

**ANCHORAGE CONDOMINIUM ASSOCIATION
ANNUAL MEETING
JUNE 21, 2008**

Peter Schutz explained that usually the Mayor or Town Manager gives a brief presentation at Association meetings but he has been told that it no longer possible for a town representative to attend these meetings. He hopes that in the future Bob Evans from the Marina will be able to join the Association for a brief update.

Peter Schutz reported that the Town approved establishment of an Urban Renewal Authority to obtain money that can be used for future improvements. The Ristorante al Lago across from Town Hall will be demolished and forty-three units and commercial spaces will be built. A group was looking into buying the Best Western to build sixty-three units with underground parking. The old medical facility will be moved and high-end units along with retail spaces will be built. There has been consideration to building a new performing arts center and a gateway park. The weekly Farmers Market has been moved up the road while improvements are being made to Marina Park.

The Marina master plan is in the process of being developed. There is sensitivity to the effect any changes might have on views. Approval has been given to redevelop the Marina to include new under and over ground parking, a new layout for the Marina front and moving utilities towards the lift station. The Yacht Club will be redeveloped along with the Junior Marina, new breakwaters and new docks, a new boat rental station and different entrance points. The completion of the project should be within about five to seven years, completed in phases depending on funding. Some of the construction will depend on a low water level. There are Federal funds available. The Marina operates as its own enterprise zone and is looking for government grants as well. The plan for 2009 is to realign the entrance road to the Marina and to build a new kid's park.

Peter Schutz said boats are being inspected for infestation of the zebra mussel. The mussels are a serious problem that is growing fast; they attach to boat motors and equipment. The Denver Water Board is watching closely because they could interfere with the flow in the Roberts Tunnel.

I. CALL MEETING TO ORDER

The Anchorage Condominium Association Annual Meeting was called to order at 10:21 a.m. in the Dillon Town Hall.

Board Members Participating Were:

Florrie Katchen, #42
Larry Bruner, #33

Jeff O'Neill, #14
Richard Crabtree, #41

Owners Participating Were:

Gail Murray, #11
Karen O'Neill, #14
Virginia Bowman, #22

Ronald and Ellen Laub, #12
Allan Meyer, #21
James Cover, #26

Janet Stokes, #31	Karen Bruner, #33
Anthony and Frances Musco, #35	Larry and Gerry Odekirk, #36
Candice Cole, #41	Lavonne Kaiser, #44
Tom and Laverne Darr, #46	Ned and Susan Colonge, #54
Kim Conway	

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and Rob Carter. Margot Mayer of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE AND QUORUM

Peter Schutz confirmed that notice of the meeting was sent May 21, 2008. With seventeen units represented in person and six proxies received a quorum was reached.

III. APPROVE PREVIOUS MEETING MINUTES

Ned Colonge made a motion to approve the minutes of the June 16, 2007 Annual Meeting as presented. The motion was seconded and carried.

IV. FINANCIAL REPORT

A. Balance Sheet as of April 30, 2008

1. Operating Bank Account - \$27,762.
2. Alpine Reserve - \$2,089.

The Profit and Loss statement reflected that the Association closed the year with a \$10,246 surplus, mainly due to lower gas costs. The surplus was transferred to the Reserve account.

B. 2008/2009 Budget Ratification

The 2008/2009 proposed Operating Budget does not call for an increase. Peter Schutz said the Association locked in a price of \$11.00/decatherm for natural gas compared to the 2007 rate of \$8.50. Kevin Lovett said the budget for gas expense had been increased accordingly.

Major variances included:

1. Insurance – annual premium decrease of \$565.
2. Management fees – proposed increase of 3% (\$891/yr).
3. Cable TV - \$300 annual increase (3%).
4. Gas – increase of \$1,309.
5. Pest Control – new account for \$1,500 (removed from landscaping line item).
6. Landscaping – decrease by \$1,500 (moved pest control to its own line item).
7. Annual Meeting Expense - \$350.

Ongoing expenses for landscaping include annual maintenance of equipment, gasoline, sharpening blades and planting flowers. Kevin Lovett thanked several homeowners for doing a great job planting the flowers.

Ned Colonge made a motion to approve the 2008/2009 Budget as presented. Candice Crabtree seconded and the motion carried.

V. **MANAGING AGENT'S REPORT**

Rob Carter's cell phone is 970/389-6393.

