

**CINNAMON RIDGE III CONDOMINIUM ASSOCIATION
ANNUAL MEETING
JULY 9, 2005**

I. CALL TO ORDER

The Cinnamon Ridge III Condominium Association Annual Meeting was called to order by Fred Davison at 9:05 a.m. on Saturday, July 9, 2005, in the Oro Grande Meeting Room.

Board Members Present Were:

Fred Davison, President, B302 & C312	Grant Hogarth, Treasurer, D221
Larry Glover, B103/104	Mike Black, D222

Owners Present Were:

Marie and Raymond Yelle, C214	Michael Johnston, C111
Kathy Glover, B103/104	Roger Frame, C211
Steve Carson, D123	

With ten units represented in person and five proxies received there was not a quorum.

Representing ResortQuest were Ryan, Mike Guion, Scott Dodge, Brian Vaille and Dale Stetson. Representing Summit Resort Group was Kevin Lovett. Dave Peterson was recording secretary.

II. PROOF OF NOTICE

Notice of the meeting was sent in accordance with the Declarations and Bylaws of the Association.

III. APPROVE PREVIOUS MEETING MINUTES

Mike Black made a motion to approve the minutes of the 2004 Homeowner Meeting as presented. The motion was seconded by Michael Johnston and carried unanimously.

IV. ANNOUNCEMENT OF ELECTIONS

Fred Davison was re-elected by acclamation and there were no nominations for the other vacant Board seat. Fred expressed his concern about the lack of participation by members of the Association and asked for volunteers to fill the vacant Board position.

V. FINANCIALS

Mike Guion presented the financial report. He stated that the \$8,000 surplus from the previous year's operating budget was transferred to the Reserve Fund. As of June 30, 2005, the Association was under budget by approximately \$4,000, although Utilities and Repair and Maintenance were both over budget. There were no delinquent accounts.

Larry Glover said the Board was doing everything possible to manage expenses but utility costs had increased dramatically. A new system was installed to monitor the boilers and when the outside temperature reaches 65 degrees the boilers shut down, saving energy.

VI. MANAGING AGENT'S REPORT

Scott Dodge and Brian Vaille are the new Property Managers since Natrisha Williams left ResortQuest for personal reasons.

A. *Projects in Progress (Scott Dodge).*

1. Fireplace Inspections - All but four units (which could not be opened with the master key) had their fireplaces inspected. The four units are with other rental management companies and they changed the programming on the locks. Management is in the process of getting the keys from the other management companies and assured the Board this would not happen again. One owner commented that the inspections were not done very well; some of the pilot lights were not re-lit and the fireplaces were left dirty. Scott said the inspections had been completed but the repairs had not yet been scheduled. Owners will be notified of necessary repairs after the final inspection report is delivered.
2. Fire Panel in Building B - Scott received a proposal for replacement of the fire panel and the company also inspected the panels in the other two buildings. The fire panel in Building B is outdated. It is operational but parts are not readily available to make on-site repairs. It would cost about \$2,200 to repair the panel off-site and would necessitate manning a costly 'fire watch' process or \$12,000 to update the system to include smoke sensors and an annunciating system in all the panels. The Management company will be soliciting proposal for Board review. The Board wants to make sure all the systems are up to code.
3. Fire Sprinkler System - The glycol in the fire sprinkler system has been fully recharged.
4. Asphalt Repairs - Scott received a \$2,500 bid to repair the asphalt damaged by ice falling from the roof. He feels there may be better alternatives.
5. Carpets - The carpet is damaged in the hot tub area and the seams are coming apart. The carpet has been temporarily repaired. The Board should consider replacing the carpet completely and having new decking installed.
6. Landscaping - The berms need to be re-landscaped. They are currently covered in grass which is difficult to maintain.

B. *Ongoing Projects (Brian Vaille):*

1. The sidewalks are being repaired.
2. Numerous drywall repairs in the crawl spaces are being completed along with touch up painting to the exterior of the buildings to repair the damage from the winter.
3. The roof will be re-inspected.
4. The exterior (common area) fire extinguishers have been inspected. Brian will also inspect unit fire extinguishers. Fred Davison noted that all units must have fire extinguishers and this is an owner expense. If there is not an extinguisher in a unit the Association will install one and bill the owners.

This is a safety issue and the Board wants to make sure each unit is in compliance.

5. There are no individual water shut offs for the units so the entire building must be shut down when work is done in one unit. In some cases contractors did not notify the owners about the schedule. Fred Davison emphasized that notification for any work of this type is required.
6. The domestic hot water systems in Buildings C and D are over ten years old and their condition will be closely monitored. An alternative system using a heat exchanger and a holding tank is the recommended replacement. The system is expensive to install but lasts longer and is easier to repair. The Board will do further research.
7. Scott Dodge reported that high pressure hoses with a stainless steel coating are being installed on the washing machines in each unit. The hoses have been ordered and the cost will be \$47 per unit including installation. The owners will be billed for this repair. This modification will prevent water damage from a broken washing machine supply hose. The hoses will be installed in the next two weeks.
8. The dryer vents need to be cleaned. This should be done annually or biannually. Numerous bird nests have been found in the vents in the past.

VII. OLD BUSINESS

A. Boilers

In January the Board received an analysis of the building systems to be used to minimize utility costs. The first step was to install a system that turns off the boilers when the outside temperature reaches 65 degrees. A new domestic water heater was installed in Building B at a cost of \$10,000.

B. Wetlands Walkway

The walkway has not been removed and the Association will not be a party to any replacement or removal costs. The Frostfire and Cinnamon Ridge I Associations are the responsible parties. The walkway needs to be removed or replaced as it is collapsing and presents a safety hazard. The cost to replace the walkway would be very high.

C. Painting

There is some warranty work remaining after last year's exterior painting project. The paint contractor was contacted recently but has not yet responded to the Board.

VIII. NEW BUSINESS

A. Management Change

Fred Davison announced that ResortQuest was terminating the management contract, mainly due to the loss of the Property Manager. ResortQuest will assign all of the Keystone area management contracts to Summit Resort Group as of July 15, 2005.

Kevin Lovett will be the Property Manager and Peter Schutz, the owner, will oversee the project.

B. High Speed Internet Access (HSIS)

The Board is looking into HSIA and will keep the owners informed of their findings.

C. Grills

Fred Davison stated that gas grills on the exterior decks were starting to be a problem. An unattended grill presents a fire hazard especially in rental units. Propane tanks are a potential hazard and propane storage on site is a problem even with small portable grills. Charcoal grills have already been banned. One solution would be to install a community gas grill near the hot tubs. Most of the owners present favored a community grill or allowing electric grills only. After a brief discussion the Board decided to prohibit all gas grills effective August 10, 2005. Fred noted that removal of the gas grills could potentially lower the insurance rate. Owners will be notified that their grills can be removed by management if they will not be on site prior to August 10th. The Board will investigate a community grill.

D. Association Picnic

Marie Yelle suggesting holding an Association picnic to coincide with the Annual Meeting. The Board will consider this idea for next summer.

E. Door Locks

Fred Davison explained that the Saflok locks on all unit doors are required by the Association for uniformity and to provide access for the management company. Michael Johnston felt that since the electronic lock was required by the Association, repairs should be an Association expense and the majority of the owners present agreed. Fred said the Board would reconsider its position on this issue and notify the owners of their decision.

IX. SET NEXT MEETING DATE

The next Annual Meeting date will be coordinated with Summit Resort Group and all owners will be notified.

X. ADJOURNMENT

With no further business, the meeting was adjourned at 11:15 a.m.

Approved By: _____

Board Member Approval

Date: _____