

PROXY

Vail Heights Phase III Condominium Association

As owner of Vail Heights III Unit # _____, I hereby appoint _____ my proxy to attend and represent me at the Annual Meeting of members of Vail Heights Phase III Condominium Association to be held on _____ in the common area at 2059 Chamonix Ln, Vail Colorado at _____ am / pm and at any adjournment or postponement thereof, and to vote on my behalf with respect to any matter that may properly come before the meeting(s) and to take any action which I could personally take if present at the meeting(s). This proxy shall expire automatically at the completion of this meeting as set forth above.

Please list any concerns you may wish to have discussed below:

Signed:

Dated:

Minutes of Vail Heights III HOA Annual Meeting, March 30, 2021

Welcome & Establishment of quorum

The meeting began at 4:30 p.m. via teleconference. Eleven units were represented: Debbie Hill #12, president; Andreas Bauer #11; Don Juneau #10, vice president; Sue Gadberry #9, #1, #3, secretary; Cyn Wizeman #8; Daniel Estrada #5; Mike Eng #2; and TOV units #6 & #7 by proxy.

Annual Reports

Maintenance & Snow Removal

Daniel asked why snow removal cost was so high for a small parking lot. Explanation: the plowing contract was \$1663 but we spent \$2997.50 midseason to remove 12 truckloads of snow to create space for parking & additional snow. Andreas noted that it wasn't an annual expense, occurring only a few times in the past decade. We have not had this expense to date in 2021.

Annual Financial Statement Review

Deb reported we are operating at a loss, not contributing to savings/reserves and our bank balance is decreasing. In 2020 the monthly cost per unit for regular expenses, not including projects, was \$284.23 while monthly dues are \$250. Daniel said he thinks we need to raise dues. Cyn suggested \$275. Andreas said he'd prefer an increase in dues vs. annual special assessments and \$300/month would be OK. Mike E., Don & Daniel agreed. Sue noted, and others acknowledged, we'd still need special assessments for projects. Vote on dues to be held under new business.

Old Business

HOA policies: updated by an attorney and approved at 2020 Annual Meeting to comply with CCIOA (state condo laws).

Boiler re-piping & re-wiring: Project completed, preparing for eventual boiler replacement. PSI has since made minor repairs under warranty. They provided a new mixing valve for DHW and a thermostat for #13 at no charge. Responsiveness & work quality has been good.

Electrical sub-panel/heat tape: Project completed, provided 220-amp dedicated breakers for heat tape, eliminating the need to plug heat tape into unit outlets, which the TOV fire marshal warned was a fire hazard. Heat tape is on a timer.

Rear roof drain leak: In 2020, the drain leaked damaging drywall in Unit 7. This spring, the drain leaked into a storage locker. Water is finding its way to the outside of the pipe and running down into the building. The HOA is working to resolve the issue with Fred's Plumbing (which installed drain extensions as part of the roof work in 2018). In the locker there is a small area of drywall damage at the ceiling. The locker and wood shelving look OK. Don said his renter didn't mention damage to his belongings. Appointment is set for Fred's to come back Apr 7.

New Business

Reserve Projects

Roof: HOA members voted in 2020 to repair the west end panel in 2021 including insulation & snow retention as the panel is over a walkway. Work to be completed by Umbrella this summer with a 7-year warranty. Funding options proposed were: a) special assessment of \$1,917 per unit to cover the entire cost or b) \$1,500 per unit with the remaining \$5,000 from operating funds. Vote was 11-0 to raise \$1,500 per unit with a due date of July 15, 2021. Owners will receive invoices via PayHOA.

Boiler Replacement: Discussion regarding boiler/flue replacement in 5-7 years. Hot water tanks/heater may need to be replaced before or after boilers. Our 23-year-old boilers are 80 percent efficient while new boilers are about 95% fuel efficient but don't last as long and are prone to more expensive repairs to their high tech components. Sue will request a ballpark estimate from Jim Harper (PSI) for budgeting purposes. Jim recently commented that we have about \$85K worth of equipment in our boiler room including the boilers, hot water storage, pumps & water treatment. On the hot water side, the storage tanks are the biggest expense. HOA plans to replace in stages to spread out the cost. Deb calculated we'd need to raise dues \$55/month to raise \$40K over five years.

