

Lanai Condominium Association
HOA Bi-Monthly Meeting – Sept 21, 2023, 7pm
Zoom and in person

Meeting called to order by Matthew: Board members in attendance: Toby Clark (remote), Gary Jugert, Matthew Lea, Elle Walters, Maddie Casey, Sandi Smith (remote).

Minutes: Minutes from July 2023 approved. All documentation (including 2024 budget proposal) is available to residents at website. <https://lanaicondominium.com/documents/>

Treasurer's Report:

August report – Jennifer Ravarino has taken over financial duties as Treasurer and doing great! Over budget on a few items impacting operating balance. Up to \$462K in reserves, highest it's ever been. Over budget by about \$6K in utilities. Also over in maintenance and repair due to HVAC repairs/maintenance, lobby repairs. July and August financials approved.

2024 Budget – Anticipating at least 10.5% increase to HOA fees to cover higher operating budget due to increases in expenses. Largest increases are due to maintenance expenses and insurance. This past year we have been over budget in operating expenses. Reserve study from 2022 recommended target reserves of \$1.4 million optimally to minimize risk for special assessment. On average should be reinvesting \$125K a year. Anticipate being over budget year end by about 12%. 2024 proposed operating budget is \$652K.

Question raised about getting competitive insurance bids. Alyssa and Toby stated that insurance rates are higher across the board. We do have a broker actively seeking best options. Insurance market in Colorado has shrunk for condos. This has been impacted associations across Colorado.

Potential reserve spending expected in near future – fire code issue with dumpsters and minor furniture upgrades. No anticipated reserve spending for elevator this year. Final vote on budget will take place during the November board meeting based on current proposals.

Building Update:

- Cost estimate to replace A/C system – additional mechanical expenses were outlined by engineering contractor bid to ensure updated system is up to code. It was recommended that we replace much of the electrical system and add an exhaust fan. We do not have a complete estimate yet. Apollo, our current HVAC contractor, submitted an estimate just for the HVAC components and installation for approximately \$1 million. That does not include mechanical or electrical work. This was much higher than anticipated, but we have no competing bids as of yet and would only move forward once we have at least 3 bids to ensure proper pricing. Originally planned to replace end of 2024. Given the need for updated bids, it will likely need to be pushed out to 2025 for full replacement. Additionally, the board will consider all alternative options as well before making a final decision – including continuing to pay increased maintenance costs to keep the current system running. For 2024, we expect ongoing maintenance to system while we gather new bids and continue to grow our reserves. To mitigate any A/C outages in 2024, residents may want to ask Santa to keep an eye out

for portable A/C units during the holiday sales. Associa is working to gather additional quotes. Early in the process. Will continue to share information as this develops.

- Are there other ways to gain energy efficiency? Residents may want to consider replacing windows to increase efficiency. Reserve study from 2022 includes addressing energy efficiency. Reserve study is also available on website if residents are interested in further details. Also check out Energize Denver for city goals and requirements.
- Spaces 97 – 102 were not properly striped. Associa will schedule re-striping to correct.
- Ongoing leak impacting 1001 – gap in south wall. Alyssa will coordinate with 1001 owner (Richard) on quotes. This may impact other units with south facing walls with a potential need to replace portion of exterior south wall. The north wall was replaced a few years back. Gathering additional bids.
- Alyssa is gathering bids to reseal roof and stucco repair.
- Hail inspection shows minimal damage not warranting association hail claim.
- Had 2 mechanical companies out to bid mechanical portion of HVAC replacements.
- Have several complaints of leaks from bathtub. Need to be addressed by homeowners. Often a very easy repair.
- Maintenance was performed to clean out the common building drains.
- Pool and fire inspection were performed.
- Sean is working to replace all common area light bulbs in building.
- Pool floodlights have finally been fixed.
- Sean planning to pressure wash all entrances.
- Carpet cleaning scheduled for 9/26.
- Sean is often asked verbally to perform maintenance. Please use Townsq for work requests as much as possible so that we can track and manage the work requests.
- Will be scheduling pool closure date soon based on weather. Excepted October 8.
- Sean has increased work hours at Lanai from 16-20 per week.

Open Forum:

- Request for trashcan replacement and additional dog station.
- Denise to order new guest hang tags for guest spots. Also consider for reserved spaces.
- Question about Comcast cable. We are 3 years into a 5 year contract. Previously resident consensus study was strongly in favor (85%) of keeping building-wide cable and Wi-Fi. This will be reviewed again when we near the end of the 5 year contract.

Meeting adjourned at 8:15.