

**TOWERS AT LAKE POINT CONDOMINIUM OWNERS ASSOCIATION
ANNUAL MEETING OF THE MEMBERS
September 23, 2023**

I. CALL TO ORDER

The Towers at Lake Point Condominium Owners Association Annual Meeting of the Members was called to order by Robin Sims at 9:00 a.m. in the Towers Conference Room.

II. PROOF OF DUE NOTICE OF MEETING

Kelly Schneweis confirmed that notice of the meeting was mailed, emailed and posted at the property.

III. ATTENDANCE AND QUORUM

Board Members Participating Were:

Robin Sims, President, 209S	Charlie Watkins, Vice President, 606S
David Hill, Secretary/Treasurer, 604N	

Homeowners Participating Were:

John & Lynn Twining, 202N	Alan Waxman, 206S
Sharian Schroeder, 207S	Barry Sims, 209S
Mary Bannon, 301S	Terry & Michiko Waddle, 307S
Janice & Donald Rankin, 309S	Robert & Mary Hartley, 402N
Peter & Mary Perri, 403N	Jay & Sharon Sanders, 405S
Jeffrey & Alaina Lipkin, 508S	Margaret & Douglas Potter, 603N
Lynne Watkins, 606S	Mark Addison, 608S
John Buchholz, 609S	Aaron Schneider, 703N
Dave Rustici, 705S	Gregory Schoot, LHU4

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

IV. INTRODUCTIONS

Representing Summit Resort Group (SRG) were Kelly Schneweis and Johnathan Caine. Erika Krainz of Summit Management Resources was recording secretary.

V. APPROVAL/CORRECTIONS OF MINUTES

Motion: Mark Addison moved to approve the minutes of the August 27, 2022 Annual Meeting as presented. Alan Waxman seconded and the motion carried.

VI. OFFICERS REPORTS

Robin Sims sent a written summary to all owners prior to the meeting. She thanked the SRG staff for their dedication and involvement. Owners are encouraged to add the Towers Board Gmail addresses to their contact list. She thanked the ownership for their trust and respect.

VII. APPROVAL AND RATIFICATION OF ANNUAL BUDGET

A. Year-to-Date Financials

David Hill reviewed the financial report as of July 31, 2023. The Operating balance was \$97,186 and the Reserve balance was \$595,576 for a \$692,762 total. Liabilities were \$4,985. Liquid Net Assets were \$687,134. The Reserve investments were \$148,385 in the Alpine Bank money market and \$447,191 with RBC Wealth Management.

Revenue was on budget. Expenses were \$11,670 unfavorable to budget. Significant Operating variances included:

1. Insurance - \$1,499 unfavorable to budget. Earthquake insurance increased 30% and was not renewed due to the high cost.
2. Professional Fees – \$6,386 unfavorable to budget due to Legal Fees for the governing document amendments.
3. Building Maintenance – \$16,875 unfavorable to budget due to leaks and drain backups.
4. Natural Gas – \$1,617 favorable to budget.
5. Electric – \$1,653 favorable to budget.
6. Net Income/(Loss) – (\$17,852). The projected year-end net loss is \$14,445.

Total Reserve expenses were \$46,000 over budget. The roof replacement was budgeted at \$235,000 in 2024. It had to be done two years earlier and the cost was \$125,000 higher than anticipated in the Reserve Study. Some other projects have been rescheduled to balance out the overage.

The last Reserve Study was done in 2016/2017 and Criterium-Cona Engineers has been engaged to provide a new Reserve Study.

B. 2023/2024 Budget

The Board has approved the 2023/2024 Budget. There will be a dues increase. The significant Operating Budget changes included:

1. Operating Revenue – 12.9% increase to \$458,439.
2. Reserve Contribution – 3% increase to \$119,913.
3. Administrative & Property Management Fees – 10% increase to \$101,595.
4. Insurance – 26.55% increase to \$25,000. If the property valuation comes in over \$25 million, it is anticipated there will be an even larger increase.
5. General Building Maintenance – increased 40% to \$35,000.
6. Total Building and Grounds – 13.67% increase to \$107,700.
7. Trash Removal – increased to \$7,200
8. Natural Gas – 3% decrease to \$48,500.
9. Total Utilities – 2.81% increase to \$174,608.
10. Total Operating Expenses – 8.27% increase to \$443,827.

