

**Snowbridge Square Condominiums
Annual Homeowners Association Meeting
September 4, 2010**

I. Call the Meeting to Order

Tim Hoops called the meeting to order at 11:40 a.m. in the Snowbridge Square game room.

2010 Board Members present:

Tim Hoops #207, President (Residential rep)

John Faue #105, Treasurer (Residential rep)

Claire Carren #210, Secretary (Employee rep)

Gary Harmsen # 204 & Commercial (Commercial rep)

Robert Harmsen # 204 & Commercial (Commercial rep)

Homeowners present:

Dave Neff #210

Bob Root #204

Nathan Schmidgall #112

John Theisen #208

John & Suzanne Thompson #103

Dan Tomcheck #104

Arlene & John Tommasini #102

Dave & Sue Whitehead #106

William Peiker # 205

Guests present:

Dave Erickson, Copper Metro District

Mike Kurth, Summit Bookkeeping

Jamie Ring, Snowbridge Square Resident Manager #211

Jody Schmidt #211 Snowbridge Square Building Manager (Fall Line Property Management)

Brian Schultz & Mark Wentzlaff, Resort Internet

Lu Snyder as recording secretary

Proxies were received from the following homeowners: Gary & Janet Farquhar #109, John & Mary Kokot #209, Sue Peiker # 205 and Diane Weid #107. A quorum of five residential owners and two employees was established.

II. Approval of 2008 Homeowners Meeting and Board of Directors Minutes

John Theisen made a motion to approve the 2009 annual meeting minutes as presented. John Faue seconded the motion.

III. Presidents Report

Tim Hoops reported that the HOA has numerous large maintenance issues to consider this year, including replacement of the boiler, failure of the stairway by Salsa, replacement of the hot tub, disintegration of exterior concrete, exterior painting, roof leaks, fireplace violations and homeowner delinquencies and/or bankruptcies.

Boiler:

The boiler is almost 40 years old and needs to be replaced, but replacing it would only solve part of the problem. The building needs a bypass valve installed to prevent hot water from circulating throughout the building when it's not needed. The board requested bids for a new boiler that would run space heat as well as hot water. It has received three bids so far, all for higher-efficiency boilers. The highest efficiency boilers would require the installation of a flue, which would add a large cost to the project and create a wash in cost savings.

Stairway failure:

The stairway railing has failed by Salsa Cantina. Efforts to re-attach the railing failed. A structural engineer reported that one railing has failed catastrophically and two (by Tucker's Tavern) are threatening to fail and need to be replaced immediately. All 17 of the railings should be eventually replaced, however, as they were not built or installed properly.

Exterior concrete:

The building's exterior concrete is deteriorating from freeze/thaw cycles, salts and roof runoff. Certain areas, such as by unit #104, are becoming a safety issue. Jody requested bids for repair and received one proposal for \$54,000. That proposal includes complete repair of all the concrete, removal of loose concrete, and sandblasting and sealing of walkways. The board would like to get the concrete repaired before the winter, as long as the temperatures are not already too cold for pouring new concrete.

Roof:

The cold roof installed on the building is not efficient and was likely installed improperly. There is limited airflow at the bottom and none at the top. The resulting condensation within the roof has caused ice dams and leaks.

Several units have been damaged, including units #304 and 305. Jody added vents in the roof above those units last April in hopes of resolving the problem. It was too late in the season to determine whether the vents were successful, but Jody is proposing that he install more vents throughout the roof for a cost of approximately \$5,000.

Hot tub:

The building's hot tub is still out of order and needs to be replaced. A structural engineer's study reported that the tub was installed incorrectly, without proper support. The resulting leaks have led to cracks below the hot tub. A new hot tub will cost between \$20,000 and \$30,000. That does not include maintenance work to repair the roof below the hot tub. Tim reported that, with all the maintenance issues facing the HOA this year, he believes the hot tub is the lowest priority.

Some of the homeowners present expressed concern for those renting their units, as the hot tub is an important amenity to many guests. There was discussion of the board contacting the Athletic Club to see if they would offer passes in a discount package to homeowners.

Painting:

The exterior of the building needs to be painted, but Tim reported that it didn't make sense to paint until the building's structural issues have been addressed.

Fireplaces:

Several units still have fireplaces in violation. The board has yet to find a solution for full compliance. Meanwhile, those fireplaces are a huge liability to the HOA. It may be necessary to get a lawyer involved. According to the fire department, there are 10 units in violation. The board has not received any notice of satisfactory upgrades.

Tenant delinquencies/bankruptcies:

The board spent a lot of time and money dealing with a foreclosure on unit #202 due to non payment of dues for several years. Though that situation has been resolved, there are now two more units in the same situation. The economy is forcing some homeowners to choose between their primary and secondary homes. The board's procedure is to file a lien when a homeowner's payment is 90 days overdue and to begin foreclosure procedures after six months.