Decks, drainage, front walks, front retaining wall, front steps:

The decks are possibly original. We need an inspection, a shore up, and a discussion regarding drainage & pipes. Mike E. said the structures underneath are rotten but Ron added supports that are working well, could last a few more years. The deck foundation is not up to code. Andreas said sauna tubes filled with concrete can be used to form a new foundation without widespread excavation. Sue mentioned we have to know the location of underground pipes before digging. Mike said PSI plumber Rudy determined that the sewer main exits the building under # 6 into the parking lot. An

old hand drawn map places the sewer line exit roughly at the border between 5 & 6. Where do we start? The pavement is sinking in the vicinity of a roof drainage line under the parking lot. Andreas offered to look at the deck with his father this spring and try to establish the scope of work needed, determine if we need an engineering study and if so, when (beforehand or as part of permitting process), and get an opinion on longevity of the decks as is. Cyn will ask contractor Ken Huber to look at decks and offer his opinion on our options, needs, etc.

Condition of pipes: Discussion about jetting to prevent costly damage to units. Our 44-year-old pipes are deteriorating. Clogs form where flaking metal pieces hang down inside pipes and gather debris. High pressure jetting can remove hanging bits of metal but camera work is needed to locate obstructions and to ensure jetting has removed them. We had a backup in #7's bath line resulting in an emergency snaking expense (\$240.50) a few weeks prior to planned jetting. This was caught early with no damage to the unit. Damage to #5 in 2018 was costly in insurance premium increases and loss of future coverage for asbestos remediation. (Remediating 60 sq ft of drywall - less than 2 full sheets - cost over \$6,000.) We did more extensive pipe jetting in 2020 than in past years: 4 kitchen lines, 4 bath lines, the laundry drain, boiler room drain and the main, accessed by removing the common area toilet. We asked if our pipes were a candidate for pipe bursting, which is creating new pipe within old. Rudy from PSI said we might want to mill and reline the part of the approx. 65-feet of sewer main that lies under the building because replacement of that pipe would require breaking into the concrete floor of our foundation. The exact location of the main is unknown: under the hallway or under some or all of the lower level condos. Sue will follow up with PSI to get the approximate cost per foot for this work. It would require installation of one or more cleanouts. Rudy provided an estimate of \$4,336 (\$1084 each) for four bath cleanouts accessible from the hallway in the lower level. This would eliminate the need to remove toilets for jetting. Each toilet removed and re-installed adds \$180 to the cost of jetting. The cost goes up every year and this procedure is intrusive for unit residents.

Vote on proposed dues increase: Andreas moved with second by Daniel that HOA increase dues to \$300 per month per unit beginning June 1, 2021. Vote in favor 11-0.

Election of Directors: Cyn moved with second by Mike E. to re-elect Deb Hill president, Don Juneau vice president and Sue Gadberry as secretary. Vote in favor 11-0.

Date of 2022 annual meeting: TBD in early 2022.

The meeting was adjourned at 6:09 p.m.

Officers' report for Annual Meeting, March 28, 2022

Maintenance/projects completed in 2021/early 2022

- Minor walkway repairs & front steps re-surfaced per insurance company directive, fall 2021
- Electric meter enclosure retrofitted so doors close
- #13 updated in December (floors, lighting, electrical, kitchen sink, fixture & countertops)
- Common bath: replaced toilet & floor summer/fall
- Two projects: roof completion & sewer cleanouts in common hallway
- Replaced backflow prevention device per state mandate

Also repaired rear roof drain

Snow removal update

- Hired Lyons Mgmt. for snow shoveling (\$45/hr). They come for 2 or more inches.
- Greg Luciano continues to plow driveway
- No snow hauled away in 2021 or 2022
- Push back of snow March 1, 2022 & snowbank reduction with snowblower/shovelers.

