

Lake Forest

July 16, 2018

Dear Lake Forest Owner,

Thank you to all Lake Forest Owners able to attend the 2018 Lake Forest Annual Owner Meeting and thanks to those who sent in proxies.

Meeting Minutes

Attached are minutes from the 2018 Annual Owner Meeting for your review.

2018 Annual meeting / Board of Directors

As stated in the 2018 Annual Owner Meeting Minutes, the meeting was recessed in order to gain a legal opinion with regard to proceedings with the Board of Directors Election. At the 2017 Annual Owner Meeting, a motion was made, seconded and passed to elect 4 Lake Forest Owners to the Board of Directors bringing the total number of Board members to 9. The Association Articles state that the Board may range from 3 to 7 Directors, the Bylaws currently set the number at 7. While this action was done in good faith (based on effort to include all Owners interested), it was improper.

It is the Associations goal to correct the error, come into compliance with the Articles and Bylaws and move forward with a Board of 7 members. To that end, per attorney direction, the following steps will be taken:

1. *Remove from the Board the 4 Owners elected to the Board in 2017.*
2. *Reconvene and Adjourn the 2018 Annual Owner Meeting.* The 2018 Annual Owner Meeting will reconvene on Thursday July 26, 2018 at 10:00 am MTN. The meeting will be held at the Summit Resort Group Office located at 350 Lake Dillon Drive in Dillon Colorado; additionally, a conference call option will be available:
Dial in number 1-877-858-5743
Pass code 174455
The 2018 Annual Owner Meeting Agenda will resume with;
IX. Election of Directors
X. Next Meeting Date
XI. Adjournment

It is noted that there will be no action taken on the Election of Directors other than reiteration of the election plan as stated below, the 2019 Annual Meeting date will be announced to take place on Saturday June 29th at 1:30 pm. and then the meeting will be adjourned; it is noted that if a quorum is not present, the Chair shall adjourn the meeting.

3. *Hold Election via written ballot;* The Election of Directors will be held by written ballot. In total, there are a maximum of 5 Board positions to be elected; 2 positions from the 2017 election and 3 positions from the 2018 election. It is noted that this election will correct the 2017 election (at the 2017 annual meeting, there was 1 position up for election and 1 vacant position, therefore, at the next Board of Directors meeting, 2 of the directors elected will hold seat as elected in 2017).

Written Ballots and Notice of Solicitation will be sent after the Annual Owner Meeting is properly adjourned on July 26, 2018. Notice and Written Ballots will be sent July 27, 2018 and votes must be received by August 12, 2018 to be counted.

4. *Hold Board of Directors meeting*; A Board of Directors meeting will be held on Monday August 13, 2018 at 6:00 PM at the Summit County Senior Center, located at 151 Peak One Blvd in Frisco Colorado (same venue as the 2018 Annual Owner Meeting). Attached is the Board meeting agenda.

Owner Reminders

Trash/ Recycling – Owners are reminded that the common trash / recycling area is for “regular household” trash and recycling. Large items are to be taken to the County Landfill or the County recycling centers. Plastic bags are not permitted in the recycling! Please take all items out of plastic bags before placing the items in the recycling containers (plastic bags should then be disposed of in the trash or taken to plastic bag recycling area). Electronics are not to be placed in the trash area; electronics can be disposed of for free at the County Landfill (bring proof of local residence).

BBQ Grills –Please remember that BBQ grills are not permitted on decks!

Pets – Please be sure to keep your pets under control! This is not only a Lake Forest rule but a Summit County Ordinance! (only Owners are permitted to have pets at Lake Forest!)

Rentals – Please be sure to review the House Rules with your renters, tenants and guests! Owners are ultimately responsible for their unit occupants actions...

Lake Forest Association Documents

Please remember that all Lake Forest Association Documents are on the Association website at http://www.srghoa.com/hoa_lake_forest.html

Sincerely,
Lake Forest Board of Directors

**LAKE FOREST CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
June 30, 2018**

I. CALL TO ORDER

The Lake Forest Condominium Association Annual Homeowner Meeting was called to order by Thane De Puey at 1:30 p.m. in the Summit County Senior Center.

