

**THE BAY CLUB AT FRISCO CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
June 17, 2017**

I. CALL TO ORDER

The Bay Club at Frisco Condominium Association Annual Homeowner Meeting was called to order by Craig Kinney at 2:07 p.m. in the Frisco Community and Senior Center.

Board Members Present Were:

Craig Kinney, President, #208
Randy Beeson, Treasurer, #115
Lynn Butts, Director, #209

Janis Taylor, Vice President, #110
Karlyn Vasan, Director, #215

Homeowners Present Were:

Carol & Robert Faust, #106
William & Denise Waddell #111
Michele Keiner, #114
Tom & Mimsi Milton, #116
Hugh & Susan McGregor, #204
Mary Kinney, #208

Ronald & Judith Palmer, #109
John & Sherry Fleming, #113
Lynn Beeson, #115
Jana Edwards & Rick Poppe, #203
Virgil Robinson, #207
Andrew & Kelly Schaller, #211

Representing Summit Resort Group were Kevin Lovett and Deb Borel. Erika Krainz of Summit Management Resource was recording secretary.

II. PROOF OF NOTICE AND ESTABLISHMENT OF QUORUM

Notice of the meeting was sent May 17, 2017. With 14 units represented in person and nine proxies received a quorum was confirmed.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Jana Edwards noted a correction to her last name in the attendee list.

Rick Poppe made a motion to approve the minutes of the June 18, 2016 Homeowner Meeting as amended. Sherry Fleming seconded and the motion carried.

IV. FINANCIAL REPORT

A. Balance Sheet as of April 30, 2017

Randy Beeson reported that there were no owner delinquencies. The overall Members Equity balance increased from \$189,000 last year to \$209,000 this year.

B. P&L as of April 30, 2017

Randy Beeson stated that the Association ended the fiscal year with a net operating loss of \$3,866. General Building Maintenance was \$8,455 unfavorable to budget due to fire suppression head leaks, roof leaks and drain leaks into the garages.

Reserve expenses totaled \$11,623 against a budget of \$4,000. Expenses included \$6,200 for concrete work on the pillars around the garages and \$5,423 for landscaping work in the courtyard. These expenses were offset somewhat by \$1,050 in work day income. The funds for the pillars were available in reserves, but had not been budgeted to be spent last year.

C. 2017 Budget Ratification

Randy Beeson said the 2017-18 Budget was increased by 30% overall. The majority of the increase was for the Reserve contribution. The roof is a large expense that is projected in six years. The previous cost estimate for roof replacement was \$190,000; the updated bid was \$380,000. The increase to the annual contribution should make it possible to pay this expense from Reserves.

Craig Kinney explained that the state requires Associations to have a Reserve account. The options for funding the roof replacement would be to levy a Special Assessment to increase the Reserve balance or to increase the assessment gradually over the next six years. The annual contribution has been about \$34,000 plus \$1,000 in interest for a total of \$35,000. An additional \$35,000 will be needed to fund the roof replacement expense. The Association governing documents require approval of 2/3 of the membership to levy a Special Assessment and the funds must be spent in the year they are assessed. Removing this requirement would also require an owner vote and approval of 67% and the Board felt it would be easier to increase the dues starting in May 2017.

Craig Kinney reviewed other repair and maintenance items:

1. Painting - The buildings were last painted in 2010. Painting is scheduled again in 2020 but the paint is in good condition and it may be possible to push this project out. Asphalt replacement is scheduled in 2033.
2. Drains - Seven of the 32 drain pipes from the kitchens to the garages have developed leaks. They are being replaced as they fail.
3. Sprinkler Heads – There have been glycol leaks from some of the sprinkler heads. Owners should report leaks to management so the sprinkler heads can be replaced.
4. Roof Leaks – There have been some roof leaks resulting from incorrectly installed drip edges. This problem will be resolved when the new roof is installed.

Owner questions and comments included the following:

1. John Fleming asked how many roofing companies provided bids and if owners would receive a refund if the cost for the roof replacement decreases. Craig Kinney said three bids were received. The funds collected will be retained in the Reserve if the roofing cost is lower than anticipated.
2. An owner asked if there had been consideration of replacing the roof in sections. Craig Kinney responded that replacement the roof in sections was not a viable option.

3. Virgil Robinson recommended that the Board consider a metal roof since it would provide better protection and favorable insurance rates. Randy Beeson said that this had been considered but a metal roof would be cost prohibitive.
4. An owner asked how the dues compared to other properties. Deb Borel said they were comparable to other similar properties.