Planned for 2022

- Sewer line work. Goal: avoid a costly rupture; extend life for decades
- Repair to sewer line by street (cut into by cable or electric co.)
- Decks: Engineering study/blue print.
- Concrete repairs: east/west walkways, retaining wall
- Restore flap on ventilator, investigate fan option
- Doors: try to replace two basement doors, cut heat loss & improve security

Vail Heights III 2021 Income & Expenses

VH3 Operating Costs 2021			2021 income		
Utilities		Category totals	Regular income		Category totals
Eagle River Sanitation Sewer & Water	\$12,532.28		HOA dues	\$40,500.00	
Xcel Gas heat and hot water	\$4,663.35		Special Assessment roof	\$18,000.00	
Vail Honeywagon Trash/recycling (incl. \$50 reimbursed)	\$2,039.17		Laundry	\$3,165.51	
Electricity (common & #13)	\$1,334.77	\$20,569.57	#13	\$8,400.00	\$70,065.51
Insurance, legal, banking			Other income		
Insurance: CAU & Travelers	\$7744.00		refund dryer prot plan	\$151.28	
Legal	\$0.00		bank fees reimb #13	\$36.00	
Colo SOS registration 2/8/21	\$10.00		#11 sink leak reimb	\$125.00	
Bookkeeping PayHOA	\$480.00		#3 Honeywagon reimb'd	\$50.00	
Bank fees incl. \$24 reimbursed bounced ck fees	\$84.00	\$8,318.00	late fees for dues pymts	\$21.00	\$383.28
Maintenance, repairs			Total income		\$70,448.79
Dryer coin slot repair (Feb, unsuccessful)	\$150.00				
#13 thermostat (on recirc pump invoice)	\$125.00				
Common area bath, floor & toilet (August)	\$525.00				
Decks stain & new boards	\$1,150.50				
Electric meter enclosure build out (RG August)	\$470.00				
Stairs at parking lot (RG August)	\$775.00				
Rear roof drain	\$2183.75				
Water softener salt	\$521.30	\$5,900.55			
Contracted services					
Snow removal - plowing contract	\$1,663.00				
Pipe jetting	\$2,422.50				
Water softener service contract	\$191.41				
Pest control ants & aphids \$304 + \$365	\$669.00	\$4,945.91			
Inspections					
Boiler inspection Hartford Boiler Co (state mandate) 3/18/21	\$82.57				
Back flow device inspection High Country (state mandate)	\$160.00				
Chimney safety inspection (Al Aragon) insurance mandate	\$180.00				
Fire extinguisher inspection (Pye Barker) insurance mandate	\$99.00	\$521.57			
Emergency maintenance					
Domestic Hot Water System repairs	\$1560.00				
leak into hall ceiling (#11 sink - reimbursed)	\$125.00				
back up in #8 bath sink (Oct- after hours)	\$615.00				
back up in #6 kitchen sink (Oct 2 days before jetting)	\$165.00				
back up in #13 bath tub	\$145.00	\$2,610.00			
Equipment purchases					
clothes dryer (DH billpay Feb)	\$1,107.92				
bike racks (SG billpay Sep)	\$459.95	\$1,567.87			
subtotal	\$44,433.47				
Projects					
Roof west panel insulate & re-surface, add snow retention	\$23,000.00				
4 cleanouts for jetting bath lines & main	\$4,760.00				
#13 updates paid in 2021 (see detail)	\$5,352.25	\$33,112.25			
Total expenditures		\$77,545.72			

2021 utilities

	water/sewer	heat/hot H2O	trash/recycling	common electric	#13 electric	Month total	
January	\$1,043.33	\$532.96	\$162.31	\$95.00	\$75.21	\$1,908.81	
February	\$1,049.49	\$441.34	\$162.31	\$82.22	\$92.36	\$1,827.72	
March	\$1,049.49	\$460.95	\$117.31	\$128.75	\$36.06	\$1,792.56	
April	\$1,074.13	\$397.96	\$162.31	\$83.65	\$21.58	\$1,739.63	
May	\$1,058.73	\$376.24	\$162.31	\$103.09	\$22.16	\$1,722.53	
June	\$1,027.93	\$316.93	\$165.55	\$79.94	\$22.73	\$1,613.08	
July	\$1,046.41	\$243.10	\$165.55	\$63.00	\$22.73	\$1,540.79	
August	\$1,040.25	\$242.37	\$165.55	\$55.57	\$22.51	\$1,526.25	
September	\$1,049.49	\$252.49	\$165.55	\$46.12	\$22.86	\$1,536.51	
October	\$1,040.25	\$299.18	\$180.45	\$57.87	\$22.40	\$1,600.15	
November	\$1,015.61	\$491.22	\$180.45	\$72.39	\$20.64	\$1,780.31	
December	\$1,037.17	\$608.61	\$199.52	\$65.15	\$20.78	\$1,931.23	
Totals	\$12,532.28	\$4,663.35	\$1,989.17	\$932.75	\$402.02	\$20,519.57	
							Annual/unit total
Annual cost per unit	\$1,044.36	\$388.61	\$165.76	\$77.73	\$33.50	\$1,709.96	\$3,419.92
							Monthly/unit total
Monthly cost per unit	\$87.03	\$32.38	\$13.81	\$6.48	\$2.79	\$142.49	\$284.98

