

**Lake Forest
Board of Directors Meeting
May 4, 2020**

Kathy Chinoy, Ron Crist, Patti Tofe, Dave Ehrenberger, Dennis Murphy and Thane De Puey were in attendance. A quorum was present.

Owners in attendance were Ben Duhl of unit E 201, Pete Shaub of Unit A 101, Cindy Lowe of unit E 202 and Jay Wurts of F 305.

The meeting was held via Zoom.

Representing Summit Property Maintenance was Keith McBrearty. Representing Summit Resort Group was Kevin Lovett.

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I. Call to Order

The meeting was called to order at 6:00 pm.

II. Meeting Was Properly Noticed

President Kathy Chinoy noted that the meeting was properly noticed.

III. Meeting Minute Review/ approval, 3-9-20

The minutes from the March 9, 2020 Board meeting were presented. Upon review and without objection, the minutes were approved.

IV. Adoption of Proposed Agenda

The agenda was adopted. It was noted that reserve funding was to be discussed during the meeting.

V. Ratify Actions Via Email

The following actions via email were reviewed:

- Collection Policy Update; this was approved for distribution to Owners
- Insurance and Maintenance Responsibility Policy; it was noted that this has been discussed via email, however the board has not yet approved.
- Neils Lunceford Landscape proposal; it was noted that the Neils Lunceford landscape proposal was approved.

Upon discussion, the actions via email were ratified.

VI. Management Report

Keith McBrearty submitted the following Managing Agents report:

It was noted that the hot tub area was closed due to Covid in mid-March. While the hot tub facility has remained closed and locked, SPM has continued to maintain the water chemistry. SPM has continued to deter pigeons from nesting in the hot tub area. Pigeon extermination plans will be investigated. The Board discussed the possibility of reopening the hot tubs. Upon discussion, due to continued Covid concerns, the Board

agreed to keep the hot tub facility closed at this time. Signage stating that the hot tub facility is closed will be reinstalled on the hot tub facility entrance.

SPM reported that zero light bulbs have required changing.

A full trash sweep of the property has been completed.

All entrances and the trash room have been cleaned.

Ice melt buckets have been removed for summer.

SPM reported that the trash pickup service from timberline has improved. It was noted however that when the trash company removes the containers through the “man door” that they hit the man door causing damage to door and hinges. SPM will talk with the trash company about this and ask them not to hit the door with the containers. The trash area will be monitored to determine if it is possible to decrease the number of pickups.

Bats have become a major topic and there is a lot of conversation about our Bat issue. We have hired Chase wildlife to do some monitoring of our bat activity. Chase wildlife has been contacted in the past and they can help with controlling bat activity. Plan is to minimize Bat activity around our community by making changes in our environment, so we have less bat activity.

Fire alarm system has gone wireless and we have had only 1 issue since Feb.

Snow removal was a large expense this winter, February was a record month for snowfall in summit county. The Board is discussing ways to save money on snow removal.

Roof ventilation has been discussed, some roofs at Lake Forest have no ventilation. Ed with Excellent construction is looking at ways to improve ventilation in Attics. Ventilation is key to limit condensation. The Maintenance Committee is addressing this.

SPM reported on status of the following Spring projects:

- Construction debris clean up to include rear lawn; complete
- Hot tub sand filter cleaning and repairs; complete
- Power washing all entries and cleaning all light fixtures in entries; underway
- Front entrance sign repairs and new lighting; pending

SPM noted that Neils Lunceford has started landscape work at the property. It was reported that an irrigation water backflow preventer failed and will need to be replaced. SPM cautioned against turning the irrigation on too soon, as nighttime cold temperatures could cause freezing issues and damage with the irrigation system.

VII. President’s Report

President Kathy Chinoy Reported on the following items:

A. Asphalt; Kathy has met on site with Apeak Asphalt. Overall, Apeak reports that the asphalt is in good shape. Apeak presented three options for asphalt preservation/ future repair:

1. Patching and Sealing; Completing minor patching as well as sealing of the parking lot will repair current damage and give the asphalt 4-6 more years of life in addition to improving the look. This is the least expensive option.
2. Overlay; Overlaying the existing asphalt is also an option. This project would consist of 'adding new' asphalt over the existing asphalt. This is a much more involved and expensive option than option 1.
3. Resurface; Resurfacing the asphalt is an option which involves removal of the existing asphalt and replacement with new asphalt. This is very involved and the most expensive option.