II. ROLL CALL, PROOF OF NOTICE AND INTRODUCTIONS

Board Members Present Were:

301E Thane De Puey, President
103C Marshall Blaney, Secretary
304D Dennis Burke, Director
304E Sue Sorenson, Director

303F Bob Seibert, Vice President
104D Madeline Mishkind, Director
202F Hubbard Helm, Director

Homeowners Present Were:

A101 Gary Cushner
A103 David & Joyce Roll
A201 Karen Bacon
A301 Charles Bohn
A303 Ronald & Janet Joy
B302 Andrew Tofe
C104 Ron Crist
C202 Theodore Dreyer
C204 Kristie Kimnach
D102 Paul & Linda Roberts
D104 Stephen Mishkind
D302 Kathy Chinoy
D304 Jayne Burke
E205 Ingrid Basier
E304 Gary Sorenson
F203 Keith Willy & Carmen Quenzer
F303 Jeanne Seibert

A102 Robert & Kathy Yehl
A104 Keith & Carol Thompson
A204 Tom & Doris McFeeters
A302 David Ehrenberger
B201 Ann Marie Heneghan
B303 John Huston
C201 Richard Eckrich
C203 Dennis Murphy
C303 Gregory & Sheryl Wells
D103 Thomas Moore
D201 Jay Arthur
D303 Deborah & David Cohen
E202 Cynthia Lowe
E206 David Phillips
E306 Rick & Lori Smith
F302 Carl & Sherri Kroonenberg
F305 John Wurts

Owners Represented by Proxy Were:

A202 Lyon
B103 Delong
B304 Yancey
C301 Gondolf
C304 Drennan
D203 Vollmer
E201 Duhl
F205 Bruyn
F306 Driggers

A304 Gibson
B301 Tarabocchia
C101 Hale
C302 Gelfand
D202 Daletrove Ltd.
D204 Marten
F201 Miller
F206 Scott
A203 Chebul

Representing Summit Resort Group was Kevin Lovett. Keith McBrearty was present representing Summit Property Maintenance. Erika Krainz of Summit Management Resource was recording secretary.

Notice of the meeting was sent May 30, 2018. With 37 units represented in person and 21 proxies received a quorum was confirmed.

III. APPROVAL OF PREVIOUS MEETING MINUTES

Marshall Blaney motioned to approve the minutes of the July 1, 2017 Homeowner Meeting as presented. Hubbard Helm seconded and the motion carried.

IV. PRESIDENT'S REPORT

Thane De Puey commented that the Summit Resort Group staff have been phenomenal and have gone above and beyond their scope of work. Keith McBrearty has been handling the maintenance for two years and has assisted with leaks, bat and raccoon mitigation and hot tub repairs. The owners recognized Kevin and Keith for their service to the Association.

Deck repairs and painting were approved last year and 37 were completed. The list of the highest priority decks for this spring has been put on hold pending the report from the Exterior Design Committee (EDC). Two decks with safety issues were repaired this spring. Owners who have safety concerns related to their decks should contact the Board. Several leaking windows on A and B Buildings were repaired and some fascia and flashing was replaced.

Thane De Puey has volunteered to spearhead the drainage issue. He will try to get three contractors to look at the conditions in front of A, B and C Buildings. The first recommendation from Cona Engineering was to put in a trough with heat tape but this was determined to be unfeasible. There may be a snowmelt system solution that is triggered based on temperature and humidity. The cost per snowfall would be \$15 - \$30 for an 8' wide zone in front of garages.

V. TREASURER'S REPORT

A. 2017 Year-End

The Association ended the year with a balance of \$59,422 in the Operating account and \$25,285 in the Reserve account. At year-end, there was a net loss of \$17,666.

B. Year-to-Date as of May 31, 2018

The Operating balance was \$96,099 and the Reserve balance was \$68,095. The Association is operating with year-to-date net income of \$49,709. There were no owner delinquencies.

An owner requested details of the \$89,439 Reserve expenses on the December 2017 Profit & Loss. Kevin Lovett said the projects included leak repairs, painting and painting the concrete floor entries.

VI. PROPERTY MANAGEMENT REPORT

A. *Owner Education*

Kevin Lovett provided an update on owner rights and the responsibilities of owners in common-interest communities. Owners have the right to attend and participate in all membership meetings, vote in person or by proxy, access Association records, financial statements and governing documents, use and enjoy common areas and sell or rent the individually owned unit or property. Owners are obligated to pay their fair share of costs of operating the Association and maintaining common areas via regularly scheduled and Special Assessments, to maintain their unit in accordance with Bylaws and architectural guidelines, to be respectful of neighbors and to be responsible for all occupants of their units.

