

**LAKE FOREST CONDOMINIUMS
ANNUAL MEETING
June 24, 2023**

I. CALL TO ORDER

The Lake Forest Board of Directors Meeting was called to order by Skip Hale at 1:34 p.m. at the Summit County Senior Center and via videoconference*.

II. ROLL CALL

Board Members Participating Were:

Skip Hale, President, C101

Bob Seibert, Treasurer, F303

Pete Shaub, Director, A101

Sally DeLong, Vice President, B103

Douglas Weigand, Secretary, B201

Magaly Brito, Director, B102

Owners Participating Were:

Keith & Carol Thompson, A104

Ken & Julie Dondero, A202

Bill Gibson, A304*

Doug Smith, B104*

John Melquist, B203

Martin Tarabocchia, B301*

Philip Yancy, B304

Jamie Natter, C102*

Mansi Parikh, C203

Adele Gelfand, C302

Kiersten Roberts, D102

Joshua Turner, D202

Elizabeth & Glenn Koester, D302

Jayne & Dennis Burke, D304

Cynthia Lowe, E202

Paul McQuay, E206

Susan & Gary Sorensen, E304

Lisa & John Kosloski, F206*

Jeanne Seibert, F303

Karen Bacon, A201

Hubbard Helm, A302*

Steve Parsons, B102

Ann Marie Horvath, B201

Steven Gross, B204*

Chad & Elizabeth Hartsel, B302

Linda Hale, C101

Theodore Dryer, C202

Ed Gondolf, C301

Michael & Leslie O'Kane, C304

Thomas Moore, D103*

Gerald Van Eeckhout, D301

Debby & David Cohan, D303

Ben & Lily Duhl, E201

Jason Berman, E204

Leanne & Thane DePuey, E301

Rich Smith, E306

Sherri Kroonenberg, F302*

Jay Wurts, F305*

Representing Summit Resort Group (SRG) were Kevin Lovett and Hunter Valdez. Property Manager Anastasia Bell was present. Erika Krainz of Summit Management Resources was recording secretary.

With units represented in person or by proxy a quorum was confirmed.

III. STATEMENT OF COMPLIANCE WITH PROCEDURES FOR NOTICE OF MEETING

Notice of the meeting was sent May 24, 2023.

IV. READING AND APPROVAL OF MINUTES OF LAST MEETING

Motion: Ken Dondero moved to approve the June 25, 2022 Annual Meeting minutes as presented. Bill Gibson seconded, and the motion carried.

- V. REPORTS OF OFFICERS/PRESIDENT'S REPORT** Skip Hale thanked all 20 owners who joined the HOA Board today at 9am for a thorough property walk. Skip Hale reported that the property looks great. The lake is full. In the past year, owners were out of their units for eight months while the Poz-Lok insurance issues were being resolved. Belfour and Western States started work in mid-July and continued until the end of October. The claim was closed out before the end of the year and was settled for \$133,000. Skip Hale served as the General Contractor, saving the Association the \$27,000 contractor fee, which the insurance carrier was unwilling to pay. In September, the Board agreed to tent and insulate the attic spaces for all third floor units. The work was completed in October. This project prevented frozen lines this past winter and there were no insurance claims. It was anticipated that the property would be uninsurable if there was another claim since there have been three claims in the past two years. In order to improve the position with the insurance companies, a 20-item checklist was developed, and 73 unit safety inspections were conducted between February 22nd – April 4th. The Association needs to remain claim-free for three years to avoid being dropped. There were 15 units with no deficiencies. Owners who did have deficiencies will need to address them. Owners with original hot water heaters or furnaces are on borrowed time; the expected useful life is about 15 years. The current policy premium is \$61,500/year. The next best offer was \$480,000/year.

