

SNOWBRIDGE SQUARE
Snowbridge Square Condominiums
Annual Homeowners Association Meeting
Saturday, September 3, 2011

I. Introduction of Board Members and persons in attendance

Claire Carren called the meeting to order at 11:30 a.m. in the game room, mall level, Snowbridge Square.

Claire announced resignation of Tim Hoops as president.

Board Members present:

Jon Faue #105, Treasurer (Residential rep)
Claire Carren #210, Secretary (Employee rep)
Robert Harmsen # 204 & Commercial (Commercial rep)

Homeowners present:

Dan Tomcheck, #104
Sue Whitehead, #106
Dave Whitehead, #106
Brian Schwartz, #101
Bob Root, #204
John Theisen, #208
David Neff, #210,
Suzanne Thompson, #103

Guests present:

Mike Kurth, Summit Bookkeeping
Jody Schmidt, Fall Line Management
Rachel Meisler, recording secretary

A quorum was established with 7 residential owners and 1 employee owner, 1 commercial owner present, ___ proxies from residential owners, 3 from employee owners and 1 from commercial owners

The order of the meeting was changed to accommodate Mike Kurth's schedule.

II. Financial Update

Mike Kurth of Summit Bookkeeping presented an overview of the 2010 and 2011 year-to-date financial reports.

For 2010, the operating budget income was \$280,000 and expenses were \$257,000, plus interest, leaving a net income of \$23,000. The reserve budget income was \$86,500, and expenses were \$59,665. With earned interest of \$27,949, \$51,000 was added to the reserve budget last year.

Coming into 2011, the reserve fund was at \$352,000. Year-to-date income in the operating account is \$212,000 while ytd expenses have been \$141,000, leaving a positive balance of \$71,000. The reserve account ytd has \$64,700 income, and expenses of \$186,000, so the board has spent carried forward reserves on the new boiler.

Kurth stated that the association is overall in good condition and that the budget looks OK, depending on other projects not yet budgeted. As of today, \$300,000 remains in the reserve fund.

A breakdown of typical operating expenses reveals that utilities dominate at 52 percent a year. This number is dictated by the price of natural gas. If in the near future gas prices stay low, the association will probably be under budget. If prices go up, look for dues increase to make up for loss in the operating budget.

From the reserve budget, the boiler, concrete, and painting have been completed, leaving \$130,000. Jon Faue stated that retained earnings can be rolled into the reserve account to bring it up to as high as \$200,000.

No other major projects are currently planned.

John Theisen raised questions regarding utilities expenses. Are therms used constant but prices variable? Will therms usage decrease with new boiler? Yes. A fixed rate or locked-in price per therm has a cap, after which the price reverts to market rate. Jody Schmidt will follow up so that the board may pursue alternative providers in the interest of saving money.

All present approved the bookkeepers report.

III. Approval of 2010 Homeowners Meeting and Board of Directors Minutes

Jon Faue made a motion to adopt minutes. John Theisen seconded the motion. All present approved the 2010 minutes.

IV. President's Report

Claire presented the report in the absence of recently resigned president Tim Hoops.

Claire sent two newsletters sent with building updates, as per a request made last year. Jody will update on all building projects.

Boiler

First new boiler since 1973.

Painting

The painting is mostly complete and satisfactory; still working on final details of this project.

Concrete

This project was not completed last winter and is not yet complete due to wet weather. It is scheduled to be finished after Labor Day.

Resort Internet

New WiFi and TV service is in effect. The new service is about the same price as the previous cable service and includes WiFi and additional TV channels. The price is locked in for 5 to 7 years. A blue hardcover booklet presented to all present contains the password for WiFi and the listing of TV channels. Although the TV guide feature is unsatisfactory, there is no remedy so far. Speed and consistency is good.

Trash

The Village Company is now handling our trash service, and with the change is still working out kinks. They resort are supposed to pick up trash, cardboard and recycling daily. Cardboard has been placed next to the trash dumpsters on the ground, which will not work in winter.

Ice

The corner of parking lot ice buildup and problems with leaking gutters have been worked on. The whole building will be evaluated to prevent ice problems which occurred last winter.