Mike Kurth informed the HOA that, combined, the two units owe the HOA more than \$15,000. Unit #108 owes \$12,000 and #206 owes \$4,400.

IV. Treasurer's Report

John Faue distributed a hard copy of the Treasurer's Report to everyone present. The report included a summary of 2009 and a review of 2010. John noted that the HOA has two budgets to consider: the operating budget and the reserve budget. The operating budget is concerned with day-to-day expenses and repairs, while the reserve budget and associated funds is for large, expensive repairs and improvements.

2009 Operating Budget:

The total expenses were \$234,026.27. The total income (mainly HOA dues) was \$294,573.96. The \$60,640.03 difference (excess) was added to the reserve fund for future expenditures. Utilities, which include gas, water, electric and snow removal, are – by far – the biggest expense (totaling 53% of expenditures).

2009 Reserve Budget:

In 2009, the only expenditure from the reserve fund was \$24,000 for roof repairs. The approximately \$65,000.00 in excess was also added to the reserve fund for future expenditures.

2010 Operating Budget:

The 2010 Operating Budget was based on the 2009 model. Income was assumed to be identical. The 2010 total expense budget was \$285,060. The report noted that the HOA spent \$60,000 less than budgeted in 2009, however, those savings were based on factors such as snowfall, temperature and attendance – factors out of the HOA's control. For this reason, the board did not reduce the 2010 budget accordingly.

2010 Reserve Budget & large expense planning:

Based on the Reserve Fund and retained earnings, the HOA has roughly \$300,000 to spend on large projects. For 2010, the board anticipates to spend as follows:

Roof venting: \$10,000
Stairwell repairs: \$40,000
New boiler: \$190,000

Mike Kurth reported that the HOA added approximately \$125,000 to its Reserve Fund for the last fiscal year. This year, the HOA is on track to add more to that. There should be a total of approximately \$450,000 in the Reserve Fund by the end of the year.

Tim Hoops added that the HOA needs to maintain a Reserve of approximately \$125,000 for something catastrophic, leaving approximately \$300,000 available for large expenses and repairs.

Resort Internet

Mark Wentzlaff and Brian Schultz of Resort Internet spoke to the HOA about their services. Resort Internet has created an alliance with the Copper Metro District and can provide more services for less money than the HOA is currently paying for cable alone. Currently, homeowners get about 50 channels. For the same price, Resort Internet can offer more than 70 TV channels, plus wireless, high-speed Internet. The HOA can choose to add free domestic and international calls for an added \$15/month. The entire building must sign up with Resort Internet for block service at these prices. If the HOA chooses the \$45 service option (cable and WiFi), individual homeowners may opt for added services on top. Resort Internet would hook into the Metro District's cable, so the District benefits as well. The District would receive a payment from Resort Internet to cover existing staffing, capital budget items and ongoing maintenance to the cable network.

The only downside to the arrangement is that the prices offered by Resort Internet are based on bulk services. If only 20% of Copper HOAs chose Resort Internet, for example, prices would be adjusted accordingly. Resort Internet would like to make the conversion in late November or early December and needs a decision from the Snowbridge HOA within a few weeks.

V. Operations Report

Jody introduced Jamie, the new Resident Manager. Jamie offered homeowners his cell #: 704-604-7942 and his email: ringje@gmail.com. Jody requested that homeowners copy him on any emails they send to Jamie. Jamie has been in the Copper area for the past five years and has a background in emergency situations.

VI. Owner Concerns

Building deterioration

Sue Whitehead sent an email with her concerns of the building's deterioration. She reported that it is affecting potential unit sales and asked if the HOA could spend some money to improve the appearance of the areas immediately outside of the elevators.

Communication

John Thompson said he'd like more frequent updates from the board. Claire Carren responded that she will try to send email updates once a month. All the HOA documents and minutes are posted on the website, though minutes typically have not been posted until approved at the following year's meeting.

New Rug

John Tommasini reported that the new rug installed in the downstairs hallway needs constant cleaning between Tucker's Tavern and the game room across the hall. The board responded that it has billed Tucker's for carpet cleaning and will speak directly to the owner, Jeff, about having the staff put any trash bags into a container to prevent leaking onto the carpet and in the elevator.

Dryers

John Tommasini also reported that the filters on the dryers are always filthy and asked Jody if he could put a sign reminding people to clean the filters when they are done.

Garage entrance

John Tommasini asked if something could be done to extend the entrance keypad further from the wall, so it isn't necessary to pull in so close before entering the garage. Jody said he would look into it.

VII. Election of Board Members

No election is necessary this year, however Tim asked members if anyone else was interested in running as he feels he lacks the time required, adding that he would stay on if necessary. John Thompson said he would consider joining the board as long as it wasn't as President. The covenants dictate that there can be a maximum of five board members. Tim decided to stay on as the President. John will consider joining the board later in the year if Tim cannot complete the year.

VIII. Adjournment

Tim Hoops called to adjourn the meeting at 1:50 p.m.