Owner questions and comments addressed the following topics:

1. Temperature Monitors - There are temperature monitors in the living rooms that alert at 48 degrees. They are electric with battery back-up. The monitoring company notifies management if the unit is not responding. Leslie O'Kane asked if the sensors should be in the mechanical rooms rather than the living rooms. Skip Hale said there is only a temperature difference of about 5 degrees in those rooms.
2. Deficiency Repairs – There will be follow up with owners with identified deficiencies on the report. Anastasia Bell can provide a list of vendors for work needed. Jason Berman suggested setting a deadline for completing all work. There was discussion about assigning responsibility for any damage to owners if they have not completed the recommended work. The language in the Declarations and Bylaws needs to be checked to ensure owners can be held responsible, and if not, the documents should be amended. Kevin Lovett noted that when there is a loss, resolution is turned over to the insurers for all affected parties. The insurers determine if there is negligence.

VI. REPORTS OF COMMITTEES

A. Finance Committee & Treasurer's Report

Bob Seibert recognized Patty Tofe for her work on the finances. The budgeting was very well thought out. All costs have increased significantly. It was necessary to collect one extra month of assessments last year and the account balances are currently strong. The largest expenses are Snow Removal, Management Fee, Common Electric, Water and Insurance, which was favorable due to over budgeting. Any surplus at year-end will be transferred to Reserves. It is anticipated that dues will have to be increased next year due to inflation and other cost increases.

B. Maintenance/Grounds Committee

Keith Willy is the Chair of this Committee. There was a site visit this morning with 20 owners participating. Pete Staub said the property has never looked better. Owners are

asked to submit photos of any items in need of repair or attention. Pete reviewed the completed and pending projects:

1. A better system for access to all units is being considered. Initially, 35% of the units could not be accessed but this has been reduced to 2%.
2. There were five items on the fire inspection report that were identified previously but have never been repaired. A proposal has been received to get them fixed.
3. The safety inspections will continue to be done to maintain the insurance.
4. Only one hot tub has been down since the new vendor was hired.
5. When there is a maintenance issue, owners are asked to fill out a request and send a photo to Anastasia Bell.
6. The Architectural Review Committee will work on defining what type of work owners can do on their own versus by a licensed contractor.
7. Owners need to notify Anastasia Bell in advance when they will have contractors on site doing work in their unit or if any work being done requires a water shut-off.
8. Anastasia Bell reminded the owners that she is on call 24/7 and has a response time of eight minutes to Lake Forest.

Owner comments addressed the following topics:

1. There was a suggestion to program the lock at the hot tub to prevent access after 10:00 p.m.
2. There was a suggestion to coordinate projects to minimize disruption and take advantage of bulk pricing. Pete Staub said this is being done for the dryer vent project.
3. There was a suggestion to educate all owners about how to turn off the water for the entire stack. Pete Staub said owners do not have access to the shut offs due to liability concerns. Owners should contact Anastasia Bell about leaks. There is not one main water line into each unit so it is not possible to install individual shutoffs.
4. Owners who install new hot water heaters should have shutoffs installed at the same time.
5. An owner asked if tankless hot water heaters are permitted. Skip Hale said they are not, due to the venting issue.

C. Rules Committee

After the Board approved the Rules, it was learned that fines cannot be automatically levied. The appropriate revisions will be made, and the Rules will be redistributed and posted on the website.

Carol Thompson volunteered to help with the newsletter and Leanne DePuey volunteered to serve on the Rules Committee.

There was a discussion about the Parking Policy. It has not yet been passed because the draft did not address striping or handicapped spaces. Owner comments received have been incorporated.

D. Poz-Lok Committee

Douglas Weigand reported that the committee would like to create a template and documentation for future bidding. They followed established policies and procedures in the

planning process. There are no plans to hire a project manager. They will evaluate the bids and develop a budget. As soon as the contractors touch the sprinkler system, the units will be condemned by the Fire Department. The RFP includes a \$1,000/day penalty for exceeding the project deadline. The walls and ceilings will be repainted. Owners should contact movers now to get an estimate. Moving expenses may be covered under the homeowner's insurance. The estimate is \$3,500 - \$4,000 for full packing and moving service. This can be reduced to below \$1,000 if the owner takes care of the packing. Owners should make storage space reservations early as the waiting list is several months.