A. *Completed Projects*

1. Completed annual inspections including fire extinguisher, chimneys and boiler.
2. Completed spring cleanup, aerating, fertilizing and irrigation start up.
3. Monthly vole remediation. This is still an ongoing project.
4. Completed insurance renewal with \$5,000 deductible and premium savings. Management recommends that homeowners use the same insurance carrier as the Association. The insurance contact is Bob Strong (970/879-1330).
5. Installed gutters and heat tapes.
6. Management contract renewal has been completed for three years until 2010. The rate increased to \$2,450 per month with a 3.2% agreed upon increase each year on June 1st.
7. A new gas boiler and backflow valve were installed.

B. *Window Replacement*

In ongoing efforts for complex beautification and cohesiveness, the Board has put into place a policy regarding window replacement. Owners are responsible for window and door replacement. All parking lot side windows must be replaced with white vinyl and all lakeside windows and doors must be replaced with brown vinyl frames. The policy is part of the meeting minutes.

Windows and doors are an owner responsibility and the Board cannot force owners to have them replaced. From a practical standpoint it would be great if owners would replace their windows for better insulation since all owners share the cost of gas. An owner recommended that owners communicate with others if they plan to replace windows to possibly obtain a bulk discount.

Kevin Lovett said an owner, Tom Darr, was selling windows. Tom explained that he could offer different options on windows. Depending on the style, insulation factor, glass and frame, the windows cost \$400 - \$1,000 for a 36" x 48" window. Management will mail owners contact information. In a show of hands, the majority of homeowners indicated they were interested in replacing their windows.

Florrie Katchen said she found a bronze window to replace the window with the louvers for about \$3,500. She said windows and doors should be replaced with the same color to maintain the buildings aesthetics.

An owner asked if there was still a committee to govern uniformity of window choices and other topics. Peter Schutz said there was a committee two years ago but it had since dissolved. Owner projects must have Board approval. If the project requires pulling a permit, the application has a section that asks for the approval of the Association. An owner noted there were two previous Board members who did not go through the approval process and he was not clear why he would need to get approval now. Peter said the goal was to have uniformity so the complex would look good. Anything that affects the common areas has to be approved. Windows in the front and back are visible to anybody and they should be uniform but doors are not as visible and could be different.

Owners interested in serving on a committee to create parameters for uniformity of the building will meet after this meeting. Peter will determine which owners were on the committee two years ago.

C. *Upcoming Projects*

1. Major Pool Resurfacing – The repairs completed this year to the tile and the pool surface will suffice for the summer of 2008. A major resurfacing project is necessary in the future and is projected to cost approximately \$25,000. The pool carpet has been replaced and there are a couple of minor touch-up items that need to be done.
2. Railing Caps - Bids have been received to “cap” the existing deck railings with composite material. Multiple options for deck railing capping have been explored. The options are as follows:
 - Option 1 – Install cap over top rail for a total of \$10,681 (\$365 per unit).
 - Option 2 – Install cap over the top and the lakeside top rail section for a total of \$27,216 (\$907 per unit).
 - Option 3 – Install cap over the top rail, lakeside top rail and the lake side lower rail for a total of \$36,530 (\$1,217 per unit).
 - Option 4 – Install cap over the top rail, lakeside top rail, the lakeside lower rail and the unit side of the top deck rail for a total of \$45,365 (\$1,512 per unit).
3. Siding Replacement on Parking Lot Side of Building - Bids were received to replace the siding on the parking lot side of the buildings (wood siding only, not including the stair structures) with vinyl siding. In conjunction with this project bids have been received to paint the stucco on the parking lot side of the building for \$6,780.

4. Concrete Replacement near Units #11 and #54 - Bids were received to replace the concrete in front of Units #11 and #54 to correct the drainage issue and to move the water away from the building. The bid for Unit #11 was \$1,782 and the bid for Unit #54 was \$1,419.

D. Funding Options for Bids

Kevin Lovett presented four funding options. The following numbers include carpet (already done), siding and concrete replacement and the different options for the deck railings.

1. Option 1: Carpet, siding replacement and concrete replacement and deck railing Option 1 (top cap only) for a total of \$1,830.63 per unit.
2. Option 2: Carpet, siding replacement and concrete replacement and deck railing Option 1 (top cap and lake side top cap only) for a total of \$2,381.80 per unit.
3. Option 3: Carpet, siding replacement and concrete replacement and deck railing Option 1 (top cap, lake side top cap and lake side bottom cap) for a total of \$2,686.27 per unit.
4. Option 4: Carpet, siding replacement and concrete replacement and deck railing Option 1 (top cap, both sides of top rail and lowest lake side deck rail) for a total of \$2,986.77 per unit.

