

**Lake Haus Condominium Association No.1**  
**Quarterly Board of Directors Meeting Minutes**  
**October 4, 2019**

**Call to Order:** The meeting called to order by the Board of Directors President, Gregg Strumberger at 6:03 p.m. who noted that we had a quorum.

Jody Russell, Scott McDill, Larry Cadman, Doris Rigoni and Gregg Strumberger were present. Gregg noted that Milt Panas has an excused absence, and Gregg has Milt's proxy vote.

**Executive Session:** Gregg announced that the Board would like to initiate an executive session. The matters to be discussed in executive session include conversations and advice from the HOA's legal counsel regarding insurance.

The Board went into executive session at 6:04 p.m. to discuss conversations and advice from the HOA's legal counsel regarding insurance. During that time, Gregg made a motion to recommend that the Board further explore options for transitioning the HOA to a "bare walls" insurance requirement and policy. Larry Cadman seconded the motion. Votes in favor included Gregg, Scott, Larry, Doris and Milt (by proxy). The board emerged from executive session at 6:39 p.m., at which time the Board resumed the open meeting.

The following owners were attended the meeting in person after the executive session was concluded: Ken Frohling, C-8; Phil Macey G-1; Joanne Leone F-5

**Review of Meeting Minutes:** minutes from the June 21, 2019 BOD Meeting: Doris Rigoni made a motion to approve the minutes. Larry Cadman seconded. All were in favor, and the meeting minutes were approved.

**Financials:** Gregg Strumberger presented the managers with a performance incentive check as part of the satisfactory completion of the first year's duties as outlined in the manager's employment contract with the HOA. The Board also presented the managers with a 5% raise for the upcoming year.

Gregg presented an overview of the fiscal year budget going forward that was approved in the June 22<sup>nd</sup> Annual HOA meeting. He also presented the Changes in Reserves Budget v. Actual document. Items of note include the cablevision line item, which appears to be over, but it's actually right track. The cause of which is the timing of 1 payment with the departure of the previous managers. There was a savings in the budget for snow removal for the year. The Association was able to move almost \$68,000 into maintenance reserves this year. The "other liabilities" line item reflects the funds being held for an Insurance claim in the C-building that have not been distributed. The "assets" line item includes a \$415,000 valuation for D-12. Gregg noted this is the best cash position we have been in as an association yet, and it sets us up well for projects going forward.

**Manager's Report/Old Business:** Discussion of recent unit sales and a plan for coverage while the managers are on vacation 10/8 – 10/18/19.

Bids for replacement cost appraisal work were presented. A discussion followed of the approved maintenance projects and additional work projects that were completed since the last meeting and throughout the year. Gregg inquired about the transition to Orkin for the vole issues, and the managers indicated it was much better this season.

Sewer Cleanouts: Snowbridge was able to video and clean out two lines. Cleanout of the sewer lines has turned out to be a much bigger project than anticipated. Challenges include the fact that there are only three identified exterior cleanouts; one outside of the D building, and two outside of the E building. This will require going into 1 lower unit and go through a toilet in each quad in order to clean the lines. The cost may be \$10,000+. During Snowbridge's cleanout, they identified one crack in the first E quad that could be a candidate for trenchless repair. When cleaning out last D-quad's line, they found that tree roots had blocked 80% of the output. They suggest starting with areas of quads with larger trees and go from there.

Phil Macey, G-1, inquired about the dryer vent cleanout process and if there is anything that can be done to prevent animals from building nests in the vents. The managers will check into whether protective covers were installed, and what can be done to prevent this from happening.

Emergency repair to sewer main: The managers discussed a recent emergency repair to a sewer main in the e-building. The repair required that a team dig underneath the foundation to repair the break in the pipe. Snake River Sewer's Director, Kevin McCormick, was on-site to supervise that the repairs were up to code. While making the repair, the maintenance team reinforced a previous repair and installed an exterior cleanout for easier access in the future.

