

**Snowbridge Square Homeowner's Association
Board of Directors Meeting Minutes
Saturday, January 26th, 2019**

I. John Thompson, President, called the meeting to order at 6:22 pm at A-Lift Pizza Game Room.

Board members present:

John Thompson, former President, Unit #103 (Residential representative)

Jon Faue, Treasurer, Unit #105 (Residential representative)

Claire Carren, Secretary, Unit #210 (Employee representative)

Skip Eisenlau, Unit #208 (Residential representative)

Harry Mosgrove, Commercial Units (Commercial space representative)

Board members absent:

Bob Harmsen, Commercial Units (Commercial space representative) Proxy to Harry Mosgrove

Guests Present:

Nate Smith, Unit #211, Avalanche Property Management (Current Building Manager)

Cathi Long, Recording Secretary for Meeting Minutes

II. Approval of 2018 Board Meeting Minutes, January 20th, 2018

John Thompson made a motion to approve the board meeting minutes from January 20, 2018. Harry Mosgrove seconded the motion. The minutes were approved as written.

III. Election of Officers:

John Thompson stated that the Board designations are made up of John Faue and Skip Eisenlau, Residential representatives; Claire Carren, Employee Units representative; Harry Mosgrove, Commercial representative.

Claire Carren suggested Jon Faue be elected president. Jon Faue responded that it is his intent this will be his last year on this Board of Directors, but if necessary he would agree to one as President. Skip Eisenlau said that he would be willing to take on the president position for multiple years. It was agreed. Skip Eisenlau is president, Jon Faue continues as Treasurer for one more year and Claire Carren remains as secretary.

John Thompson stated that although he will no longer be president, or even a board member, he will of course be around and available to answer questions or help with building history projects discussed and completed these past years.

There was a short discussion regarding bookkeeping. Claire wanted to recognize that Mike and Gloria are priceless. Better than previous bookkeepers for the association.

IV. Other Business

A. Building Projects Update

John Thompson started this discussion by saying that although he is no longer president, he would like to suggest they not decide at this time, which projects are most important because to do this much more research is necessary and he wants to keep moving on this meeting's agenda.

B. 2019 Budget

Jon Faue led this discussion. Harry Mosgrove asked if the budgets in hand were different. John responded yes, Mike Kurth did not put an increase into his submitted proposed budget and Jon Faue did show the 3% increase. Harry asked for clarification. Is Jon Faue proposing a 3% increase for operating expenses while maintaining the Capital reserves at its current level? Jon Faue responded, yes but his position could go either way on raising the Capital Reserve budget or leaving it the same. Harry suggests that until there is a defined Capital projects list, keep the Capital Reserve assessment where it is and let the board work on a defined capital projects list over the next several months or however long that takes.

Harry likes where the association is headed for the next few years. Carefully decide spending and continue to build the reserves. When there is a confirmed plan then look at an increase to the Capital Reserve budget. Build the reserves, not deplete them. Claire believes people want to improve the building. It seems to her that projects are always being putting off. Claire would like to see an increase to this budget in 2019. She asked what would it take to increase the reserves by 20%. John Thompson stated that they increased the Reserve dues by 20% two (2) years ago. Claire asked what did that 20% increase look like to the homeowners. How much more a month was that increase? This question was not answered. Harry stood firm on the action of studying the needs and increase the reserve amount in the future. Skip also likes the idea of looking at what projects are needed and prioritized, then look at an increase. John Thompson said there are 13 potential projects and they are all summer-time projects. The board needs to decide what to prioritize in February, March and April because the work window begins in May.

Harry Mosgrove made a motion to increase operating dues 3% immediately and review the capital reserves fund over the next several months to see if that has to change. Skip seconded the motion. The motion passed. Skip moved that once the projects are prioritized the board should determine the amount of reserves needed to cover those expenses then look to increase reserve dues. [Jon](#) Faue seconded this motion and the motion passed. Claire pointed out that the operating dues increase approved today would not take effect until March, therefore; any increase in the reserves dues wouldn't happen until the third quarter. Jon Faue responded that it all works out regardless of when the increases take effect.

C. Discussion of Proposed Declarations Amendment

Skip stated that there would not be any more discussion on declarations amendment at this time. It was agreed earlier that the Board would look into Claire's attorney's opinion. Harry Mosgrove suggests that the board members go meet with Bob Gregory, the association's

attorney, to review the provision for amendment that Claire spoke about during the meeting and see if that's the correct amount.