Bids were received from four contractors and the Committee has 90 days to select the contractor. Areas that will be considered include contractor and subcontractor experience, insurance coverage and price. The bids range from \$760,000 to \$1.1 million for the three stacks in B Building. The average of the bids was \$897,000, equating to about \$300,000 per stack. They do not have a cost estimate yet for the next phases. The Committee will be passing all information to the Board for a decision within the next 90 days.

Owner questions and comments addressed the following topics:

1. Furniture – There was a question regarding allowing owners to shrink wrap their furniture and leave it in the units during the work. Douglas Weigand said the contractors indicated that having to work around furniture would increase the overall bid by 30%. Steve Gross noted that when the Poz-Lok was replaced in his unit, there was not a single room that was unaffected. There is a considerable amount of dust, and contractors will not take responsibility for damage.
2. Affected Buildings – C and D Buildings do not have Poz-Lok and will not be part of this project.
3. Furniture Storage - There was a suggestion to purchase shipping containers for owners to use for furniture storage during the project. The Board will look into this idea.
4. Garage Storage – There was a suggestion to ask owners in other buildings if they would be willing to rent their garages for storage.
5. Timing of the Work - The rest of B Building is the pilot program. After B Building is completed, the order is tentatively planned to be A Building, E Building and F Building. The work will be done by stack. The estimate is 110 days for the three stacks in the B Building, which will be the only work done in 2024.
6. Fire Suppression Systems – There was a question regarding how the fire suppression systems are being reviewed, the contractors selected and warranties. These topics will be discussed with each contracting team.
7. Bulk Pricing for Moving Companies – Douglas Weigand spoke to the companies about bulk pricing. There is not much opportunity for owners to share moving vans since it will take most of an entire day for each unit and trucks are only 26' long.
8. Remodeled Units – The contractor will be responsible for removing items such as cabinets. They will protect all cabinets, countertops and carpet and return the units to owners in the same condition as delivered.
9. Financing Options – Douglas Weigand said aside from a Special Assessment, there was discussion about obtaining a loan. Bob Seibert said during the exterior siding project, the Board decided not to pursue any type of HOA financing. No assessment has yet been discussed.

10. Other Reserve Expenses – Asphalt is in the Reserve Study in 2025 at a cost of \$100,000. The Poz-Lok replacement is not included in Reserves. All owners will be sharing the cost, even if they are in a building that does not have the Poz-Lok system.
11. Pricing – The original estimate was \$150,000 but this has now increased to \$300,000. The cost for one stack was \$133,000. The cost could increase due to availability of manpower and higher material costs.
12. Association Responsibility for Moving – There was a suggestion that the Association take on the responsibility for moving all unit contents. Kevin Lovett said the Board would need to look at the governing documents. The primary concerns are liability and responsibility for any damage that occurs.
13. Leaks – There was a suggestion to have the units inspected for leaks. Anastasia Bell said she can assist with this.

VII. UNFINISHED BUSINESS

There was no unfinished business.

VIII. NEW BUSINESS

A. Owner Education - Insurance

In order to remain insurable, the Board is looking at options and the possibility of assigning more insurance responsibility to the owners. Currently the HOA has an “as-conveyed” or “walls-in” policy, which covers all items that are attached inside the unit. The policy has a \$10,000 deductible. Options to switch to “bare walls” coverage and / or raising the deductible to \$25,000 or \$50,000. This would raise the individual owner HO6 premiums but not by much. Making this change would require a Declarations amendment and an affirmative vote of at least 67% the membership for approval.

B. Next Meeting Date

The next Annual Meeting was scheduled for Saturday, June 22, 2024, at 1:30 p.m.

IX. ELECTION OF DIRECTORS CANDIDATE PRESENTATION

The Board terms of Douglas Weigand and Pete Shaub expired, and both were willing to run for re-election. Thane DePuey self-nominated from the floor. Since the election was contested, it will be conducted by secret ballot. The candidates introduced themselves and provided biographical information.

Motion: Bob Seibert moved to appoint Sue Sorenson and Karen Bacon as vote counters. Carol Thompson seconded, and the motion carried.

X. ADJOURNMENT

Motion: Sally DeLong moved to adjourn at 4:17 p.m. Bob Seibert seconded, and the motion carried.

Approved By: _____

Board Member Signature

Date: _____