**New Business:**

Lake Haus Directory / Community Forum: Ellen Lake, E-4 emailed a suggestion for the Board to consider. She would like to offer the Lake Haus owners the option of being included in a closed/password protected directory with an honor system agreement that the information included would not be shared with others for commercial purposes. Violators could be reported and blocked. Larry suggested the use of What's App, which is a secured app system. The managers noted that they inquired with the website host, who indicated this could be accomplished with a plug in for the website. The Board is open to the idea, and the managers will research options further. Spenser Havlick, C-5, suggested a resident of the month award, which could be accomplished through a forum such as the aforementioned idea.

Trash dumpster enclosures: Phil Macey, G-1, noted that the trash dumpsters take away from the beauty of the community. He presented examples from neighboring properties with enclosures, some of which were resting on concrete pads. Phil noted that most of the dumpsters current sit under power lines. In order to more easily receive an easement from Xcel, he suggested the use of solar for lighting, as opposed to any electrical. Discussion was had

regarding whether an open or closed structure would be better, and it was agreed upon that a closed structure would be best, with the examples at Buck Ridge as a favorite. The managers will look into quotes from contractors during the off season.

Lighting: Larry suggested adding lighting between the A and B buildings, which the managers will pursue.

Solar: Spenser Havlick, C-5, and Susan Molloy, F-10, both brought up the question of solar as an option to offset electric expenses for the association. The managers will look into solar options, if we can do it on the roofs, what options exist, and what the payback might be. Ken Frohling, C-8, noted that often the owner/association is responsible to for cleaning and maintaining the solar panels. The output can be significantly impacted by even small amounts of dust or debris on the panels.

**Open discussion:**

Insurance: Board voted in the executive session earlier in this meeting to continue down a path of due diligence in further exploring insurance options for the association.

Currently, the Association has an “all in” policy, which requires that the Association insure the exterior, common areas, fixtures, and certain attached items within a unit. This creates a few unique problems including higher deductibles, a disparity in coverages for units; those with more updates should pay a higher percentage of the shared expense, and those that have not should pay a lower amount. It’s an antiquated way of insuring.

“Bare walls” coverage has more benefits. The association insures to the bare walls of the unit, which makes it easier to insure, it’s a less expensive level of insurance for the association, and each owner can insure and set a deductible for the interior of their property based on their risk tolerance.

Any change would require a change in the association’s Declarations and Bylaws, which would require a majority vote to the owners. The Board would like to have an open meeting for all owners and sort out any questions with owners prior to sending ideas to a vote.

Phil Macey, G-1, asked if there are any other specific items we should be looking at in the Declarations and Bylaws that should be reviewed at the same time. Gregg indicated that the association’s legal counsel has provided suggestions along those lines.

Ken Frohling, C-8, noted the following as it pertains to insurance and a current insurance claim pertaining to the association and his unit specifically:

- 1.) He had the Declarations and Bylaws reviewed, and the opinions were different. His insurance company did not read the association’s governing documents as requiring “all in” insurance.
- 2.) An owner in 2011 of their unit at the time flooded their unit and the below and their insurance covered both units at the request and direction of the board.
- 3.) Question the insistence of the association’s insurance to file a claim on behalf of the owners.
- 4.) They have closed their claim.

Gregg proposed a resolution that the association's insurance company should take the amount of the claim and issue it back to Ken's insurance company. Ken's insurance company would then issue back the loss claim of the deductible to the association.

Next step: Provide the contact information for Ken's insurance company to ours to speak with one another regarding getting it sorted out. Additionally, the managers will request a conference call for Monday with the association's insurance, and include both Gregg and Ken.

**Schedule Next Meeting Date:** Managers will send a Doodle poll to gauge everyone's availability the week before Thanksgiving or the first two weeks of December.

**Adjournment:** Gregg called the meeting to close at 8:14 p.m.