Keri Dawn Solner, Roland & Diane Gaasch, Ruth Lefisohn, Keith Hurtubise, Ben Johnson, Richard & Jeryl Peterson, Barbara & Ken Leah and Don Parsons.

Assistant Property Manager Mike Delcavo was present. Francisco Ortiz Urbietta and the owners of Buffalo Mountain Management were guests at the meeting. Erika Krainz of Summit Management Resources was recording secretary.

II. New Business

A. *Property Management Considerations*

Lisa Peraino reviewed the benefits of working with a professional management company. They would include 24/7 support, the Assistant Property Manager would become an employee of the company with a predictable schedule, training and advancement opportunities, a team of professionals to back up dedicated staff, two on-site Managers dedicated to the property, a separate maintenance team, preferred access to local tradesmen, purchasing power, resources to assist the Board with managing large capital projects, development of a maintenance plan, assistance with the capital budget and Reserve Study, expanded coverage through Farmer's Insurance, limited risk with a contract that can be terminated and owner access to tradesmen at reasonable costs.

B. *Buffalo Mountain Managers Presentation*

The Buffalo Mountain Managers (BMM) representatives presented a Power Point outlining their qualifications and experience. They have 60 years of combined property management experience. They have plumbers on staff, equipment, charge a lower rate than third parties and can provide quick service including at night and on holidays at a set rate of \$75/hour. They have licensed plumber for larger projects, a full time mechanical contractor, a drywall repair employee, in-house accounting with financials reports provided by the 20th of each month and software with interactive systems including Appfolio and Basecamp.

Owner comments and questions for BMM addressed the following topics:

1. Experience – BMM just celebrated their 10th year in business in Summit County. The company started out doing maintenance and their clients asked them to take on management. They manage numerous properties throughout Summit County.
2. Staff – Their Community Association Managers (CAMs) learn all the material that was previously required for licensing and have continuing education. The Board will be communicating needs through the Front office or CAM.
3. Dedicated Lake Cliffe Staff – They plan to have two staff members dedicated to the property. Anthony is a Community Association Manager (CAM). Mike Delcavo may be hired as an employee. BMM has a floating maintenance crew to assist as needed. The number of staff assigned to a property is based on the level of service desired.
4. Maintaining a Neighborhood Feeling – BMM works with Associations that want a partnership. Their goal is to make the property as beautiful and rewarding as the owners want it to be.

The BMM representatives left the meeting at 6:50 p.m.

C. *Homeowner Comments*

Additional owner comments and questions came in verbally and in the chat and addressed the following topics:

1. Self-Management vs. Management Company – Previous Boards have opted for self-management because management companies were too expensive. There was a question regarding the cost of the contract, fixed and variable costs, how outside management will impact dues, ensuring high quality work and controlling the hiring of contractors that give the management companies kickbacks for large projects.
2. Hiring Mike Delcavo – Several owners spoke in favor of hiring Mike Delcavo to manage the property.
3. BMM Presentation – The BMM presentation gave the impression that they feel they will be managing renters rather than owners.
4. BMM Reputation – An owner spoke to a Board member at Mountainside, which fired this company and did not recommend them. Another owner owned a property that was managed by BMM and there were issues with the service provided.
5. Competitive Bidding Process – There were questions about the other management companies that were considered and how BMM became the top candidate.
6. Formation of a Committee – There was a suggestion to form an owner committee to research options.
7. Board Authority – There was a question regarding the Board's authority to make this change without agreement of the members at large.
8. Cost – There was concern expressed regarding the potential for a significant cost increase with outside management.
9. Rental Unit Income – It was noted that housing two staff members on site will result in loss of rental income for the Manager's unit.