2021 expense detail

Expense category	Amount	Category totals
Decks		
Stain, labor & materials, Mike E. (May)	\$477.50	
Deck replace boards, stain (2 invoices \$495 + \$178)	\$673.00	\$1,150.50
Steps to parking lot		
plywood & stair nose	\$650.00	
quarter round & stain	\$125.00	\$775.00
Common bath		
New toilet (flooring donated by D. Hill)	\$125.00	
Labor R. Grimm	\$400.00	\$525.00
Rear roof drain		
Fred's inspection/no fix	\$168.75	
PSI - replace drain	\$1,395.00	
RMK Electric disconnect/reconnect heat tape	\$100.00	
Stud, drywall repairs, paint in #11 where drain was accessed	\$520.00	\$2,183.75
Domestic Hot Water System		
Replace recirculation line pump (Feb,pd in Mar)	\$575.00	
Replace 1 tank's aquastat & correct circ line piping (June)	\$985.00	\$1,560.00
Pest Control		
Aphids (Aspen trees)	\$365.00	
Carpenter Ants (building)	\$304.00	\$669.00
Electric		
Holy Cross common area electric	\$947.01	
Holy Cross #13 electric (higher than norm - space heater use)	\$402.02	\$1,349.03
Bath cleanouts		
PSI - install 4 cleanouts in common area hallway	\$4,336.00	
R Grimm - frame & install cleanout covers, repair drywall	\$424.00	\$4,760.00
#13 repairs & updates		
flooring, kitchen sink, faucet	\$1,340.98	
cabinet liners	\$29.27	
labor & misc. materials	\$3,982.00	\$5,352.25

2020 vs. 2021 routine expenses per unit

Routine expenses	2020 per unit, per month cost	2021 per unit, per month cost
Water & Sewer	\$80.10	\$87.03
Heat & Hot water	\$22.61	\$32.39
Trash & recycling	\$13.06	\$13.47
common & #13 electric	\$9.06	\$9.34
water softener	\$5.40	\$4.95
pest control	\$4.49	\$4.65
snow removal parking lot	\$32.36	\$11.55
misc. exterior maintenance	\$8.38	\$16.64
property insurance	\$52.66	\$53.78
bookkeeping & banking fees, state registration	\$3.90	\$3.74
legal	\$14.40	0
safety inspections	\$2.15	\$3.62
new laundry equipment	\$1.41	\$7.69
#7/#11 roof drain leak damage	\$6.35	\$15.16
pipe jetting	\$25.00	\$16.82
emergency pipe auguring	\$1.67	\$6.42
#13/common area misc upkeep	\$1.23	\$4.51
Total per unit per month	\$284.23	\$291.76
Annual cost per unit	\$3,410.76	\$3,489.36
Annual cost building	\$40,929.12	\$41,872.32

2020 & 2021 expense vs income

	2020	2021
Total expenses	\$88,447.79	\$77,545.72
- Total Income	-\$62,338.60	-\$70,448.79
- Reserve funds used for projects	-\$18,000.00	\$0.00
= Operating funds used for projects	\$8,109.19	\$7,096.93
	Bank balances beginning/ending 2021	
	Checking	Savings
	\$20,208.13	\$36,097.66
	\$13,111.20	\$36,110.67
	-\$7,096.93	\$13.01

