

**SODA CREEK CONDOMINIUM ASSOCIATION
ANNUAL HOMEOWNER MEETING
February 6, 2016**

I. CALL THE MEETING TO ORDER

The Soda Creek Condominium Association Annual Homeowner Meeting was called to order at 9:11 a.m. on Saturday, February 6, 2016 in the Dillon Best Western Conference Room.

Board Members Present Were:

Nathan Nosari, President, 497B
Janice Engel, Secretary, 435F

Jonathan Smith, Vice President, 495G

Owners Present Were:

Shirley Beaty, 435D
Nathan Driedger, 395A
Ashley Nettles, 397E
Heather Gerhart, 495F

Susan Brind'Amour, 497A
Walter Galdamez, 435G
Paula Samuelson, 495D
Jason Engel, 435F

Representing Basic Property Management were Gary Nicholds and Eric Nicholds. Erika Krainz of Summit Management Resources was recording secretary.

II. PROOF OF NOTICE OF MEETING/QUORUM

Notice of the meeting was sent in accordance with the Bylaws. With ten units represented in person and seven proxies received there was not a quorum.

III. APPROVAL OF LAST ANNUAL MEETING MINUTES

The January 24, 2015 Annual Meeting minutes could not be approved due to the lack of a quorum.

IV. FINANCIAL REPORT

A. 2015 Year-End Financial Results

Nathan Nosari reported that the Association ended the year with net operating income of \$2,697. Operating revenue was on budget and expenses were \$6,800 favorable to budget. Electric and Gas was \$2,800 favorable to budget.

The Reserves ended the year with net income of \$23,254. Reserve revenue was \$5,770 favorable to budget and Reserve expenses were \$13,900 favorable to budget. Painting was \$11,000 favorable to budget and there were no Contingency expenses. There were no owner delinquencies.

The Balance Sheet reflected total assets of \$356,000.

Nathan Nosari said the membership needed to approve 2015 and 2016 Resolutions for Excess Capital Retention in order to eliminate the tax liability for the Reserve Funds, and for Excess Operating Income to transfer any excess Operating income to Reserves

to offset future increases. There were no owner objections to approval of the Resolutions.

B. 2016 Budget

The 2016 total monthly assessment increased from \$311.85 to \$325 per month. The Operating allocation was increased \$5/month to \$194.85 to make up the Operating deficit from prior years and the Reserve allocation was increased \$8/month to \$130.15. The total annual Reserve contribution is \$62,472.

Nathan Nosari reviewed the changes to the budget compared to the previous year. The budget as written results in a \$1,004 year-end Operating surplus.

1. Dues - \$1,400 increase.
2. Insurance - \$850 increase.
3. Office Expenses - \$400 increase.
4. Gas & Electric – \$1,800 decrease.
5. Trash – \$2,000 decrease.

The Capital Budget for 2016 includes \$35,400 for asphalt sealcoating and repairs and a \$5,000 Contingency. Paula Samuelson suggested including the addition of ADA ramps and sidewalk repair to the schedule.

Nathan Nosari reviewed the Reserve Fund Status:

1. The Reserves are currently less than 80% funded. This means there is a 20% chance of a Special Assessment. The goal is to increase the Reserve allocation by 2% annually. This can be achieved by contributing the investment returns to Reserves, careful management of expenses or a dues increase.
2. Unexpected expenses included a domestic boiler consolidation/replacement, \$18,000 for radon mitigation and \$3,000 of legal fees for Declaration changes.
3. There are no plans for a Special Assessment at this time.

Gary Nicholds was asked to post the Reserve Study on the website.

V. PRESIDENT’S REPORT

Nathan Nosari reported that there was a full turnover of all Board members last year. The new Board inherited a good foundation from the prior Board. They have been focusing on the financial health of the Association. The painting project was completed, a new plowing contractor was hired and radon testing and mitigation was done.

He reviewed the 2016 Board goals:

1. Invest the Reserve funds.
2. Implement a radon remediation project.
3. Sealcoat the asphalt in the parking lots.
4. Consolidate/replace a domestic boiler.
5. Assess the underutilized space around the property.

VI. ELECTION OF OFFICERS

The term of Janice Engel expired and she indicated she was willing to run for reelection for a three-year term. Since there was not a quorum, the current Board will continue to serve.

VII. UNFINISHED BUSINESS

A. Radon

The radon test results were as follows:

1. 395 Building – 7.1 pCi/l
2. 387 Building – 3.7 pCi/l
3. 435 Building – 5.6 pCi/l
4. 495 Building – not tested. Radon mitigation was previously implemented.
5. 497 Building – 5.9 pCi/l

Mitigation is required at a 4 pCi/l or higher level. Summit Radon submitted a mitigation quote totaling \$18,096 for all four buildings. It is the same company that installed and monitors the system in the 495 Building. The mitigation will start in mid-March and should take three days per building. The work will only affect the crawlspace, not the unit interiors. Summit Radon will retest after the systems have been installed and do further work as needed to bring the readings to 4 pCi/l or lower.

