

# **Frisco Bay Townhome Association**

**Annual Meeting  
September 25, 2021 2:00 PM**

**Location  
Webex**

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## **Minutes**

- I. **Call to Order** - Meeting was called to order at 2:04 PM.
- II. **Introduction of those present and determination of quorum**  
Quorum is met with 17 units represented in person and 11 by proxy. Representing WPM, Taylor Edmonds.
- III. **Approval of Annual Meeting Minutes – 2020**

***RESOLUTION: Upon motion made, duly seconded and passed unanimously, the owners resolved to approve the Board Meeting Minutes as presented.***

- IV. **Financials/Draft Budget**
  - **Balance Sheet & Income Statement – August 2021**
    - Balance Sheet – The HOA has \$285.8k in Smartstreet Checking and \$51.8k in Smartstreet Reserve.
    - Income Statement – Year to date the HOA is about \$1.6k under budget. Savings was seen in many lines, particularly the Water and Snow Removal lines. The main overages were General Building Maintenance (heat tape installs) and Roof Repairs.
  - Reserve Study - This looks at the portion of the HOAs dues going to reserves and the reserves balance, as it relates to long term capital expenses (30yrs). The study gives the HOA suggestions on how to change the dues to reserves to accomplish the long term funding goals of the HOA. The reserve study reported that the HOA is underfunded, and recommends an increase in dues to reserves. With the increases the past two years the HOA is close to where they need to be for the scheduled future projects.
  - CDOT land sale - The HOA has about \$60k to spend on items that will put the HOA back to a state before the Hwy 9 construction or the HOA will need to pay taxes on that amount. The Board has been looking into several ideas on how to spend this money in a way that meets the tax requirements. The fence removal along Hwy 9 and refreshing the entrance off Hwy 9 are a couple projects the Board is working on. The requirements, to not have to pay taxes, are vague. As long as the HOA feels they can defend their decisions in the unlikely event they get audited, it should be enough to meet this. The HOA will discuss items they are unsure of with the HOA accounting firm as needed.

- **Budget Ratification 2021/22**
  - Operating Expenses - These items are somewhat straightforward. Many of the lines are contracts that have known increases each year. A couple other line items were increased with the expectation that the aging roofs would need more attention next year and for the insurance building limit increase done to keep up with increasing construction costs.
  - Reserve Expenses - Next year's capital needs are known. These items (primarily garage roof replacement), with the estimated cost, were included in the budget for next year.
  - Operating Income - As discussed above, the dues to reserves needs to be increased per the reserve study, this budget has a 6% increase. Additional adjustments can be made in following years, to keep on track with what the study recommends. The study suggests dues to reserves to be \$120k/year. The increase does not get the HOA to \$120k, but it is a good move in that direction. This gets the HOA to \$102.1k in dues to reserves in 2021/22 from \$97k this year. About half of the 6% increase went to pay for the increases in Operating. Dues increases to offset inflation will be needed regularly.

***RESOLUTION: With no owner submitting a veto, the 2021/22 Budget was ratified.***

#### **V. President & Management Report**

- Paul reviewed the projects completed and those that are still in progress.
  - Leaking garage roofs - The last 11 garages that reported leaks are getting started this Wednesday. Due to supply chain holdups, this project was delayed. The remaining 11 garage roofs that have not reported leaks are on the budget for next summer.
  - Building painting - Painting all buildings and the trash enclosures was recently completed. The project came out very nice. Due to a supply chain issue the Board had the buildings painted in an upgraded product that will likely keep the paint performing well for a year longer, reducing the overall cost.
  - Fence removal - This is scheduled for this fall. The sections of fence along the sound barrier will be removed. There are a couple areas where the fence extends beyond the barrier and some of these sections will remain.
- Roof inspection/heat tape - The HOA had the unit roofs inspected, along with some gutter cleaning and heat tape inspections. Overall the roofs are in good condition. There are a few sections of heat tape that have failed. The failed sections are a consumer grade heat tape. The HOA will replace this with commercial heat tape that will last much longer and offset the higher initial cost.
- As a reminder, all trailers in the lot need to be removed by October 1, or they may be towed.
- Parking passes - The HOA has reimplemented parking passes for any vehicles parked on any exterior portion of the HOA. It's recommended that the hard plastic passes only be used by owners or long term renters. Short term renters tent to take parking passes with them.