Lisa Peraino responded to owner concerns that were expressed during and prior to this meeting:

1. Maintain on-site staff - The Board cannot dictate who the management company hires or where Mike Delcavo agrees to work. He has been highly recommended by the Board as a great resource.
2. Maintain two dedicated staff members for Lake Cliffe.
3. Maintain self-management - The scope of deferred maintenance, capital projects, human resource issues and availability of needed skilled resources has led to the Board determination that a team of professionals can best meet the current community needs.
4. Increased dues - There may be an increase in dues, largely due to deferred maintenance and inflationary pressures. The current cost estimates for a management company and savings from bundling other expenditures project a forecasted savings of approximately \$1,800, based on preliminary estimates and forecasts.
5. Loss of control or autonomy - The management company will report regularly to the community and the Board. Capital expenditures will continue to be approved by the Board.

Lisa Peraino added that when Perry resigned, the Board sent out an RFP in order to consider both replacing Perry and working with a Property Management Company. Based on the interest and applicants for the Property Manager role the Board felt comfortable continuing self-management and went through the hiring process.

The individual hired as property manager who started in March 2021 was found to have overstated his qualifications and could not meet the needs of the Association. He was dismissed in July. The board was again at a decision point of hiring or using a property management company. Based on the labor market, the limited property management experience of the assistant property manager and recent hiring experience, the board revisited the RFP proposals from earlier in the year. Six management company proposals were revisited. Interviews took place with three.

The most critical need is skilled management to oversee the capital projects and access to the vendors to complete the work. The Board has not signed a management contract. BMM was selected to give a presentation because the preliminary information seemed to best meet the needs.

The rental unit income would be lost with two staff members on site but the current cost estimates of the example property management company would provide savings of about \$1,800/month. The Reserve funding for Lake Cliffe is not close to the level recommended in the most recent Reserve Study due to the costly emergency repairs on Bldg E.

There are numerous capital projects that have been identified including the pool house heating, heat tape, downspout replacement, chimney cap and chase repairs and replacement of building electrical boxes that are out of code. In addition, there need to be maintenance contractors for roof snow removal and bi-annual cleanout of collectors and downspouts. Hiring a management company would reduce the risk associated with having employees, the contract would be limited and could be re-evaluated and terminated with 90-days

notice and the risk of catastrophic failure would be reduced with an established maintenance schedule.

III. Approval of Previous Meeting Minutes

Motion: Tony Thomas moved to approve the June 11, 2021 Board Meeting minutes as presented. Chris Rhodes seconded and the motion carried.

IV. Financial Report

A. *Review/Approve July 2021 Financial Statements*

Shawn Horvath reported that the Balance Sheet reflected Operating Cash of \$96,571 and Reserve Cash of \$205,838. The Association was \$4,000 favorable to budget for the month and \$7,000 favorable to budget for the year. All owner were current with dues payments. The P&L Reserve Budget has \$4,684 for roof repairs. Reserve Income was on budget at \$107,325. Owners should have recently received two invoices, one for regular dues and one for \$3,300 for the Special Assessment.

Motion: Shawn Horvath moved to accept the July 2021 Financials. Lisa Peraino seconded and the motion carried.

V. Committee Reports

A. *Rental Committee*

Scott Murray did not have a report.

B. *Landscape Committee*

The Chair position has been vacant since June 2021. Owner who participated in 2021 Play in the Dirt Day were thanked. A temporary worker has been hired to help with mowing.

C. *Insurance Committee*

The Chair position has been vacant since 2018. There is a pending claim for Building C due to overflowing scuppers and downspouts during a rainstorm in June. Mold remediation has been completed. The Board is working to secure a contractor to complete exterior repairs.

D. *Architectural Committee*

The Chair position has been vacant since 2017. The Board approved two variance requests for window replacements since the June Board Meeting. The Board approved a proposed remodel.

E. *Rules Committee*

Dave Scott did not have a report.

Chris Rhodes commented that the lack of owner volunteers for the committees has caused additional stress for the Board and is one of the reasons the decision was made to pursue outside management to alleviate the burden. The amount of time the Board has spent on Association matters is not sustainable. Lisa Peraino estimated that the Board is collectively spending 50 – 60 hours weekly on Lake Cliffe business.