B. Insurance

The Association has not experienced any losses within the past five years. An insurance appraisal determined the replacement value should be \$7,050,000, equating to \$176/sq.ft. or \$183,000 per unit. The 2015 insurance property coverage assumed a value of \$4,895,855, so the property was underinsured by \$2,154,145. The 2015 premium was \$5,858. The property value was adjusted to \$7,050,000 for 2016 and the new premium is \$7,566.

C. Declarations Revisions

Potential changes include:

1. Paragraph 12a states the Association shall provide coverage for Declarant (building) installed fixtures (at conveyance). Other options for insurance would be bare walls or all inclusive. The Board is recommending a bare walls policy as this would be the most equitable for all owners. The premium for the Association would be lower. Owners should have an H06 policy to cover all items from the bare walls in. The annual cost for an H06 policy should be about \$300/unit.
2. Paragraph 6d states only two vehicles per unit can be parked at any given time. The goal is to provide an allowance for work/commercial vehicles in addition to personal vehicles.
3. Paragraph 6l prohibits storage on decks and patios and in the breezeways. The goal is to provide an allowance for the lifestyle that members value.

The Board will send an email to all owners with a copy of the Declarations with a 45-day deadline for submitting any other suggested changes. It will be noted that not all

suggested changes will necessarily be implemented and an explanation of the process for making the amendments will be provided.

C. Contracts

The Board assembled a list of all long-term contracts for the Association:

1. Basic Property Management - \$7,800, expiring 1/31/18.
2. J&W Maintenance - \$20,000, expiring 8/15/16.
3. Timberline - \$3,500, expiring 10/1/16.
4. RKR - \$3,500 for plowing with no annual renewal.

A suggestion was made to put markers around the storm drain.

D. Investment of Reserve Fund

An Investment Policy was established in 2015. The Board researched the Reserve Study and increased dues, with a portion of the increase being applied to the Reserve Fund to grow the balance. For 2016, the Board will pursue investment per the Investment Policy guidelines. The Association now has an automatic sweep account in order to ensure the balance at Alpine Bank does not exceed the \$250,000 FDIC-insured limit.

E. Utilities & Boilers

Utilities expenditures represent 58% of the budget. Currently Xcel is the gas provider. Switching to Tiger Gas could reduce the annual cost by about \$1,800 but would require the installation of phone lines to record usage. The Board is researching if the phone lines can be consolidated to reduce the cost.

The Building 495 domestic boiler failed in 2016. The replacement cost was \$9,660 with a 20-year projected useful life. The original boiler was 70% efficient and the new boiler is 85% efficient. The Board will revisit boiler consolidation with MJ Plumbing. It is believed that the other new boiler had adequate capacity to provide both the hot water and heat (through a heat exchanger) but MJ Plumbing was not available to assist when the boiler failed so a new separate boiler had to be purchased in order to provide hot water for the building.

VIII. MANAGEMENT COMPANY REPORT

Gary Nicholds reviewed completed projects:

1. Painting was completed and was under budget. Building 395 was restained at no cost to the Association. Allman Painting will be asked to revisit the areas with paint bubbles in the spring.
2. Snow removal has been going very well.
3. The recycling bins have been removed.
4. The boiler and laundry rooms passed a Fire Department inspection. A couple of extension cords were removed and replaced with power strips.
5. The fire extinguishers were recertified. The broken glass in the cabinet was replaced.

There was general discussion about the flaking ceilings in the breezeway. It may be caused by the dryer vent moisture. It might be possible to spray the areas with a vinyl epoxy to seal the concrete.

IX. OWNER FORUM

Shirley Beaty said she was concerned about the low attendance at the meeting. Eric Nicholds said low attendance is not uncommon when the Association is operating smoothly.

Nathan Driedger said there were parking problems at his building, in part due to the large number of renters, and asked who enforces the parking regulations. Nathan Nosari said the parking spaces were not assigned. Owners are allowed to park two vehicles per unit. Janice Engel asked Gary Nicholds to send an email reminder to all owners addressing the two vehicle limit, reminding them to display their parking permits and instructing them to contact management regarding parking issues. Gary will give Walter Galdamez some warning stickers. Extra vehicles should be parked by the Rice barn or the mailboxes.

Paula Samuelson made the following comments:

1. The dryer vents should be cleaned.
2. She requested clarification regarding who pays for the electricity for the exterior outlets (owner or common expense). A check of the outlets will be done in the spring.
3. She expressed concern about the plumbing infrastructure inside the walls. She can hear the pipes moving and thinks some of them might be coming loose. She also believes there is a leak somewhere in the building. Nathan Nosari will talk to Mike Jedd about these issues. Jason Engel suggested bleeding the expansion tanks. Nathan Nosari will talk to Mike Jedd about quarterly preventative maintenance. Gary Nicholds will determine if the boilers have been inspected and certified annually. The Board will look into a water softening system.
4. One of Paula's neighbors thought she might have witnessed individuals dealing drugs in the parking lot. She asked residents to watch for and report suspicious activity to the Sheriff and to include the license plate numbers of any cars involved.