Total Reserve Revenue was increased 3%. Total Reserve Expenses were decreased 57.52%. Funds are budgeted for Plumbing & Heating, Parking Lots & Concrete, General Building Maintenance, Exterior Building Painting, Grounds, Reserve Study and Depreciation Expense.

The dues increases are different this year based on the changes to the governing documents. These changes occurred because some storage room space was added to the calculation and the Town required the addition of the hot tub rooms to the deeded space of the three bedroom units. Owners have pointed out that the square footage in the County records and governing documents are different.

Owner questions and comments addressed the following:

1. Unit Square Footage – Changing the square footage would require another amendment to the governing documents.
2. Storage Spaces – Only the space over 7' tall is included. The additional space was added for Units 602 and 609.
3. Re-Plat – All three bedroom units had to be re-platted to include the hot tub room square footage.
4. End Units – The end units have a higher percentage of ownership based on the developer square footage numbers.
5. Additional Square Footage – The addition of 200 sq.ft. for the hot tub rooms for tax purposes was questioned since the rooms are only 10' x 10'. Robin Sims said owners should ask the County for justification.

Motion: Bob Hartley moved to ratify the 2023/2024 Budget as presented. Mark Addison seconded and the motion carried.

VIII. ELECTION OF BOARD MEMBERS

The term of Charles Watkins expired this year he was willing to run for re-election. There were no nominations from the floor. Since the election was uncontested, Charles Watkins was re-elected to the Board by acclamation.

Robin Sims will be resigning from the Board after this meeting as the sale of their unit will close next week. The Board will appoint an owner to serve the remainder of her term at the Board Meeting following the Annual Meeting.

IX. PROPERTY MANAGEMENT REPORT

Kelly Schneweis reviewed completed projects: amended the governing documents, replaced a backflow preventer, added recycling totes, replaced an actuator valve, replaced a Victaulic coupling in the north Tower, painted garages, hot tub gate and LHS units, replaced smoke and carbon monoxide detectors, replaced hot tub laterals and manifolds, replaced the sand in the hot tub filter system, replaced in-unit zone valves, restored 609 after a roof leak, repaired leak damage in 309 and 209, repaired leaks in the men's bathroom, caulked the upper floor balconies, repaired drywall, performed boiler maintenance, repaired plumbing as needed, annual backflow test, annual fire safety inspection, annual state boiler inspection, annual elevator inspection, sprayed weeds, cleaned window, touched up stairwell paint, cleaned the ski locker hallway carpet, deep cleaned the air handlers and replaced the LHU decks.

Upcoming projects include south Tower column stabilization this fall, developing a re-grading strategy, glycol flush and fill, 609 restorations after a roof leak, light post repairs in the spring and a new Reserve Study.

X. UNFINISHED BUSINESS

A. *Amendment and Restatement of Governing Documents & Safety and Permitting of Storage Spaces*

This project has been completed. Robin Sims thanked the Potter's, Board members and Kelly Schneweis for their assistance and hours of work.

B. *Roof Project*

This project has been completed. There is a 20-year warranty and Northwest has been very responsive regarding repairs.

C. *Foundation Issues and Structural Integrity*

Charles Watkins said Criterium-Cona Engineers did a study a year ago. They identified areas where the dirt is sloping toward the building foundation and needs to be regraded. There is also evidence of water coming down the wall. The solution will entail an EDPM membrane attached to the side of the building. A helical pier will be added next to the structural column. A second aesthetic column is also moving and will be excavated to determine what type of support should be considered in this area.

D. *Recycling Update*

Frisco and Breckenridge have implemented initiatives to increase recycling, including a mandate for recycling capacity to equal 50% of dumpster capacity. The dumpster was moved forward in the shed and four 96-gallon recycling totes were added. Most of the cost for adding the angle iron guides for the dumpster will be covered by a grant from the Town.

E. *Exterior Painting*

The Board took a staged approach since repainting the entire building is a significant expense. The Sherwin Williams representative said the main Towers building paint is in good condition, apart from minor streaking, and we will delay an overall building paint for several years. This year, the west facing windows' interface to the trim, and select east side columns, were caulked. The siding and trim of the LHU's & underneath garages, and the separate garage buildings, and trash shed were painted. The hot tub fence rust was removed, and the fence painted and changed to Towers green. The east light posts were painted. There is still some garage door trim that needs repair and this will be done next Spring. Painting of main building and LHU railings will be evaluated for painting next year.