VI. Operation/Assistant Property Manager's Report

A. *Property Status*

Mike Delcavo reviewed the following:

1. Hot Tub - The hot tub was not retaining the water temperature. A sensor was replaced.
2. Basements - Cleaning out of the basements is ongoing.
3. Recycling – There have been problems with the recycling bins overflowing. Waste Management is providing a second weekly pick-up.
4. Concerts/Traffic – There are four to five concerts per week. There have not been many problems with parking in the lots. He has found that most cars without permits are legitimate renters. There are still some problems with pedestrians walking through the property and owner assistance is appreciated.
5. Parking Lot Repairs – A-Peak patched the Building B and E asphalt.

VII. Old Business

A. *History & Status of Special Assessment*

Deferred maintenance includes:

1. The roof drains have not cleaned been out in more than a year. Mike Delcavo said they were cleaned out twice last year.
2. The heat tape has not been functional for at least two years on Buildings B, C, E, F and Clubhouse.
3. The Building B roof was damaged by painters.
4. Building F needs chimney chase repair.
5. Building C lacked caulk around windows at the time of painting.

The Board requested a Special Assessment to address critical capital projects including:

1. Replace Building A roof, downspouts and drains.
2. Replace Clubhouse seamed gutters and non-commercial grade heat tape and increase pitch to avoid forward slope.
3. Heat tape for Buildings B, C, E, F and Clubhouse and associated electrical work.
4. Replace heat tape electrical with spliced 240 and 120 volts.
5. Replace Clubhouse heating system.

The Special Assessment was approved with 75% of the owners voting and 71% in favor.

B. *Roof, Heat Tape, Clubhouse, Electrical Building A, B, C, E, F and Clubhouse*

1. Roof - Building A – Contracted with Lallier Construction Inc. and Karsten Electric. Material costs have increased dramatically in last three months. The estimated total project cost is \$198,438.

2. Roof Building B – Lallier Construction Inc. will repair the tear created by the painting contractors, when they install the heat tape. Their bid was 80% lower than Turner Morris.
3. Heat tape for Buildings B, C, E, F and Clubhouse – The material cost has increased for heat tape and copper. All heat tape will be replaced and new electrical connections will be installed. The estimated cost for the heat tape is \$78,809. Building C downspouts will be replaced in 2021 and 2022. Building downspouts will be replaced as determined under change orders. The electrical cost will be \$54,801. A roofing consultant inspected the roof in April.
4. Clubhouse Heating System – An engineer was contracted to assess the structure. The make-up air unit needs replacement. The exhaust fan on the west side of the building has failed and needs to be replaced. Two contractors have been asked to provide bids. A structural engineer was hired to review structure requirements, which is required for the building permit. The main concern is the build-up of humidity resulting from the lack of air circulation and the potential for mold.
5. Electrical Building A – The electrical distribution panel in Building A is old and replacement is recommended. Cane Electric has inspected the panel and indicated it should be replaced but the need is not immediate. It should be scheduled in 2022.

C. *Window Policy*

Camille Van Vurst did extensive research on the windows. She is drafting a new policy that provides more latitude for owners to select different window manufacturers since Milgard is not available in Summit County. The windows will need to have the same profile. She had four distributors on site last week and they are finalizing the specifications and pricing for presentation at the Annual Meeting. Samples will be provided. The names of potential installers will be made available and owners will be able to contract individually. There was discussion about enforcing the requirement for replacement of cracked windows.

D. *Annual Meeting*

The Annual Meeting will be held on September 4, 2021 at 9:00 a.m. at the Dillon Community Church, followed by an owner picnic at noon in the Lake Cliffe park. Barbecue lunch will be provided and owners are asked to bring a dessert to share.

E. *Board Closing Comments*

Lisa Peraino thanked the owners for their participation and comments. Chris Rhodes noted that based on the comments, many owners do not understand why the management decision will not be an owner vote. She said the Board has the authority to make this decision and most owners do not have a complete understanding of the big picture. Tony Thomas noted that he was hoping that owners would step up to help but most owners are unwilling to be involved. Camille Van Vurst felt a new Reserve Study should be done to quantify how underfunded the Reserves are and clarify the need for a dues increase.