Kathy discussed the bidding process. Three bids were received in 2019. Apeak was the most competitive bid received. Apeak honored the bid they submitted in 2019. Thane stated concern for not getting an updated bid from the Denver company and giving them a chance to decrease their bid. It was noted that Apeak was the low bid in 2019. Kathy also had concern with a suggestion that the Denver company made last year with regard to a drainage correction; Apeak and others did not agree that this correction was proper. Upon discussion, Dave moved to accept portions A and B of the Apeak proposal (this includes minor patching and sealing) at an expense of \$20,800; Dennis seconds and the motion passed. Thane noted to ensure that they concentrate on where the water dumps onto the asphalt from the downspouts, particularly in front of E 302 and E 201.

Parking lot striping was also discussed. Ron recommended that the parking lot be striped "more" than it has been in the past. Ron will investigate this, and this will be placed on the agenda for the next board meeting.

B. Snow removal; Kathy presented a snow removal proposal provided by Emore for the 2020-21 season. It was noted that if it is accepted by July 1, 2020 there is a savings of \$750. It is a 3-year proposed agreement. Efforts are underway to obtain additional proposals. This will be discussed via email. Dennis recommended that when soliciting bids, a change to the "technique" should be implemented as a small machine should be used to clear the vestibule areas in front of the buildings; these areas should not be shoveled by hand nor removed by large plow. This will be added to the scope of work.

VIII. Old Business

The following Old Business items were discussed:

A. Committee reports.

Maintenance Committee; Dave Ehrenberger presented the Maintenance Committee report. It was noted that the third meeting was recently completed.

A Maintenance Priorities spreadsheet has been created and work tasks have been divided amongst committee members.

Attic insulation has been assessed. Ed Storako has inspected the A building. It was noted that adjustments to the roof baffles are necessary; a plan to address is being prepared.

Chase Wildlife will be completing an inspection of the buildings with regard to bats. Chase will prepare a plan for bat removal and guano clean up. Bats are protected species, and removal is not permitted in the Spring/ early Summer, so work is anticipated to take place in late summer.

It was noted that during the last fire sprinkler system inspection, the inspector found that in some garages post original construction shelving/ lofts/ closets were installed which impede the required coverage of the fire sprinklers. Owners have been sent notice that these post original construction items must be removed by August 1, 2020. SRG will send a reminder email on June 1st.

Staining has been noticed on the new stone wainscoting. A representative from Edwards stone will investigate and report on the condition. Power washing to remove may be necessary. Thane expressed concern of this and the possible continued required maintenance, as one of the goals of the exterior renovation was to minimize maintenance. It was noted that Edwards Stone does not recommend applying any sealant to the stone.

Review of maintenance oversight and responsibilities is being reviewed.

The Maintenance Committee presented an Owner Reported Maintenance Issues Form; this provides a systematic approach to reporting. Upon review, Dave moved to accept the form for use; Dennis seconds and the motion passed.

It was noted that the bulk of the Exterior Renovation project punch list items will be completed this month.

The Architectural Improvement and Remodeling form has been approved.

The Maintenance Committee and the Board discussed authority for the Maintenance Committee to incur expenses. Dave moved to delegate authority to the Maintenance Committee over the unallocated portion of Reserve funds for unspecified expenditures (for 2020 it was \$12,000); this would be done to increase efficiencies. Dave further noted that all expenditures are reported to the Board and that a number of Board members (including the treasurer) serve on the Maintenance Committee. Dennis seconds the motion and discussion ensued. Concerns were presented to include statement that a cap should be set on the amount of money permitted to be spent without prior Board approval, each year is a different amount of unspecified funds and that it is safer if expense come to the Board first, prior to expenditure. It was noted that expenses incurred would be by vote of the Maintenance Committee. A suggestion was made to restrict the motion to "just 2020" and place a cap on any individual line item of \$1000. Dave presented the following amended motion; move to delegate authority to the Maintenance Committee over the unallocated \$12,000 portion of the 2020 Reserve funds to make expenditures of not more than \$1000 per expenditure without prior Board approval for fiscal year 2020 only. Dennis accepted the amended motion and seconds. Upon vote, the motion passed.

