

Lake Haus Condominium Association No.1

Quarterly Board of Directors Meeting Minutes

December 14, 2019

Call to Order: Meeting Called to order by Gregg Strumberger, Board President, at 5:08 p.m.

In attendance were Gregg Strumberger, Milt Panas, Doris Rigoni, and Garrett and Blythe Syfan. Scott McDill provided a proxy to Gregg.

Meeting Minutes: A motion was made by Doris to approve the previous Board of Director (BOD) meeting minutes from the October, 2019 BOD meeting. Milt made a second to the motion. With no opposition, the meeting minutes were approved.

Manager's Report: The Managers provided an update and review of the Manager's Report.

Snow removal is under budget thus far for the year.

Roof Maintenance: Turner Morris completed the approved maintenance. They reported that everything looks good for the most part. They completed a few minor repairs. One item of note is the granular loss in the shingles.

Items included snow removal, roof maintenance, sewer main repairs/cleanouts, and an update on projects, including bids for trash enclosures. An outline of the report is posted to the Lake Haus website, www.lakehaushoa.com

Sewer Main: Trenchless repair quote for the rupture under the E building is \$5,200. Snowbridge is the only company in Summit County that will perform that repair. They are asking for an additional \$3,000 to complete it in winter. The BOD agreed that the repair can wait until the spring to complete.

Sewer Main cleanout quotes: Snowbridge quoted \$295/hour + \$125 fee per day for dispatch. There are 22 total cleanouts. They are estimating 1 hr. or more per line, for a total of \$9,000 - \$10,000. This quote is with the caveat that the company doesn't have time to pull and re-set toilets. This would need to be completed in advance by another contractor or the Managers.

Trash enclosures: Received one response, and that contractor asked for the architectural plans before providing bids. Managers will continue trying to solicit bids.

Replacement cost appraisal: Attempts to have contractors provide quotes for replacement costs for Lake Haus have not been fruitful. The Managers gave bids from \$2,800 – \$3,500 to have a replacement cost appraisal performed professionally and reminded the Board of the requirement to do so in the governing docs.

Old Business:

Continued discussion of HOA's insurance, investigation of transitioning to "bare walls" coverage, and upcoming renewal:

By the next BOD meeting, Gregg asked Managers to get as many quotes as possible from insurance providers and disclose aluminum pigtail wiring. Additionally, he would like to get an understanding for what the building coverage should be. Managers and Milt will continue reaching out to professional construction companies for a rough estimate. Once we have a direction to move forward, we can get a professional appraisal. If there is a cost associated, the team will bring that to the board.

By next meeting, the BOD needs to make decision and put forth a recommendation. Gregg would like to go into the next annual meeting having held 1-2 informational sessions with documentation, spreadsheets, etc.

Milt inquired with his personal insurance. The cost would be approximately \$50 / year for each \$25,000 increase in insurance premium to move from "all in" to "bare walls" for individual owners. Gregg asked his insurance and it was a less than \$100 change. Milt suggested that it might be good to suggest that owners add "sewer and drain backup" to their individual insurance coverage, because not all insurance covers it. Look into cost of adding that coverage for the HOA as well.

Milt suggested having an action plan for owners to let them know exactly where the money saved from insurance will be allocated.

Insurance: Doris and Milt question the building coverage for bare walls from State Farm's quote. Milt will ask the question of his agent to see what her opinion is on that.

C7 and C8 insurance update: The situation has been resolved, and we are awaiting a few items to be completed in order to close the claim.

Amendment of Governing Docs: They will need to be amended to take care of a change in insurance coverage, if that is the direction in which the Board decides to go. The HOA has spent \$1,500 to have them updated. We have held off on voting on these, but could potentially get this done at the next meeting.

Financial Review:

The financials were prepared by Jack Zeller and presented by Gregg. The Statement of Financial Position shows that we continue to have a cash reserves grow to \$178,088. In the Changes in Reserves v. Actuals show what we anticipate in operating reserves. We were under budget in the inspection line item because fireplace inspections are cheaper than dryer vents.

General Maintenance Line Item: We're over budget by \$1,752 because of the sewer back up into E-5 quad. This represents mitigation costs and plumbing costs.

New Business:

Owner of E-5 inquired about implementing a restriction to allow no more than two pets per condo, regardless of the number of owners of a property. The Board noted that Lake Haus already has a rule restricting 2 pets and elected not to pursue changing that rule at this time.

Owner of D-4 inquired about the electricity in individual units. Currently, they only receive 220 volts to their appliances and were inquiring about what it would take to get this increased to 240 volts. The Board is concerned about overtaxing our existing wiring. Gregg suggested that individual owners are welcome to inquire with Xcel to see if there is a way to upgrade their specific unit. This would be an individual unit owner expense. If the solution does require re-wiring, see if we can get an estimate, and the Board can consider the expense if it would require the entire building to be re-wired.

Open Discussion: E-7 owner does not feel that she is responsible for paying the portion of the mitigation work to her condo from the sewer backup earlier in the year. The Board noted that, under our current HOA Documents, the damage caused by the common element would be the individual owner responsibility, and the owner is responsible for paying that portion of the bill, since the total doesn't meet the HOA's insurance deductible amount. The Board suggested having her see if the invoice can be billed through an insurance claim, if one exists, for the unit. The Board directed the Managers to let individual owners know in the future that this is their responsibility, and have owners take care of coordinating all contractors and work themselves.

Election of a Secretary: Doris volunteered to be the Secretary of the Association. We'll transfer responsibilities of month-end reconciliation of financials back to Milt.

The Board is currently down two members. We currently have a quorum if everyone shows. The Board has the authority to vote someone in without an open vote. The individual(s) could then formally run for the seat they're temporarily occupying at the next meeting. Managers will reach out to members to gauge interest.

Schedule Next Meeting date: BOD discussed tentative dates for the next meeting. Managers will send out a poll to allow as much time to plan and prepare before the next meeting.

Adjournment: Gregg called the meeting to close at 6:13 p.m.