- Each unit has two parking passes for exterior spaces. Each unit has two guaranteed spaces; one in the garage and one in the units assigned exterior space. This leaves one pass for the unassigned parking areas of the HOA. These spaces are not guaranteed and are first come first served.
- Parking passes for short term rentals - Your rental management company should have passes for your renters. If they don't or you self manage your rental the [parking pass template](#) here and sent with the earlier parking pass email can be used for that. Any temp pass must have the unit number and expiration date.
- Parking passes for guests - If an owner has friends or family over for a short period, a few days, a piece of paper on the dash with the unit and expiration date will be fine.
- Foundation leaks - Four units in four buildings have experienced leaks into their lower front bedroom and closet. This has been an issue in the spring with the snow melt and during heavy rains, like experienced earlier in the summer.
  - For now this seems to be an issue for the units in the 406-412 area. In this area there is very little slope to carry water away and all of the roof downspouts empty into the area between the units and the garages. This makes for a lot of standing water against the building foundations.
  - Frisco Bay is constructed with plywood foundation walls. This construction has the concrete footers about 4' below grade and then the plywood foundation walls built on top of this, holding back the dirt outside. Over the years the lack of slope in the area and deteriorating waterproofing is allowing water through the plywood sheets.
  - The Boards over the years have had engineers give their opinion on how to best resolve the foundation leaks. Sealing the foundations was a common suggestion from all engineers. Installing better site drainage was also a suggestion, including regrading the area to obtain a more consistent slope away for the buildings and a drainage system that would run underground and tie into all of the downspouts to carry the water to the back of the buildings. The recommended path is to seal the foundations first and complete the site drainage after if needed.
  - The cost for these two recommendations is still being looked into. The rough estimates for the foundation sealing is \$250k for the four buildings or about \$150k for sight drainage work around these four buildings.
  - Funding this is being discussed by the Board.
- Garage foundation leak - Similar to the unit foundation leaks, some garages are constructed with the same plywood foundation walls. In the area of the 400-402 garages the asphalt at the back of the buildings slopes toward the building. An asphalt wedge will be installed to increase the slope and keep water away from the foundation. Before that is installed the siding at the back needs to be moved up as do the electrical entry points. Delays on the electrical work has caused this to get a bit behind. The concern is whether or not the asphalt contactor can still install the wedge late in the fall.

## VI. Other Business

- An owner of a garage unit with no power commented on his issues. Over the years, this garage and others have had the power to the garage short out. Most likely this is from the directly buried lines (not in a protective conduit), as the ground shifts the wires or sheath can get cut. This owner requested the HOA pay for the repairs and cited Declaration Section 8.1 (maintenance of townhomes). According to the Declarations and precedent these utilities are an owner responsibility. **\*\*[Added to the minutes after the meeting for clarity - Decs section 8.1 C states [summarized] service connections and equipment which solely supply a service to a townhome shall be owned by the owner and all expense for repair shall be borne by the owner of the townhome.]\*\***
- An additional owner commented that any repairs to the inside of an owner's unit is the owner's responsibility to repair, regardless of the source of the damage. This was in response to a comment in the meeting that the HOA would pay for interior repairs to a unit that experienced a roof leak. He asserted Declaration sections 9.3 B (Insurance provisions regarding payment of the deductible) and 11.5 (Appointment of Assessments) was proof of this. **\*\*[Added to the minutes after the meeting for clarity - Section 9.3 B [summarized] gives the Board the option to charge the owner or the HOA for the deductible - Section 11.5 deemes that "extraordinary" repairs or repairs due to misconduct shall be borne by the affected owner or owners. The Board's approach to this is that if a leak, for example, occurs in a unit because of an issue with an HOA managed and insured component, the HOA should pay for those damages. The Board is discussing what repairs would be considered extraordinary.]\*\***
- This owner went on to share his opinion that the HOA should not even consider paying taxes on the ~\$60k for the CDOT sale. The HOA Board has about a year to work out what to do with this money. The Board is looking to spend at least some of these funds to save on taxes, though the funds may be required for more pressing needs of the HOA.
- There were some owner comments that the Declarations need to be more clear and amendments should be made. Declarations are often left vague, it's not possible to define every situation. The Board however does have tools to accomplish any needed clarification. The HOA Rules is one palace for this as are the official HOA Policy Documents.
- There have been a couple owner comments/concerns that the area between the sound barrier and the HOA's fence may become a walking path, instead of using the sidewalk along the road. The Board has discussed adding some natural barriers at the ends of the sound barrier to dissuade people from walking in this area.
- The HOA has seen more Frisco residents walking their dogs on Frisco Bay property and using the HOA's land as a passthrough for the trails behind the property. To curb this the Board is looking to make the Frisco Bay entrance on the 900 side more obvious that you are entering private property. This may include extending the fence and adding signage.
- Owners commented that the spring BBQ was nice, it was a good way to stay in touch with owners. The Board would like to continue this tradition next year.

- Owners also commented that they would prefer the meeting be in person next year and if possible at a different time of day. The notion seemed to be well received by the owner in attendance. The 2022 AGM will start at 9am.

**VII. Frisco Bay Adjacent Projects**

- CDOT Hwy 9 Construction - The project is on schedule to be complete in the fall of 2021. Spring - fall 2021 the northbound two lanes will be constructed.
- Fiester Preserve - The County is looking for a suitable place to add both senior housing and workforce housing. One of the areas closest to Frisco Bay is behind and slightly west of Frisco Bay along Miners Creek Rd. These projects sound like they are a ways off.

**VIII. Election**

- This year there is one seat up for election. Mark Crowder has agreed to rerun for one of the Board seats. TJ Paulis has also expressed interest in being on the Board. With two candidates running for one open seat, the Board felt it was best to conduct the election after the meeting. Since the Annual Meeting is being conducted virtually, there is not a good way to conduct an election during the meeting. An email ballot will be emailed to all owners in attendance after the Annual Meeting.

**IX. Schedule Next Meeting**

Board Meeting - November 2, 2021 at 4:00 PM

Annual Meeting/Board Meeting - September 24th, 2022 at 9:00AM

Owner Work day - September 24th 2022 at 12:00PM

**X. Adjournment**

Meeting is adjourned at 3:30 pm