Projected 2022 budget

VH3 Operating Costs 2021 Actual			Projected 2022	2021 income Actual		Projected 2022
Utilities 2021		Utilities 2022		Regular income		
Eagle River Sanitation Sewer & Water	\$12,532.28	Eagle River Sanitation Sewer & Water	\$13,528.00	HOA dues	\$40,500.00	\$43,200.00
Xcel Gas heat and hot water	\$4,663.35	Xcel Gas heat and hot water	\$5200.00	Special Assessment roof	\$18,000.00	\$36,000.00
Vail Honeywagon Trash/recycling	\$2,039.17	Vail Honeywagon Trash/recycling	\$2,200.00	Laundry	\$3,165.51	\$3,000.00
Electricity (common & #13)	\$1,334.77	Electricity (common & #13)	\$1450.00	#13	\$8,400.00	\$18,000.00
Insur, bank 2021		Insur, bank 2022		Other income		
Insurance: CAU & Travelers	\$7744.00	Insurance: CAU & Travelers	\$8,200.00	refund dryer prot plan	\$151.28	\$0.00
Colo SOS registration 2/8/21	\$10.00	Colo SOS registration 2/8/21	\$10.00	bank fees reimb #13	\$36.00	\$0.00
Bookkeeping PayHOA	\$480.00	Bookkeeping PayHOA	\$0.00	#11 sink leak reimb	\$125.00	\$0.00
Bank fees	\$84.00	Bank fees	\$60.00	#3 Honeywagon reimb'd	\$50.00	\$0.00
Maint, reps 2021		Maint, reps 2022		late fees dues	\$21.00	\$0.00
Dryer repair	\$150.00	Laundry maint	\$150.00	Total income	\$70,448.79	\$100,200.00
#13 thermostat	\$125.00	#13 misc.	\$150.00			
Common area bath	\$525.00		\$0.00			
Decks stain/boards	\$1,150.50		\$600.00			
Elec meter enclos	\$470.00		\$0.00			
Stairs at parking lot	\$775.00		\$0.00			
Rear roof drain	\$2183.75		\$0.00			
Water softener salt	\$521.30		\$0.00			
Contracted 2021		Contracted 2022				
Snow plowing	\$1,663.00	Snow plowing	\$1,850.00			
Pipe jetting	\$2,422.50	Pipe jetting	\$1,600.00			
Water softener	\$191.41	mowing, raking	\$1200.00			
Pest control	\$669.00	Pest Control	\$720.00			
		Snow shoveling	\$1,000.00			
		Lot & snowbanks	\$345.00			
Inspections 2021		Inspections 2022				
Boiler state fee	\$82.57	Boiler state fee	\$80.00			
Back flow device	\$160.00	Backflow device	\$170.00			
Chimneys	\$180.00	Chimneys	\$0.00			
Fire extinguishers	\$99.00	Fire extinguishers	\$125.00			
Emerg maint 2021		Emerg maint 2022				
HW/boiler repairs	\$1560.00	HW/boiler repairs	\$1200.00			
leak into hall ceiling	\$125.00	Boiler maint.	\$800.00			
back up in #8 bath	\$615.00	sewer backups	\$800.00			
back up in #6	\$165.00	sewer line repair	\$5,000.00			
back up in #13 bath	\$145.00	softener repair	\$226.38			
Equipment 2021		Equip. 2022				
clothes dryer	\$1,107.92	Snow scoop	\$65.03			
bike racks	\$459.95		\$0.00			
Projects 2021		Projects 2022				
Roof west panel	\$23,000.00	Sewer pipe lining	\$37,570.00			
4 bath cleanouts	\$4,760.00	backflow device	\$1,380.00			
#13 updates 2021	\$5,352.25	#13 updates 2022	\$5,026.28			
		Engineer decks	\$8,000.00			
		concrete work	\$5,000.00			
Tot. expends 2021	\$77,545.72	Tot. expends 2022	\$103,705.69			



PLUMBING SYSTEMS INC. Master License 185796

PO Box 3879, Avon, Colorado 81620
970.926.0500 Office – 970.569.3209 Fax

Bid Proposal

Date: March 8, 2022
Client/Owner: Vail Heights Condos - Phase 3
Project Address: 2059 Chamonix Lane
 Vail, CO 81657
Proposal: Milling and Spray Lining
Bid By PSI Tech: Derron Thompson

Description of Work:

We propose to furnish labor and material for plumbing – complete in accordance with the below specifications as follows

NOTE: Bids are to be scheduled once all materials have arrived and have been verified. Due to current distribution issues in the industry, all scheduling will be done once materials are on site.