Claire states that she did not approve of the HOA paying for their attorney to do the research on the amendment but since they did, she is requesting that the HOA pay for the lawyer on her side. Harry was under the understanding that the board approved her request up to \$1000 but only if she used Bob Gregory. Claire rebutted that she and John Thompson spoke about this. She spoke to Bob Gregory and he could not help her because that would be a conflict of interest. Additionally she could not use anyone in his firm. John Thompson authorized her going to someone else up to \$1000. Claire added that the person they hired is Noah Klug. Harry asked if she has a letter from that law firm. Yes, she does and will forward it to Harry who will provide it to Bob Gregory. Claire agreed to send her attorney's interpretation to the board members. Additionally, she feels the attorneys should talk to one another to discuss the opinions. The other Board members strongly disagreed.

Considerable discussion ensued on who should or should not have paid for the research on this amendment. Basically it was agreed that it was appropriate for the HOA to pay for the research because the HOA has to pay to change the amendments and the research associated with it. Claire continued that she has not been comfortable with Bob Gregory, his response time to her requests to speak with him. Claire continued that she believes if this decision is made solely by the HOA's attorney, it will be one sided. He wrote his opinion and is going to favor and support what is written in the amendment. Harry Mosgrove agrees with Bob Gregory's assessment and opinion. Still, Claire wants something in writing saying that if we need litigation, there will be an option to do this. The other Board members vehemently disagreed with this because of the cost of court litigation. The HOA could not afford it if the two lawyers began talking to one another. Claire wants to keep the option open. Harry's opinion is that the HOA's attorney can opine if this is legitimate or not, and until that time, Harry would not agree to anything else.

Claire added that meanwhile, in her opinion, this declaration amendment has not passed until they work this out. Harry disagreed and stated that the rest of the Board thinks this amendment has passed and that Claire's interpretation is wrong. Skip confirmed that technically, with the vote as presented today at the Annual Meeting of the membership, the amendment has passed. In consideration of Claire's attorney's opinion on this, the Board has agreed to pass the document onto their legal counsel, for one last interpretation. Claire rebuked no. Seemingly, the question at hand is, does it take 67% or 100% vote of the membership to pass this amendment. Skip reiterated that the interpretation will go to the HOA's legal counsel to see if he agrees or does not agree with it. Harry reminded Claire that Bob Gregory's job is to represent all of the homeowners equally and fairly. Claire does not feel that he has represented the employee units equally and fairly.

D. Building Insurance

The date of the renewal of the building insurance is October 15, 2019. John Thompson began by saying over the past years the association insurance had been with State Farm Insurance, Farmers Insurance and now American Family Insurance. Every time the association changes carriers, the cost of insurance has gone down. Jon Faue added that all insurance companies have their pet peeves. Some of these insurers won't insure the building because the condos do not have Federal Pacific breakers. Other carriers say we have to have hard-wired smoke detectors so renewal isn't cut and dried. Claire stated that last year American Family Insurance renewed us by a very small margin. They are the ones who say we have to have the Federal Pacific breakers. So with John's recommendation we looked at Farmers again. This time we met not with our previous agent, but with Tom Carby, a friend of John Thompsons. Claire's conversations with him were great and he believed our insurance costs would go down again, but the underwriters came back and said we have to have hard-wired smoke detectors. John Thompson wanted to clarify that this agent is his friend and takes care of all his insurance needs. He believes he will take better care of us as clients. John went on to say Tom believes by keeping a strict log of the checking and replacing of the batteries in our smoke detectors might handle the hard-wire requirement. Insurance underwriters look at us and see a lot of issues with existing building problems being grandfathered in. Still, no one is sure Farmers insurance will waive the hard-wire smoke detector requirement.

Skip Eisenlau asked that we get a quote from Tom with Farmers and a renewal from American Family and look at both quotes. Claire doesn't think getting another quote from American Family is worth it because they have already stated we have to replace the Federal Pacific breakers. Skip says yes request the quotes and then we will know what the particulars are and then we can move forward. Skip believes if American Family wants our business they will give us a quote. Actually, try to get 3 quotes by also asking State Farm. Claire stated that Farmers Insurance carried the association insurance forever and the board made the change to American Family Insurance just two years ago. Harry was asked if he knew which insurance companies other HOAs are using. Harry will try to ask around. In order to get a new quote from Farmers, we first need to first get a price from Avalanche for replacing all the detectors as well as for regularly monitoring them and keeping a log.