Motion: Lisa Peraino moved to continue to research property management companies and pursue a contract to facilitate maintenance and management of the property. Tony Thomas seconded. In discussion, she clarified that she was not endorsing a contract with a specific management company. The motion carried unanimously.

VIII. Executive Session

The Board convened Executive Session at 8:32 p.m. to discuss personnel matters (including a discussion with Mike Delcavo regarding property management) budget and annual meeting planning.

During the executive session, Shawn Horvath stated her intention to resign from the board Treasurer position effective 9/4/21 (annual meeting).

IX. Adjournment

The meeting was adjourned at 9:27 p.m.

Approved By: _____ Date: _____
Board Member Signature

**LAKE CLIFFE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
December 2, 2021**

I. Call to Order

The Lake Cliffe Association Board of Directors Meeting was called to order at 6:09 p.m. via videoconference.

II. Board Quorum Verification

Board members participating were:

Camille Van Vurst, President, C102

Jim Penta, Treasurer, C307

Ray Dean, Member, A303 (joined the meeting in progress)

Tony Thomas, Vice President, A204

Jeff Williams, Member, 306C

With four Board members participating, a quorum was verified.

III. Homeowners & Guests Present.

Owners participating were: Michael Margolis (A304), Patricia Penta (C307), Ruth & Paul Levisohn (B208), Eric Kaler & Irene Fernandez (A205), Bear McConnell (B304), Richard Peterson (E203), David & Susan Scott Adams (E205), Tom Krusko (B103), Fred Van Vurst (C102) and Barbara & Ken Leach (C201).

Representing Axiom Management were Perry Unruh and Luke Unruh. Erika Krainz of Summit Management Resources was recording secretary.

IV. Introduction of Axiom Management

Luke and Perry Unruh of Axiom Management introduced themselves.

V. Owner Comments

Owner questions addressed the following topics:

1. Status of Unit Inspections - Luke Unruh said courtesy checks will be done twice monthly during the winter and once monthly during the summer.
2. Zone Valves – A comment was made that since the heating and hot water for the units is a closed common system, zone valves should be considered part of the system and owners should not have individual responsibility for them. The Association should also be responsible for the first valve after a pipe penetrates the unit wall.
3. Determination of Unit Occupancy for Courtesy Checks - Perry Unruh said if a knock on the door is not answered, they open the door and announce themselves. If they see personal items in the unit, they will not enter and will document the occupied status. Units with long-term renters will not be entered.

VI. Meeting Minutes to Approve

Motion: Jeff Williams moved to approve the October 15, 2021 Board Meeting minutes as presented. Jim Penta seconded and the motion carried.

VII. Financials

A. *Year-to-Date October 2021*

Jim Penta reported that the Association was operating \$24,671 unfavorable to budget overall. The Reserve P&L reflected a \$392,700 Special Assessment.

Motion: Jeff Williams moved to accept the October 2021 Financials. Tony Thomas seconded and the motion carried.

B. *2022 Budget Discussion & Approval*

Jim Penta reviewed the multi-step process for developing the budget. The 2022 Operating Budget as drafted includes a 5% increase. Security & Fire Safety was increased for the installation of Knox boxes (\$5,100) and rekeying the basements (\$4,000). In the Reserve Budget, expenses total \$82,000. The projected starting balance is \$429,450 and net Reserve income will be (\$186,908), leaving an ending balance of \$242,542.

There was discussion about the proposed 5% increase. Jeff Williams noted that there were still some unknowns and there could be additional needs. He suggested a 7.5% increase. Camille Van Vurst said this would increase the Reserve contribution to \$160,000 - \$165,000. Jim Penta stated that this level of increase would exceed the rate of inflation and could be a hardship for some owners. There was discussion about options for raising additional funds if there is a significant unforeseen expense, which included increasing dues, using the Association-owned units as loan collateral, a Special Assessment or establishing a line of credit. Perry Unruh added that other Associations are raising dues up to 10%. The new Reserve Study will help clarify the financial needs. Perry said Lake Cliffe is in the mid-range in terms of Reserve funding. There was agreement the additional 2.5% should be applied to the Reserve contribution.