Gain access to existing 3-inch sewer line via cleanouts in rear storage area
 Perform milling on the existing cast iron sewer line – approximately 138-feet
 Perform jetting on milled line to remove any cast iron shavings
 Allow milled lines to dry fully – could take up to one day to fully dry
 Apply spray liner to milled line

NOTE: Water cannot be run during this timeframe

Televise following application to verify final state of sewer line
 Verify proper operation

NOTE: PSI is not responsible for damaged lines discovered during jetting operations

**This proposal does not include any tasks or materials not specified in the description of work above
 This proposal does not include any permit fees or associated cost – permitting approval may take up to (14) fourteen business days**

General Material Specifications:

Interior Work: All drain waste and vent lines to be Schedule 40 PVC pipe. All water lines to be Type M copper and/or PEX. Gas pipe to be Schedule 40 black steel and corrugated stainless steel (CSS).
 Exterior Work: Outside sewer laterals to be SDR-35 sewer pipe, gaskets, and fittings per Eagle River Water & Sanitation District's Rules and Regulations. Underground water service to be Type K copper. Underground gas piping to be direct-bury, high-density poly-ethylene (HDPE).

Excluded from this Proposal:

This Bid does not include any line voltage wiring, concrete cutting and removal, concrete replacement or patching, landscaping repairs, drywall replacement or patching, painting, all roof penetrations, all roof repairs, testing, abatement, or disposal of lead paint, asbestos, mold or other hazardous materials, site utilities, excavation, landscaping, mounting under mount sink, and permit fees to be billed on separate invoices. This Bid does not include carbon monoxide detectors, fixtures or faucets. This bid does not include any tasks or materials not specified in the Description of Work as stated above.

Price: The price for the above Description of Work is the sum of **(\$37,570.00)**
Thirty Seven Thousand Five Hundred Seventy Dollars

Payment Terms: Payments will be made as follows:

Deposit of 50 percent (%), Final Completion of 50 percent (%)

Payment of the deposit requested herein shall constitute acceptance of this proposal

Materials will be ordered when deposit is paid in full. Unpaid balances after 30 days will be charged to existing credit card on file under customer account.. Unpaid balances after 90 days will be sent to a collection agency for payment recovery. In the event of collection for non-payment with or without suit, PSI shall be entitled to recover all collection costs and attorneys' fees.

Additional Terms and Conditions:

1. Plumbing Systems Inc. is not responsible for the discovery of improper or faulty plumbing; rusted or defective pipes; acids in drain systems; lines that are settled or broken; existing illegal conditions; defective roofing; and/or defective electrical.
2. Plumbing Systems Inc. is not responsible for receiving approvals from Homeowner Associations, Design Review Boards and/or Condominium Association Boards.
3. All material is guaranteed to be as specified. All work to be completed in a workman-like manner according to standard practices.
4. The price is based on the scope of work listed above. Any additional work or change in value due to material increases will be submitted as a Change Order.
5. The price is based on work being completed during normal business hours and does not account for overtime hours. Any request by Client/Owner to complete work during overtime hours will be priced as a Change Order.
6. All changes, additions, extras and/or deductions will be based on a fixed price and agreed to in writing as a Change Order before being incorporated into the project for both parties' protection.
7. Due to the current supply chain environment, PSI cannot guarantee pricing in materials as they are constantly fluctuating. This proposal is good for the date written.
8. All agreements are contingent upon strikes, accidents, or delays beyond our control.
9. Owner to carry fire, tornado, and other necessary insurance.
10. The contractor will excavate all main line trenches for underground. If jackhammer and/or other mechanical devices are required to break rock in order to install underground plumbing, an additional charge may be added to cover the cost of the additional labor and/or rental of said equipment.
11. Please note that all mechanical parts can and will fail. It is the responsibility of the homeowner or building agent to protect his or herself from property damage by maintaining cold air sensors and/or a flood mitigation device or both.