Ashley Nettles said the noxious weeds should be sprayed or pulled. The County can provide backpack sprayers. The weeds should be sprayed several times the first season. Management will get a bid from Neils Lunceford and Nathan Nosari will contact the County weed coordinator.

X. SET NEXT ANNUAL MEETING DATE

The next Annual Meeting may be held in November.

XI. ADJOURNMENT

The meeting was adjourned at 11:09 a.m.

Approved By: _____
Board Member Signature

Date: _____

**SODA CREEK CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
February 6, 2016**

I. CALL THE MEETING TO ORDER

The Soda Creek Condominium Association Board of Directors Meeting was called to order at 11:14 a.m. on Saturday, February 6, 2016 in the Dillon Best Western Conference Room.

Board Members Present Were:

Nathan Nosari, 497B

Jonathan Smith, 495G

Janice Engel, 435F

Representing Basic Property Management were Gary Nicholds and Eric Nicholds. Erika Krainz of Summit Management Resources was recording secretary.

II. ELECTION OF OFFICERS

Nathan Nosari made a motion to elect Officers as follows:

President – Nathan Nosari

Vice President – Jonathan Smith

Secretary – Janice Engel

Janice Engel seconded and the motion carried.

III. NEW BUSINESS

A. Radon Mitigation

Janice Engel made a motion to approve the Summit Radon contract. Jonathan Smith seconded and the motion carried.

B. Action Items

1. Jonathan Smith will call Ben at the County regarding spraying of the noxious weeds.
2. Nathan Nosari will call Mike Jedd regarding the plumbing issues.

IV. SET NEXT MEETING DATE

The next Board Meeting Will be Friday, March 18, 2016 at 4:30 p.m. via teleconference.

V. AJOURNMENT

The meeting was adjourned at 11:17 a.m.

Approved By: _____ Date: _____
Board Member Signature

**SODA CREEK CONDOMINIUM ASSOCIATION
PUBLIC HEARING FOR
DAVID WAGNER ACTIONS AND BEHAVIOR ON 9/5/16
November 3, 2016**

I. CALL THE MEETING TO ORDER

The Soda Creek Condominium Association Public Hearing for David Wagner Actions and Behavior on 9/5/16 was called to order at 4:05 p.m. on Thursday, November 3, 2016 in the Dillon Best Western Ptarmigan Conference Room.

Board Members Present Was:

Nathan Nosari, 497B

Jonathan Smith, 495G (via teleconference)

Owners Eudora Burns-Wagner and David Wagner (495H), Paula Samuelson and Mike Mastrobuono (495D), Raeann Kennedy (397D), Walter Galdamez (435G), Shirley Beatty (435D) and Wilbert Martinez (435H) were present at the meeting.

Attorney Jeff Smith of Hindman Sanchez was a guest at the meeting. Two representatives of the Dillon Police Department were present.

Representing Basic Property Management were Gary Nicholds and Eric Nicholds. Erika Krainz of Summit Management Resources was recording secretary.

II. REVIEW OF INCIDENT

Nathan Nosari reviewed the details of the Police Department report of the incident. Jeff Smith said the Board would hold an Executive Session following the public meeting to determine what actions will be taken and will send written notification to David Wagner.

The police report dated September 5, 2016 at 18:20 hours at 495 Cove Boulevard included confirmation from Troopers Treadway and Mays that they found three 22 caliber casings by the sliding door and three casings for an AR15 on the ground below the balcony. Gary Nicholds said he estimated the property damage was less than \$100.

The actions violate the Declarations in three places, in particular Sections 6.i, 6.j and 6.k.

A letter of apology from David Wagner dated October 6, 2016 was read in which he offered to pay for the damages to the dumpster structure.

III. ADDRESS BY DAVID WAGNER

David Wagner expressed his sincere apologies for his behavior and confirmed that he no longer has any guns in the residence.

IV. OWNER COMMENTS

Shirley Beatty said she appreciated his humility and honesty and taking responsibility for his actions and felt this should be taken into consideration.

V. EXECUTIVE SESSION

Nathan Nosari made a motion to convene Executive Session at 4:17 p.m. to discuss a legal matter. Jonathan Smith seconded and the motion carried.

The Board reconvened Regular Session at 4:40 p.m.

Nathan Nosari made a motion to implement the decision made by the Board during Executive Session (documentation attached to these minutes). Jonathan Smith seconded and the motion carried.

VI. ADJOURNMENT

The meeting was adjourned at 4:45 p.m.

Approved By: _____ Date: _____
Board Member Signature