Hot Tub

A new hot tub has been installed. Originally, the board voted not to replace the hot tub, but because of negative feedback decided to purchase a residential hot tub which, which was a lot less expensive, but needs a lot of care (compared to a commercial tub), since it is not designed for larger bather loads.

Roof Leaks

There has been a long history of roof leaks. In the employee units, water pouring down in November or December damaged 2 employee units. These leaks were repaired. Residential units also had leaks. North facing roofs had vents installed to prevent leaks due to built-up condensation. Ideally, drywall and painting repairs to water damaged condos will be done this fall.

Railings

The stairway railing by Salsa Mountain totally collapsed last year and it and several others were repaired to be structurally sound.

Fireplaces

All fireplaces were inspected. Inspections are required for gas fireplaces every 2 years. Six units still have wood burning fireplaces. All gas fireplaces passed inspection while all wood fireplaces need work. Claire researched but learned that the building insurance company will not reduce rates if wood fireplaces are replaced by gas fireplaces. Claire sent notice to encourage replacement of wood with gas. Units 106, 110, 201, 202, 203, and 304 all need work. The board will need to take action before ski season.

John Theisen asked if they failed fire department inspection. Jody explained fireplaces can be red tagged by the fire department, and if not repaired, it is an arrestable offense. If a fireplace fails a professional inspection, the fire department can be contacted to red tag.

Suzanne Thompson expressed concern that owners cannot track usage by renters.

Notices have been sent out to all owners requiring repair of fireplaces in question by Nov. 1. Black Diamond Fireplace is recommended for repairs or replacements.

Delinquent dues

Unit #108 went into bankruptcy. Owner Berkaw is making payments based on court orders.

Unit #206 is behind \$14,000. A lien has been filed, but this may not bring dues as nothing happens with the lien unless they sell. The owners (Deb Kelly) have had the property a very long time and evicted their renters. Talks are under way with lawyer Wayne Brown, giving a deadline for resolution of Sept. 1. The office of Bob French represented Snowbridge for 30 years; Brown is a member of this office, and therefore a conflict of interest was created when Brown took the Kelly eviction case. The board is now looking into another lawyer to consult. Howard Beck, was recommended, and the board is asking for more recommendations for other lawyers. Residents present suggested solutions to collect back dues but cautioned having agreements without an attorney's advice.

Other new projects

We are considering installing security cameras to prevent vandalism. Damage has occurred in the mall men's bathroom. Other buildings have been successful with security cameras in the case of vandalism. John Theisen stated that there is existing wiring and base units for a security camera set-up.

There is an issue with the walls behind the railings. Rusty metal has been sand blasted and painted over, but rust is already coming back through, and some are beyond repair. Some of these walls which support railings have been replaced with wood, but more may need replacement. Jody will check on this.

V. Operations Report

Jody Schmidt has formed a company, Fall Line Management, and has employees and manages three other buildings. One Snowbridge employee unit is designated as the manager's unit is occupied by Fall Line employee Jamie Ring.

Jody has never had a contract with Snowbridge, and currently a management contract is under development with lawyer Wayne Brown and Claire Carren, BOD Secretary. The manager's unit, #211, is owned by the HOA; Brown is also working out a contract for leasing/licensing the unit as part of the resident manager's benefits. Jody is also leasing #212, which is owned by the Metro District. It is occupied by Greg, another Fall Line Employee who has a plow truck on premises. Jody is looking to purchase this unit.

Hot tub

A residential hot tub with a salt system was installed. This tub will be a temporary fix because it is a very high-maintenance tub. Jody will be looking for another commercial tub in the next few years.

Painting

During painting some damaged wood has been replaced, but more of the rusted steel siding needs to be replaced by wood.

Concrete

A late mud season and heavy foot traffic during the summer delayed the concrete project. It will be redone gray to match and stairwell concrete will also be redone.

Pressure washing

The building exterior was washed, as every year.

Boiler

The building is still operating off the old hot water system, but as of Tuesday, Sept. 6, the new boiler system will be charged and will run hot water. In the past, water temps were reduced in summer. Two years ago it was decided to turn off the system in summer, which caused some problems. The new system will have longer life span by 10-15 years.