F. *Replacement of Smoke Detectors*

This agenda item was discussed during the Property Management Report.

G. *Parking Lot Repairs*

The parking lot asphalt is reaching the end of its useful life. The estimated cost to replace is \$125,000. In the short term, the surface will be sealcoated and re-stripped and damaged areas will be patched.

H. *Light Post Repairs*

The 6 west light posts have depressions in the concrete base which have allowed water accumulation to rust the base of the light posts. The light posts will be removed, the bottom 5" cut off and be re-welded to the plates. The depressions will be filled with high-strength concrete before the posts are reinstalled. This work will be done next Spring. The Board will investigate the replacement of all light post bulbs with LEDs and pursue rebates.

I. *Insurance*

The insured value was increased to \$23.5 million last year and a rider for full replacement value was added. Some insurance companies are no longer issuing policies for properties with values of \$25 million or more. Some properties have only been able to secure coverage through the secondary market and at much higher cost. It is unknown if the property value will have to be increased, and if so, where to find insurance and how much will it cost. The policy renews April 1, 2024. The Board will start working with Kinser Insurance in January.

XI. NEW BUSINESS

A. *Reserve Study Update*

Criterion-Cona Engineers has been contracted to provide a new Reserve Study.

B. *Electricity Monitoring in Garages*

There is not 220 amp power in the garage so fast chargers are not feasible. Slow chargers would be an option. Charles Watkins found a device that can be put in the garage to monitor charging, but it will require an honor system, i.e. that users will not unplug them. There are 20 amp outlets but the GFIs are only 15 amp, so they would need to be replaced. This topic will be included on the next Board agenda.

Commented [DH1]: Is this 220 V or 20 Amp?

C. *Miscellaneous Owner Issues*

1. Owners who see evidence of backup in their kitchen sink should report it to SRG so the drain can be jetted.
2. Vehicles should not be left running in the garages.
3. Owners are responsible for monitoring their property for leaks and other issues and to report any problems to SRG.

XII. OWNER FORUM

Owner comments and questions addressed the following:

1. Garbage Disposal Use - Kelly Schneweis can provide a brochure that outlines proper use of the garbage disposal for owners to post in their units.
2. SRG Contact – Kelly Schneweis will post the SRG contact number in the elevator.
3. Roof Repairs – The roof leak repairs have been covered under the warranty.
4. Property Manager Responsibilities – Owners interested in details of the management contract are invited to join a Board Meeting.
5. Carbon Monoxide in Garage – The carbon monoxide detectors alerted in a unit. The Fire Department concluded that someone left a car running in a garage.

6. Fire Suppression System – The fire suppression system in the building is not designed to extinguish a fire, but rather to provide adequate time to evacuate the building.
7. Balcony Calking – An owner on the 6th floor said the streaking was worse after the caulking. Kelly Schneweis will follow up.
8. Unit Inspections - The Board and SRG are in the process of determining the scope and frequency of in-unit inspections. The goal is for the inspections not to take more than five minutes per unit.
9. Lightning – An owner asked if the roof was grounded in case of a lightning strike. Charles Watkins will follow up with John Cona.
10. Parking – There was a request for the Board to consider leniency in the Parking Policy enforcement to allow owners to park second vehicles by the dumpster. Robin Sims said the Town of Frisco ordinance requires that a certain number of parking spots are available for rental units. In addition, the LHUs do not have a garage and they are allocated 12 spots. It would be very difficult to monitor exceptions. The Board will add this topic to their agenda.
11. No Parking Fire Lane Sign – The sign in the grass was knocked over by the snowplow and needs to be replaced.
12. Garages – There was a suggestion to add mirrors at the blind corners of the garages.
13. Trees – There was a request to trim the trees to preserve the views. The issues are that topping them will cause them to grow bushier at the top and it would have to be confirmed where the property line is located.
14. Elevator – The north elevator shakes until it reaches the second floor.

XIII. OWNER EDUCATION

Recycling was discussed under Section X.D.

XIV. SET NEXT MEETING DATE

The next Annual Meeting was scheduled for Saturday, September 7, 2024.

XV. ADJOURNMENT

Motion: Robin Sims moved to adjourn the meeting at 11:56 a.m.

Approved By: _____ Date: _____
Board Member Signature