Kathy spoke to suggestions provided by Owners and Committee members; Kathy noted that if an Owner or Committee Member brings a suggestion to the Board, to please also bring a solution.

Finance Committee: The Finance committee presented yet to date financials. It was noted that the 2019 fiscal year end tax return was completed with \$0 owed. ACH participation continues to be encouraged and it was noted that approximately 80% of operating dues are collected by ACH payment.

The Collection Policy Amendment was discussed. The proposed revised Collection Policy was sent to all Owners for comment; minimal comment was received from Owners. Upon discussion, Thane moved to approve the Collection Policy as Amended; Patti seconds and the motion passed.

The Board discussed a “5-year dedicated reserve fund”. It was noted that a previous Board desired an allocation of \$250,000 from the sale of the previously owned Association unit to be placed in a reserve fund. Upon review of the Balance sheet, it was noted that there is currently a \$253,000 CD at first Bank. SRG will investigate the term and specifics of the CD. Thane has researched investment options at Vanguard, Fidelity and Alpine Bank. Thane presented the following motion (it is noted that the motion was emailed prior to the meeting), I propose to transfer \$250,000 from the sale of the D-101 unit into a long-term low risk security account. That account will be with a nationally known asset management firm providing funds security in the form of FSLIC or FDIC insurance for the full \$250,000 plus accrued interest and returns. The type(s) and values of fund(s) shall be determined by a committee of three board members and agreed upon by a vote of the board. The fund(s) shall be reviewed and rebalanced as needed at least once per year. A minimum of two board members and preferably three members will be required as signatures on the account to move, transfer, add to, or liquidate funds – all of which must be approved by a prior vote of the board. The account shall be held in the event of a dire emergency such as fire, flood, or natural catastrophe affecting the Lake Forest HOA community as a whole. If necessity requires; the funds may be borrowed against as short-term collateral for a short-term loan. The loan must be no longer than one year and paid off in entirety in that time period. Upon discussion, Thane noted that he is willing to table his motion upon further review and research. Board members commented that investments must not lose principal. This will be placed on the next Board meeting agenda.

Communication Committee: There was no report from the Communication Committee.

Grounds Committee: Neils Lunceford has begun landscape work. Grass is growing back in and the boulder situation is in good order. It was noted that the irrigation water backflow preventer is in need of repair and the watering plan was also discussed.

Rules Committee: It was noted that the Rules Committee is working to establish a committee chair as well as recruit members.

B. Insurance; Insurance will be covered in the Owner Education section of the Annual Owner Meeting. The Board briefly discussed the Insurance and Maintenance Responsibility policy. It was recommended to require that all Owners hold an HO6 policy and to remove the option for an Owner to “self-insure”. This will be discussed at the next Board meeting. It was noted that Insurance Agent Steve Deraddo has talked with Ed Storako with regard to the A building foundation water claim; the Insurance Agent has stated that there is no coverage.

IX. Owners Forum

During the Owners Forum, all Owners were given the opportunity to speak.

An Owner noted that she is ok with the Maintenance Committee authority to pay up to \$1000 of expenses without Board approval but stated that minor expense should be paid out of operating maintenance account, not reserves. The Maintenance Committee agreed with this and noted that the funds would not be used for maintenance, but rather for research and investigation type items associated with larger reserve projects.

An Owner noted that he had a number of pictures of exterior renovation related items and asked how best to submit to the Maintenance Committee; the Owner will talk with the Maintenance committee direct to determine plan.

X. New Business

The following new Business items were discussed:

A. 2020 Annual Owner Meeting; The Board discussed the 2020 Annual Owner Meeting. The date of the Annual Owner Meeting is scheduled to be held June 27, 2020 at 1:30 pm. The official meeting notice is scheduled to be sent May 27th. Due to COVID -19, the Board discussed meeting venue options to include holding it in the parking lot, holding it ‘virtual’, as well as postponing the date. Upon discussion, Dennis moved to hold the meeting “virtual” and to consider a social meeting later in the summer; Patti seconds and the motion passed.

XI. Next Meeting Date

The next Board of Directors meeting is scheduled to be held after the 2020 Annual Owner Meeting.

XII. Adjournment

At 8:10 pm the meeting was adjourned.

Approved: __8-17-20_____