B. *Completed & Pending Projects*

Keith McBrearty reported on projects to include:

1. Completed 37 deck repairs.
2. Obtained bids and approval for painting the west wall of E Building.
3. Painted the concrete floors of Buildings A, B, C and D.
4. Completed fire sprinkler system testing and inspection and all areas passed.
5. Completed backflow testing on domestic water lines. All buildings passed with Building A requiring immediate repairs.
6. Installed new dumpster enclosure garage door. It will be painted to match the buildings once new colors have been selected.
7. Caulked and painted lake side lower windows of Buildings A, B, C and D.
8. Obtained blueprints from Frisco Building Department and provided electronic copy to EDC.
9. Implemented monthly reporting of maintenance items.
10. Renewed maintenance contract with a fixed price for three years.
11. Cona Engineering and Savage Architects did site presentation and walk-throughs.
12. Did numerous walk-throughs with siding companies for EDC.
13. Started winter season with a new snow removal company AAA. There were concerns after two months and Emore was convinced to return.
14. Formed a Landscape Committee headed by Sue Sorenson.

VII. OLD BUSINESS

A. *"No Smoking" Complex*

Based on the results of the straw poll last year, the Board did not pursue any further action. Owners should inform the Board if they have strong feelings about this matter. The Board is looking at making the hot tubs a no smoking area but noted it will be difficult to enforce.

John Huston requested a show of hands from the owners present for their support to pursue making the entire property non-smoking (excluding unit interiors). There were 23 of 37 owners present (excluding proxies) in favor of further action.

B. *Lake Hill Update*

The County now owns the property and it is slated for a housing development. There is no current activity on the site but test pits may be dug later this year. There is a significant hurdle to be overcome in the form of a large gas line that runs through the property. Construction costs are also quite high and contractors are limited.

VIII. NEW BUSINESS

A. *Exterior Design Committee Report*

David Ehrenberg, Chair of the Exterior Design Committee (EDC), provided a Power Point presentation. The Committee was formed last fall and was charged with an evaluation of the building exterior and recommendations. Owner members were Josh Chebul, Kathy Chinoy, Ron Joy, Ron Crist, Sue Sorenson, Dennis Murphy, Ben Duhl, Ingrid Basier and David Ehrenberger. Concerns included the condition of the siding and windows, and defects in the siding due to age, weather and construction quality. There would be a potential impact if there was water barrier failure on the infrastructure and possible rot, pests, incremental cost of delayed repair, an impact on property value and aesthetics.

The EDC met seven times, provided two presentations to the Board, conducted site visits, contractor meetings and had guided tours. The EDC due diligence included two structural engineers, Cona Criterium Engineers and Endeavor Exteriors, vetting five regional architectural firms and selecting Savage Architecture, vetting five General Contractors and pursuing bids pending the final design. Regional condominium comps for siding renovation projects are \$17,000 – \$69,000 per unit at four other Associations.

David Ehrenberg reviewed the summary of conclusions and recommendations:

1. The condition of the siding is poor and outdated, threatening the structural integrity of the buildings.
2. The EDC recommends full renovation of the complex to maintain value and add durability to the facility.
3. Regional comps demonstrate similarly sized and aged properties have made the decision to renovate and provide examples of costs and aesthetic improvements.
4. The siding renovation cost is estimated to be \$2 - \$3 million.
5. The proposed timeline is spring 2019 with completion by fall 2019.
6. Piecemeal repairs are not recommended since the current poor condition would warrant extensive and expensive work. The contractors strongly concur.
7. Failure to make a decision to proceed serves no purpose but to delay the inevitable and at a substantial incremental cost.

Dennis Murphy reviewed the proposed scope of work:

1. Remove siding, repair underlying wood rot. Consider lesser work in vestibule interiors if possible for cost savings.
2. Rewrap and seal all buildings with good quality thermal/vapor sealing barrier.
3. Install new siding materials for durability and aesthetics.
4. Install approximately 3' of wainscoting (stone, metal or stucco) along the bases of all buildings.

5. Repair or replace all soffits, fascia and gutters as required.
6. Rework attic venting to improve ventilation and eliminate vermin.
7. Replace the 73 guest bedroom triple sash windows. There could be an option for all owners to replace other windows and patio doors at favorable cost. Owners who have already replaced windows or doors with suitable materials may receive some amount of credit.
8. Replace balcony railings and decking with a Trex-type product and repair, repaint and re-install railings.
9. Paint, stain and finish all new materials.
10. Stain and reseal all entry stairs, landings, vestibules and railings.
11. Replace exterior numbering and signage with code compliant numerals.

The two proposed finance options would be for the Board to determine equitable assessments with payments phased in as needed for contractor payments or for the Board to arrange financing with local bank for 5 - 10 years with repayments added to monthly dues. This would have to be approved by at least 51% of the membership.