Deck railings

The metal covering over wood railings has been removed. The railings could have been rewrapped, but it was decided because of maintenance, sharp edges, and nails popping, that it is preferable to replace the metal over time and to use wood which will be easier to maintain. At one time the building was all wood, and then through the years stucco and metal were added. The approach now is to transition gradually and replace the wood in stages rather than in one big expenditure. These elements will be touched up yearly.

Roofing

The men's room roof was sunken and leaky and has been replaced with a new membrane roof and new gutter.

The front flat roofs have been patched and covered with rocks. Gutters and drains were replaced, and there will be an audit to see which others need work.

Bob Harmsen is concerned about warranty/bond for flat roofs and wants to know if the new roof is bonded for 5, 10, or 20 years. Jody answered it is under warranty. The question is whether the costs of damage beyond the roof as a result of roof leaks should also be under warranty.

According to Bob, if it was a bonded roof, it would be covered for more. Bob would like to see an owner representative approve roof repair work and sign off on a bond for such a project.

The board would pay for extra bond insurance written into the contract for the roof, which should also warranty the roofing materials. The bond would be written by the materials company.

Resort internet

The change in cable service and internet was a smooth transition.

Landscaping

Trees were trimmed, and the old fence was removed.

Men's Room

The floor is coming up in public men's room and needs rejuvenation. The public restrooms have been kept locked because of use by transients, which has helped. Retail establishments keep keys. In addition to indoor security cameras, cameras on garage doors are recommended. New surveillance can be tracked on a laptop. Money spent on vandalism repairs would be made up by the expense of a security camera system, estimated at \$5,000-\$7,000. John Theisen recommended Sam's Club, estimating \$1,800 for a camera system purchased there.

Water

Is the new system 3 phase or single phase? The old 3-phase system caused problems. The pump failed last year, so a device was installed to prevent failure again. John Theisen requested it be rechecked and asked about a certificate of workman's comp. What about water expenses? Wasn't it agreed to install water saving shower heads on all units? Suzanne stated it was agreed to be unit by unit. Jody said restaurants are causing a lot of problems. He suggests correcting the leaking (and even continually running) faucets in restaurants. John Theisen requested a report from the Metro District on the issue. SFE unit. If you stay under a certain number there is a reward.

A water-use check is planned. Snowbridge has not gone over the limit this year. Claire suggested inspection of all plumbing. Jody replaced toilets in unit #103 with newer, more efficient toilets. Upgrade is highly recommended by owners, Thompsons. Outside looks much better. Jody thanked Jamie for tree trimming.

Windows

The Thompsons, unit #103 had sliding glass doors repaired and recommends John with All American Glass (719) 838-0561. Claire noted that shifts in the building have caused many doors to go off track. Door repair will help with energy efficiency as well as new window coverings. Suzanne Thompson recommends honeycomb blinds from Blinds Direct website.

VI. Owner Concerns

Brian Schwartz, owner of unit #101, has been working with Jody on parking problems. Someone else is frequently parked in his spot. Jody has a parking policy and procedure draft, which he can forward to all. Cars can be towed from the garage.

Another issue for Brian is units above throwing trash on the deck below.

Legal postings on are on Snowbridgesquare.com. Legally, all rules and policies need to be updated and posted on the website. The current parking policy is under revision. The new policy suggests one warning and then being towed.

David Neff suggested solutions to excess energy consumption, including blowing in more insulation and having a heat loss evaluation. Jon Faue suggests replacing single pane doors,

which is the individual owners' concern. Jody will check all entry doors into the mall and check seals.

The painting crew left some details unfinished. Jody will address these issues as they come up.

VI. Election of Board Members

There are only two commercial owners, so there is no vote for the commercial representatives, Bob and Gary Harmsen.

For the residential representatives, there are two available positions. John Theisen nominated John Thompson and Jon Faue.. Brian Schwartz seconded the motion. All members are in favor.

David Neff nominated Claire Carren to represent the employees. The proxies seconded the selection, and it was approved.

VII. Adjournment

Bob Harmsen motioned to close meeting. The motion was seconded by Brian. All approved.