An owner thought there should be a differential between the costs for two and four bedroom units. Peter Schutz recommended splitting the costs on a per unit basis and not on a percentage basis. There was discussion about the cost allocation; an opinion was expressed that some common expenses should be on a per unit basis such as the parking lot but the deck railings definitely should be on a percentage basis. Peter Schutz and Kevin Lovett said the railing project could be done in stages but it would be more expensive.

Ned Colonge made a motion to approve Option 3 with the modification to do only the top cap for lower units with the lower units to be assessed separately. He then revised his motion to accept Option 3 with the modification on lower rails only. Peter Schutz read through the Bylaws and explained that all common area operating expenses are charged based on ownership expenses. This means that the railing project has to be billed individually to homeowners and the siding and stucco repair will be billed on a percentage basis. Kevin thought that owners would be able to have all three sides of the railing capped for an additional cost. The motion was seconded and carried.

Ned Colonge asked for a straw vote to determine how many owners would agree not to abide by the Bylaws and to split expenses on a per unit basis. Peter Schutz noted this was against the Bylaws. Ned Colonge withdrew his request for a straw

vote. A motion was made to abide the Bylaws. The motion was seconded and carried.

Owners should communicate with Kevin Lovett as soon as possible if they want additional work done on their railings. Kevin said he would recalculate the numbers on the spreadsheet to reflect individual costs and percentage per unit cost. In summary, railings are billed individually 100%, and other expenses will be billed accordingly on a 1.6% ratio for either a two or four bedroom unit.

There was a brief discussion about varying professional opinions regarding whether to paint the stucco or not. The stucco has been painted before and it looks much better when painted.

Florrie Katchen said the Association had not levied a Special Assessment for three years and she recommended approval of Option 4 since there was only a \$300 difference. Peter Schutz said the Association would have to revisit the entire dues process and make it part of the agenda for discussion at next year's meeting. Senate Bills 100 and 89 allow Associations to amend these documents.

A motion was made to approve Option 4 instead of Option 3 if 50% of the owners ask for Option 4. The motion was seconded and carried. All but two owners present were in favor.

VI. OLD BUSINESS

A. Rentals

Peter Schutz said two years ago it was decided that owners have to use Summit Resort Group as the agent to rent their units. He explained that there was a problem with one owner who switched to Summit Resort Group but was not satisfied with the number of rentals and switched back to her old rental agency. He said he communicated with this owner and it looks like she will start using Summit Resort Group again.

B. Wood Bin

An owner said the woodbin was missing boards and needed to be fixed.

C. Hot Tub

The hot tub is often overfilled with renters. Ned Colonge said he had not one good experience with the hot tub. Richard Crabtree suggested addressing the hot tub situation in the future.

D. General Building Repair and Maintenance

An owner suggested establishing a maintenance plan for various items to make sure everything is being maintained properly. She thought it was better to maintain the complex properly so repairs are not pushed back until the last minute. Peter Schutz said owners should call Kevin Lovett if they notice any issues. Richard Crabtree and Kevin will put together a rough document listing projects to be done. The Board is also working on a Reserve Study.

E. Starling/Wasps Nests

Peter Schutz said the starling nests could be taken down until the birds start nesting. Ronald Laub said he would be willing to wash the sidewalk and the area around the pool in order to keep the birds nests. Owners should let Rob Carter know if they see any wasps nests.

F. Balconies

Balconies should be inspected for safety issues and estimates should be obtained for making repairs or for the complete replacement of the railings.

G. Awning Above Parking Lot

There have been discussions in the past about building carports. This subject could be revisited but at the time it was not well supported.

VII. ELECTION OF DIRECTORS

There were no vacant Board positions at this time.

VIII. RATIFY ACTIONS OF THE BOARD FOR THE PREVIOUS YEAR

Ned Calonge made a motion to ratify the actions of the Board. Laverne Darr seconded and the motion carried.

IX. SET NEXT MEETING DATE

The next Annual Meeting was scheduled for Saturday, June 20, 2009.

X. ADJOURNMENT

With no further business a motion was made and seconded to adjourn the meeting at 12:12.

Approved By: _____

Board Member Approval

Date: _____