Motion: Tony Thomas moved to approve the 2022 Budget with a 7.5% due increase, effective January 1, 2022. Jeff Williams seconded and the motion carried unanimously.

Action Item: The Board will draft an explanatory letter to the owners that includes a table of what is included in the dues and a comparison to other properties.

C. *Set 2022 Budget Ratification Meeting Date*

The Budget Ratification Meeting was scheduled for Wednesday, December 15, 2021. If at least 51% of the membership does not vote in opposition, the budget is deemed ratified.

Action Item: Perry Unruh will forward the Budget Ratification Meeting notice materials to the Board for review.

VIII. Operations Report

Perry Unruh reviewed current and pending projects:

1. Fireplace Inspections - Eight fireplaces could not be accessed during the initial round of inspections and the owners were notified. Five of them were subsequently inspected. Most issues were related to after-market doors that did not have a tight seal. There were

- conflicting recommendations for how to address the problems. Another vendor will be brought in to determine what can be done to make the fireplaces safe.
2. Clubhouse - The materials are in Denver but installation has been delayed because the Tolin technicians are recovering from COVID.
 3. Association-Owned Units - Unit B100 is occupied by an employee. A tenant is still being sought for Unit C101.
 4. Property Inventory - Axiom is working on cleaning up and organizing the buildings. An inventory of Association-owned property is being conducted.
 5. Backflow Preventer - An issue with a backflow preventer is being addressed. **The** Certifications required by the Town of Dillon will be completed in the next week by Premier Plumbing.
 6. Manager's Unit - Bids are being developed for the Manger's unit to replace damaged framing, backboard and tiles. Mold and rotted will be removed. New tile will be replaced for both bathtub surrounds and the master shower. We are securing further bids for replacement of the kitchen countertops.
 7. Heating – Perry Unruh will be meeting with the heating contractor to schedule repair and maintenance and to prioritize work.
 8. Printer – Perry Unruh requested access to a printer to document conditions at the property. Lake Cliffe has printer downstairs and Jeff Williams has the Lake Cliffe laptop in his unit for safe keeping. Axiom will have access to laptop for Lake Cliffe business.
 9. Website – Documents from Front Steps and digitized historical documents are being uploaded to the website.
 10. Property Tour – The first property walk with Axiom will occur on December 8th.

IX. Old Business

There was no old business.

X. New Business

- A. *Zone Valve Replacement Policy*
Discussion of this agenda item was tabled until more information is obtained.
- B. *Gate Valve Replacement Policy*
Discussion of this agenda item was tabled until more information is obtained.
- C. *Unit Sub-Floor Repair/Replacement Policy*
Discussion of this agenda item was tabled until more information is obtained.

XI. Schedule Date for Next Board Meeting

The next Board Meeting was scheduled for Friday, February 11, 2022 at 6:00 p.m.

XII. Adjournment

Motion: Tony Thomas moved to adjourn at 7:59 p.m. Jim Penta seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Signature

LAKE CLIFFE CONDOMINIUM ASSOC.

BUDGET RATIFICATION MEETING

DECEMBER 15, 2021

I. CALL TO ORDER – 6:10 PM MST

The Lake Cliffe Budget Ratification Meeting was called to order at 6:10 P.M. MST via videoconference (Zoom).

Board members participating: Camille Van Vurst – A306/C102

Owners participating: Fernandez/Kaler – A205, Peterson – E203, Zador – F204, Kruger – F210, Fred Van Vurst – A306/C102

Proxies - None

Representing Axiom Management: Perry Unruh

II. 2021 BUDGET RATIFICATION

There was not 51% of homeowners against ratification so the 2021 BOD approved budget was ratified.

III. ADJOURNMENT

The meeting was adjourned at 6:15 P.M. MST

Camille Van Vurst– motion to adjourn, Fred Van Vurst, unanimous.