The next steps are for the owners to authorize the Board to proceed to the next level of design and for the Board to present a Board-approved, detailed final proposal for an owner vote in about 60 days. The final proposal should include the scope, price, timeline, contractor selection, widow options and prices and financing and payment options for the Association and owners (home equity loans, simple assessment or a combination).

Owner questions and comments were as follows:

1. Q: Does the Board believe it will be possible to secure a contractor? A: Yes.
2. Q: Who will manage the construction? A: A Project Manager will be hired.
3. Q: Will there be a tiered approach to the project? A: There will be a design and materials standard recommended and within that, options to value engineer to reduce the cost.
4. Q: Has renovating one building as a "pilot" been considered? A: The Board discussed this approach but concluded it would not be practical.
5. An owner commented the management company let the property fall into disrepair and should be replaced.

Adam Savage of Savage Construction reviewed his proposed design options.

There would be a \$15,000 expense to proceed to the next step of selecting a design with the architect that can be put out to bid. In a show of hands, 32 of the owners present were in favor of proceeding. Owners were asked to email Kevin Lovett their desired price range for the project.

Thane De Puey proposed that the Board investigate changing the governing documents so the Board cannot levy an owner assessment greater than \$15,000. In a show of hands, 27 owners were in favor of this action.

B. Association-Owned Rental Unit Sale Status

At the last meeting, the Board voted to put Unit D101 up for sale. It is listed with ReMax (\$503,000 as is) but will not be in MLS until the tenant vacates on July 2, 2018. Several owners challenged the Board's authority to sell the unit without an owner vote. Thane De Puey said the attorney confirmed that the Board has the authority. Two emails were sent to all owners requesting feedback and only ten responses were received. A portion of the proceeds may be used for repairing the drainage in front of Buildings A, B and C and the remainder would be put to Reserves.

IX. ELECTION OF DIRECTORS

The Board has been operating with nine members this past year. It was recently determined that the Bylaws specify a maximum of seven Board members. The terms of Bob Seibert, Madeline Mishkind and Dennis Burke have expired. Bob Seibert and Dennis Burke are running again and Dennis Murphy and Ingrid Basier have expressed interest.

After discussion, it was agreed to establish the nominations, to recess the meeting, to retain the current Board and to seek legal advice regarding how to proceed.

Nominations were as follows: Kathy Chinoy nominated Ron Joy and Andrew Tofe seconded. Ron Joy nominated Kathy Chinoy and Cynthia Lowe seconded. Janet Joy nominated David Ehrenberger and Doris McFeeters seconded. Thane De Puey nominated Bob Seibert, Dennis Burke and Ingrid Basier and Hubbard Helm seconded. Cynthia Lowe nominated the four Board members who were elected last year in case the election has to be held again. Kathy Chinoy seconded. Dennis Murphy withdrew his name from the race.

All candidates were asked to send biographical information to Kevin Lovett.

X. NEXT MEETING DATE

The next Annual Meeting will be held on Saturday, June 29, 2019 at 1:30 p.m.

XI. RECESS THE MEETING

Janet Joy motioned to recess the meeting at 4:14 p.m. It will be reconvened after legal advice has been received for completing the Board election. The motion was seconded and carried.

Approved By: _____
Board Member Signature

Date: _____



**Lake Forest
Board Meeting Agenda
August 13, 2018 – 6:00 pm**

- I. Call to Order
- II. Board of Directors Election; Written secret ballots will be tabulated. Written ballot votes are necessary to elect 5 Directors because the vote to increase the Board to 9 Directors and the subsequent election of 4 Directors at the 2017 Annual Owner Meeting were improper actions.
- III. Board of Director Officer Appointments
- IV. Review of prior year Board Actions and Vote to Ratify prior year Board of Directors Actions. Please see attached list.
- V. Owners Forum
- VI. Meeting minute review, 6-1-18 Board meeting
- VII. Actions via Email
- VIII. Old Business
-Association owned unit, status
- IX. New Business
- X. Executive Session
- XI. Next Board Meeting Date
- XII. Adjournment

Review of prior year Board Actions and Votes and Ratification of prior year Board of Directors Actions

7-1-17 Board of Directors meeting;

Officer appointments

Concrete floors "bottom of stairwell" repairs

8-28-17 Board of Directors meeting;

Minute approvals, 5-8-17 and 7-1-17 Board meetings

Actions via email ratifications:

6-12-17 Unit D 104 window and door replace request, approved

6-28-17 Hot tub door, install lock, approved

7-6-17 Unit B 203 kitchen remodel request, approved

7-24-17 Unit A 201 Door replace request, approved

7-28-17 Unit F 302 window replace request, approved

8-10-17 Bldg E, West Wall painting, option #3 approved

Parking lot striping

Unit garage door maintenance responsibility

Establishment of Exterior Design committee

10-2-17 Board of Directors meeting;

Minute approval, 8-28-17 Board meeting

Renew HELOC

Approved Budget 2019 for presentation to the Owners

Actions via email ratifications:

9-28-17 B 302 window replace request; approved

Accept Criterium Engineering reserve study proposal

Unit F 204, Two Dog's request

Heat tape and gutter repair work approved

12-4-17 Board of Directors meeting

Minute approval, 10-2-17 Board meeting

Actions via email ratifications:

11-20-17 unit D 201 window replace request; approved

11-3-17 unit D 201 slider door replace request; approved

10-25-17 unit A 202 window replace request; approved

10-25-17 unit A 202 2 dog request, approved

Approved Summit Resort Group Property Management Agreement

Approved rebilling of unit Owners for garage door panel replacement

Approved AAA snow plow agreement

Add Pella, Architect Contemporary 2 wide awning window to Pre-Approved window replacement list

12-17-17 Board of Directors meeting;

Minute approval 12-4-17 Board meeting

Approved Summit Property Maintenance Contract renewal

1-29-18 Board of Directors meeting;

Actions via email ratified:

- 12-28-17 AAA snow plow contract cancellation, hire Emore; Approved
- 12-21-17 Newsletter; Approved
- 12-19-17 Garage Door repair mailer and billing plan; Approved
- 12-18-17 Executive Session Meeting minutes; Approved
- 12-17-17 SPM Contract (Executive session); Approved
- 12-9-17 December 4, 2017 meeting minutes; Approved

3-26-18 Board of Directors Meeting;

Approved earmark of \$8000 for use by EDC to obtain architectural plans for presentation to owners at the 2018 annual owner meeting

Minute approval 1-29-18 Board meeting

Actions via email ratified:

- 1-31-18 Cona Engineering invoice; approved
- 2-3-18 Approval of 1-29-18 Board meeting minutes; approved
- 2-8-18 Monthly dues invoicing sent via email; approved
- 3-1-18 Landscape Maintenance; under discussion
- 3-2-18 Insurance renewal; approved
- 3-13-18 B 301 garage door billing response; under discussion
- 3-20-18 C 101 remodel request, approved
- 3-23-18 F 204 remodel request, approved

Motion that the Board does not renew any rentals after the expiration of the current lease which expires June 30, 2018, recommends that the Board sells the unit and earmarks the proceeds to go to the Reserve account, recommends selling the unit this summer 2018 and recommends that the Board send notice of the Boards plan to sell the unit to all Lake Forest Owners to include offering Owners a comment period of 30 days; the Board will review Owner comments and discuss prior to proceeding with the sale. Approved

Installation of additional parking signs

5-14-18 Board of Directors meeting;

Minute approval 3-26-18 Board meeting

Actions via email ratified;

- 5-5-18 Unit F 204 Temporary pet door, approved
- 5-1-18 Reserve Study publish, approved
- 4-24-18 Unit A 203 remodel request; approved
- 4-19-18 3-26-18 Board of Directors meeting minutes; approved
- 4-11-18 Architect selection and approval to proceed; approved
- 4-4-18 Drainage upgrades and retaining wall repairs, earmark funds; under discussion.

Motion to sell the unit with a significant portion of the sale proceeds being deposited into a long-term instrument; additionally, a three-person committee will be appointed to investigate and sale details and options and make recommendation to the Board; approved

Proceed with Western States Fire Protection to complete the 2018 annual fire system inspection

Add additional wiring at the hot tub area

Addition of "no parking" striping in front of ABCD buildings

6-11-18 Board of Directors Meeting;

Minute approval 5-14-18 Board meeting

Actions via email ratification;

5-31-18 Obtain Attorney opinion re review of process for special assessment, approved

5-21-18 D 104, 2nd pet request, approved

5-16-18 Rules discussion, on going

5-18-18 Minutes from 5-14-18 Board meeting, approved

Motion to contact three Real Estate Agents to negotiate down their commissions and maximize sales price and proceed with sale of unit using Real Estate Agent; approved

Current Actions via email;

7-13-18 Motion to appoint member limited authority to sign, on behalf of the Association, documents related to the sale of the Association owned unit