Deb Borel said owners need to send a check for June dues since the automatic payment option has not yet been set up. The checks should be made out to Bay Club and should be sent to Summit Resort Group, PO Box 2590, Dillon CO 80435. She will be sending all owners the paperwork to establish automatic dues payment for the future.

Rick Poppe made a motion to approve the 2017 Budget as presented. Bob Faust seconded and the motion carried.

Randy Beeson was acknowledged for his work on the budget.

V. MANAGING AGENTS REPORT

Craig Kinney explained that the decision was made to switch management companies for several reasons. The Board asked Wildernest to provide cost estimates for projects but never received them. In addition, the business was sold to new owners last year and the new owners eliminated an entire level of management staff. The Property Managers were given additional responsibilities and there was a negative effect on the level of service. Summit Resort Group (SRG) was hired to replace Wildernest. The SRG staff contact list will be provided to all owners.

A. Completed Projects

1. Mailed SRG introduction letter to owners.
2. Mailed Annual Meeting notice to owners.
3. Completed transition walk-through with Wildernest.
4. Turned on irrigation.
5. Completed the website. All Association documents will be password protected.
6. Orkin contract in place for baiting of voles and killing of ants.
7. Removed landscaping bed and installed sprinkler heads.

B. Pending Items

1. Registration of Association with DORA.
2. Ceres to complete two landscape beds.

VI. OLD BUSINESS

Rick Poppe said there was peeling paint in various areas of the building. This will be added to the project list.

VII. NEW BUSINESS

A. Lake Hill Project

The proposed Lake Hill project consists of 450 units to be completed in five stages. The County is now in stage two of the process. Contracts will be sent out for bids once all planning has been completed. It might be possible for this Association to provide some input regarding the proposed bike path.

B. Watermarke Condominiums

The developer plans to break ground in the next three weeks and pour concrete by winter. The two bedroom units are listed for \$600,000. The developer will be working with the Town regarding a new path. Watermarke and Bay Club have offered to grant about 3' of property for the new path, which must be 8' wide to accommodate snow removal equipment. The cost estimate for the path is \$40,000 and the Town will be expected to maintain it. The path will be granted to the Town to eliminate any potential liability for the Association. The Town Council will need to provide approval. Bay Club HOA representatives, along with surrounding HOA representatives, have a meeting scheduled for Monday, June 19 to discuss the proposed Rec path. An owner suggested getting a count of the number of people crossing over Bay Club property. The Board will consider options after the meeting with the Town.

C. Landscaping

The fifth island by Units 101/102 was removed and will be replaced with grass. Two islands remain and Ceres is in the process of planting flowers and plants. The work should be completed in the next three to four weeks. The Association paid \$500 this spring to clean out the basin.

The Board has established an owner work day each summer. Owners who cannot participate will be asked to make a \$50 payment to the Association. An owner requested use of an eco-friendly weed killer instead of Round Up.

D. Architectural Review Committee (ARC)

The Bylaws indicate that ARC permission is required for owner improvements in their units. Janis Taylor, Lynn Butts and Bill Erdkamp will serve as the ARC. Summit Resort Group (SRG) has been asked to help with creating guidelines. The current guidelines were taken from the Town of Frisco. Floor covering changes require approval by the Bay Club ARC. Owners should notify SRG if they plan to do any remodeling.

E. Bay Club Sign

There is \$1,500 budgeted for a new sign. It will be installed by the boulder at the front of the property. The Board has approved the design. In a show of hands, more than half of the owners indicated they were in favor of the proposed sign design.

F. Recycling

There has been recycling at Bay Club in the past, but it was removed, since the bins were constantly contaminated with glass and non-recyclable materials. When the recycle tote is contaminated, Waste Management disposes of the material from the recycling bins with the regular trash. The Board has decided to eliminate recycling on site, but reminded owners that there are several recycling locations around the County.

G. Plowing

Carol Faust stated that the snow removal contractor plowed the property too late in the day, causing ice to form in areas. Deb Borel said bids for next winter will be solicited in the fall and presented to the Board. The plowing contractor has been asked to rebuild the wall that was knocked over.

VIII. ELECTION OF DIRECTORS

The terms of Craig Kinney and Karlyn Vasan are expired this year. Both have indicated their willingness to serve another term. There were no other nominations from the floor.

Rick Poppe made a motion to elect the incumbents by acclamation. Randy Beeson seconded and the motion carried.

IX. NEXT MEETING DATE

The next Annual Meeting will be held on Saturday, June 16, 2018 at 10:00 a.m.

X. ADJOURNMENT

Carol Faust made a motion to adjourn the meeting at 3:39 p.m. Mimsi Milton seconded and the motion carried.

Approved By: _____

Board Member Signature

Date: _____