

Snowbridge Square Condominium Association Board of Directors Meeting Jan 27th 2009

I. Call The Meeting to Order

The Snowbridge Square Condominium Association Board of Directors conference call meeting was called to order by Tim Hoops at 5:05pm on January 27th 2009.

Board Members Present:

Tim Hoops #207 President (Residential)
Claire Carren #210 (Residential)
Gary Harmsen (Commercial)
John Theisen #208 (Residential)

Homeowners Present:

John Thompson #103
John Tomasini #102
Jason McMullen #110
Dave Neff #210

Tiffany Martelli #211 was the recording secretary

A quorum was reached and the meeting began.

II. Approval of Aug 30, 2008 Board of Directors Meeting Minutes

A motion was made to approve the minutes of the meeting held on Aug 30th 2008 as presented. The motion was seconded and carried.

III. Review of the 2008 Operating Budget Financials

- a. Snowbridge Square remained on budget for the year only due to the dues increase made in the fourth quarter of 2008.
- b. Short falls were due to natural gas at \$17,000 over budget. Altogether \$55,700 was spent for natural gas in 2008.
- c. Snow removal in 2008 was \$4,000 over budget. The budget is averaged from the past 3-4 years of snow removal costs and includes snow removal from the roof and parking lot. Steps are being taken with Jody Schmidt (Building Manager) to decrease the cost of snow removal for this year 2009, and to make up for the short fall of last year.
- d. Supplies were down and all other miscellaneous expenses remained constant.

IV. Review of the 2008 Reserve Budget Financials

- e. \$25,000 was spent above what was planned in 2008.
- f. Major expenses included a new carpet in the mall and a new roof over the employee units.
- g. The new roof was delayed as long as possible but many leaks were being reported. Several contractors looked at the roof and determined it was the original roof from 1971. They also determined that the roof has cracks and damages that were not repairable. Therefore it was replaced. This new roof has a 15 year warranty on it.
- h. The dues increase helped steady the reserve fund but it was still down for the year 2008. Currently there is \$168,000 in the reserve fund and an additional \$86,000 will be added throughout 2009. Total disposal in the reserve fund will be approximately \$254,000 to either spend or hold for future expenditures.

V. Operating Budget 2009

- i. Tim Hoops does not anticipate an increase in the dues for 2009. \$86,000 will be accumulated throughout the rest of 2009 into the reserve budget.
- j. Natural gas prices have gone down from 2008 to 2009, therefore lowering this budget for 2009.
- k. All other expenses have been tracked and placed on a budget based on past trends.
- l. Water usage is still under the minimum. The water department bills Snowbridge Square for a minimum amount of water each year. If Snowbridge Square goes over the minimum, then additional charges will be incurred. Proactive step have been taken to watch for leaks. The current cost for water is \$36,000/year.
- m. A motion was made to approve the operating budget and expenses as presented. The motion was seconded and carried.

VI. Reserve Budget 2009

- n. Big ticket items include: New boiler, new roof, painting the building and an upgrade to the hot water system.
- o. Boiler- Tolan Mechanical's opinion is that the boiler is well past its useful life and could fail at any time. Tolan's cost analysis determines that there would be a 10% return on investment to replace the boiler system with a high efficiency dual system. Tolan estimates this to cost \$240,000. Two other contractors will also be submitting bids: Breckenridge Mechanical and Premier Plumbing.
- p. Main Roof Replacement- There is currently one bid in for a roof replacement. It has not yet been determined which type of material will be used for the new roof but a coal/metal roof is a possibility. Serious leaks have been noted in units 202 and 203. This will be further discussed before the summer to get this job done. Questions were raised as to whether or not there has been a roof replacement in the past and if there is any current warranty on it. The records need to be looked at more in depth to know specific details.

- q. Painting the building- One bid to paint Snowbridge Square is \$75,000; two other bids will be obtained before a decision is made.
- r. Hot water heaters-Hot water complaints are being made mostly in the afternoon. It is not a major issue but it's something that needs to be addressed at some point. The two hot water heaters currently being used are each high capacity 100 gallon tanks. Both hot water heaters are still within the useful limits; therefore it is not anticipated that they will have to be replaced but instead supplemented to make them more efficient, i.e. putting a holding tank there to give cushion. The hot water heaters are not covered under any service contracts. Therefore they have not been serviced for efficiency. Tolan Mechanical has offered to maintain them for \$1000/year but more bids will be obtained before a decision is made.
- s. A motion has been made to approve the Reserve Budget as having an additional income of \$86,000 with no expenditures being proposed at this time. The motion was seconded and carried.

VII. Natural Gas Bill From Tuckers Tavern

- a. The natural gas being used by Tuckers Tavern has been paid by the HOA for many years. Wayne Brown, the Attorney who represents Snowbridge Square HOA recommended that this gas use should be reimbursed to the HOA by the commercial owners and paid by them for now on.
- b. Disagreements made by Gary Harmsen on this issue prompted a discussion of ideas that could be implemented to prevent future confusion as to who is responsible for paying this bill.
- c. Gary Harmsen requested two weeks to give a reply to the proposal for reimbursement presented by Tim Hoops.
- d. John Thiesen volunteered to obtain a quote on a new meter to track the Tuckers Tavern natural gas usage and have the answer in three weeks.
- e. If an agreement cannot be made on this proposal, Wayne Brown, the Snowbridge Square Homeowners Attorney recommended legal action.

VIII. Other Issues

- a. Commercial Heat Exchanger Service Contract
 - i. It is recommended that the \$11,000/year contract through Tolan Mechanical that covers the heat exchangers inside the commercial unit spaces is the responsibility of the commercial owners.
- b. General common space being used for commercial purposes is a liability issue.
 - ii. The Patio outside of Tuckers is being used and liquor is being served there. There is no legal lease agreement between Tuckers Tavern and the Harmsens for the patio space because the Harmsens do not have a lease agreement with the homeowners association. A lease agreement should be made up for liability issues.

- c. The Pumpkin Patch outdoor play area is also common space and if it were to be utilized again in the future it will also need a lease agreement.
 - d. Salsa Mountain complaints- Complaints are consistently being made about Salsa Mountain Cantina. The wooden walkway area and stairs outside the bar near the dumpster is being used for smoking; the smoke wafts in to the bedroom windows of many of the condo units nearby and is a hazardous health condition for the tenants who have to breathe in second hand smoke while they are trying to sleep. Vomiting, peeing, and loud noises are also a problem. Salsa Mountain Cantina is responsible for the cleanliness of this area but it is rarely presentable. It is recommended to draft a letter to Salsa about these problems. In addition, the smoker by the outdoor patio creates a lot of smoke that also goes directly into resident's units, creating extremely polluting air.
 - e. Rules and regulations of Snowbridge Square are currently not enforceable. The board is working with their lawyer Wayne Brown to change this. This will allow violators to be handled properly.
 - f. Fire places- There are currently 10 units that still have wood fireplaces. This is not a problem if the tenants do not use them, but there are still some residents who use them in spite of the fireplaces having various code violations.
 - g. There is one tenant who continues to not pay their dues. A letter will be sent requesting payment or a lien will be filed against the property.
- IX. Adjournment A motion was made to call for adjournment at 6:50pm. The motion was seconded and carried.

Approved by the Board of Directors for Snowbridge Square on January 27, 2009

Claire Carren

Secretary