James Harper, President

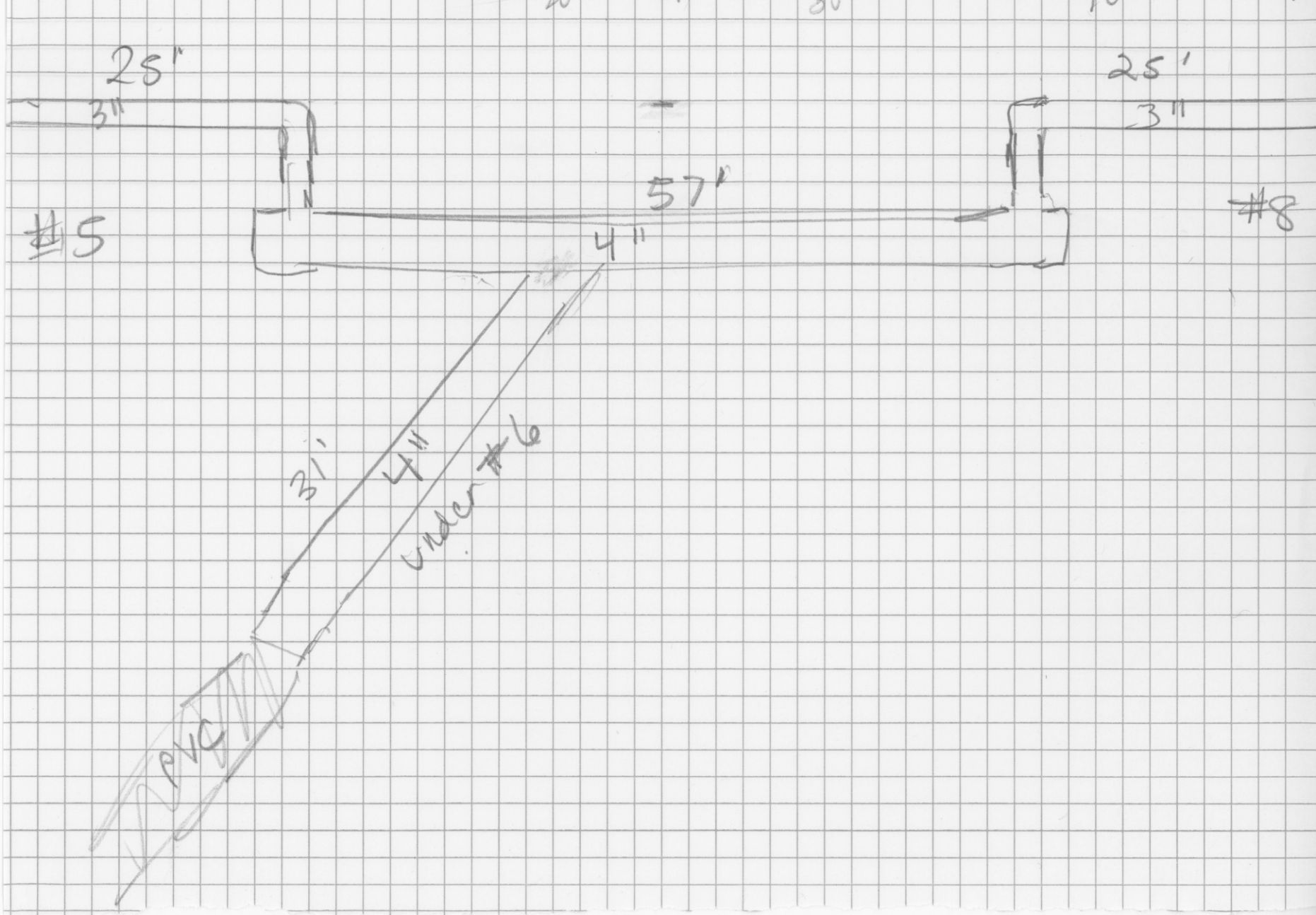
Acceptance of Proposal:

The above prices, specifications, and conditions are satisfactory and hereby accepted. You are authorized to do work as specified. Payment will be made as outlined above.

Signature

Date of Acceptance

Printed Name



25"

3"

#5

57"

4"

25"

3"

#8

25"

4"

under #6

PVC

EXISTING GUARDRAILS



PROPOSED GUARDRAILS
-MATCH EXISTING BUILDING STAIN COLOR