E. Patio Repairs

Patio leak repairs were covered in the earlier discussion. All acknowledged that Unit #110 has experienced the most damage from this water drainage problem and the homeowner, Jason McMullen has been very tolerant and understanding for a long time. The HOA is on top of it. Quotes are in and the repairs as outlined in the earlier discussion will be done. John Thompson reminded the board that four (4) years ago the association replaced the patio sliding doors at the HOA expense. Flashing has also been put in but this has not corrected the problems. This has been a long term problem and hopefully these proposed repairs will be the last correction for this ongoing problem. Nate will have the quotes to the board next week for consideration. *(Note: Nate later received a \$6,500 bid to slope and seal the upper employee condo concrete patio slabs.)*

F. Other business and concerns

Jon Faue stated that there are known expenses moving forward, including the employee patio water leak problem. Then there is the rebuilding of the fire suppressant system/back flow device. That work will begin next week and Nate confirmed the contract for this has already been signed. The cost is \$7000 and includes repairs to the domestic back flow at the same time. Nate brought in an outside company and they measured a 20 pound pressure difference at any time. When Nate brought this difference to Metro they responded the pressure difference was resort wide. Harry Mosgrove suggested going back to talk to Metro couldn't hurt our cause but it falls on us to fix it. The rebuild of the original device cost the association \$3,900 two (2) years ago and the device worked fine. It was after a third party came out and tested the device it began failing and immediately started pouring water. The company came back out and worked on it again but those repairs did not fix it. That is when the association became aware of the 20 pound pressure fluctuation. It is important that the company making the repairs warranty their work because this will happen again. The device is operating as it should but the water variation is so drastic, the device is being destroyed. After this repair, if the issue continues we are not paying for it again.

Additionally the heating pressure must be addressed. The association needs to get an upstairs homeowner to allow them to put a pressure gauge/meter in their unit to measure pressure. It should be Tim Hoops, Unit #207, because he has reported this problem consistently. If Tim is amenable, there can be two pressure gauges installed. The board is hopeful they can sign a contract with PSI who would initiate repairs to make the pressure more consistent. Additionally, they would be on call for boiler and heating issues. Claire asked if Tolin was gone. Yes, their contract was cancelled because their performance dropped significantly. It will cost a little more to go with PSI but Devon, the PSI representative, knows what he's doing and we hope we get him. Part of the contract would be that he will be here two (2) hours a quarter on a regular basis to inspect and look for what needs to be done to maintain the system. This will be much better. Nate reported that they need to turn off the boiler and, drain part of the system so this will be done in May. We only need to drain the top floors, not the whole system. Drain the glycol, reserve it, and put it back in.

It was agreed that these items listed are the short term things that need to be addressed. Some will fall under normal maintenance. For sure funds for the patio repairs will come from the reserve funding because they have to be rebuilt not just repaired and probably the backflow device funding is large enough for capital funding.

G. Parking

Harry began this discussion by stating that he has an idea regarding the parking problems here. It's only going to get a lot worse, especially when the hotel goes in next door. His thought on this is, although it requires a lot of exploration, the association needs a control system at the entrance. Most probably a gate system. Make everybody put in a credit card or a code if they are a homeowner. If the guests or those using the parking lot are legitimate,

they either have a pass or will get a voucher to get out. You can't pay someone to sit out there and monitor it. Copper Mountain has hired a parking company that is exploring the parking issues and needs of the resort. John Thompson explained the software system this company is using to identify who has logged on and paid for their parking. We should look into it. It isn't practical to expect your building manger to stand out there and monitor the parking lot. Our problem is not just our commercial. Towing helps because the word gets out but it is not practical to have your building manager to monitor the parking lot. Looking into a system would be worth it because we have to address this sooner rather than later and having someone monitor the parking is not the solution.

John Thompson asked if other buildings have this same problem? Nate responded that West Lake has the same issue, they have a 15 minute limit parking for post office but this is abused. Bridge End doesn't seem to have an issue. The buildings that have the most issues are us because we are next to the Chapel Lot and Spruce Lodge. How do they manage it? This is Copper management and they don't care. Harry, let's just start doing some research.

- H. Claire has one more discussion item. Her lawyer found while researching and reviewing all our documents that our Articles of Incorporation are not signed or registered. Only official ones are from 1973. Her attorney says that we need to sign this. Claire has the signature page. Harry says he would feel more comfortable if we let the HOA's attorney review this and if we need to do this we will do it. Harry would feel more comfortable if our attorney said to do this. Claire agreed, this will be added to the list of items to discuss when they see the attorney.

V. Adjournment:

Harry made a motion to adjourn. Skip seconded, the meeting adjourned at 7:17 p.m.

Respectfully Submitted,

Cathi Long
Recording Secretary