

**COPPER JUNCTION
ANNUAL HOMEOWNERS MEETING
SEPTEMBER 6, 2015**

MINUTES

1. **Call to Order.** The meeting was called to order at 9:15 a.m. by President George Hart.
2. **Affirmation of Attendance and Quorum.** 19 units were represented either in person or via conference call and in addition, 4 proxies were received. A quorum was established. Also in attendance was Billy Krasowski, Building Manager for Copper Junction.

Representing Mountain Managers were Phil Wells, Judy Freese, and Susan Horton (director with Hammersmith, Inc, - new owners of Mountain Managers).

3. **Approval of the Minutes from the 8/31/14 Annual Meeting.** A motion was made, seconded, and passed unanimously to approve the minutes as written.
4. **Repair and Maintenance Report.** The report listed items over \$500 that were completed since the last annual meeting. The more expensive items were highlighted and included purchasing locks, moving the front gate entrance, boiler repairs and replacement of an expansion tank, and remodeling of the Building Manager's unit. Several questions were asked by owners. When the Salto lock system was installed, it was not powering properly to operate the gate. This is being worked on. Glycol levels are checked whenever boiler work is done and there has never been an issue. All items on the report were paid for out of the operational budget and not reserves. A question was asked about the pipe break. Kevin Flewell explained that there was a break on the common line in the ceiling over the C1 space. This resulted in a fair amount of water damage/mildew that had to be mitigated.

Mountain Managers was recently sold to Hammersmith due to Connie's health problems. Her doctor has advised a move to a much lower climate as soon as possible and Phil and Connie will be leaving Summit County. Phil spoke with several potential buyers and felt that Hammersmith would be the best fit. Susan Horton with Hammersmith was introduced. Hammersmith manages over 250 HOA's up and down the Front Range and has 34 years of experience. Mountain Managers' current employees will be retained and additional personnel will be added. Two more managers are currently in training in Denver. Both are from Summit County and one was hired from Copper Mountain and is very familiar with the area.

5. **Financials.**
 - A. July financials: Total income was ahead of budget by \$6,629. On the expense side, water expense has nearly tripled and has eliminated any potential end of year surplus. Kevin Flewell has attended several meetings and the Copper Metro District is facing some major expenses for a 37 year old infrastructure that has a 40 year life expectancy. The District provides not only clean drinking water and waste water treatment facilities but also fire protection and cable TV and Internet. Kevin has been talking to someone regarding the possibility of sub-metering water so that residential/commercial pay according to usage. This will be looked at to see if it's even feasible. Ira stated that governing documents will need to be checked to see if this can be done legally. It was also suggested that flush valves in all water closets be checked. George and Billy will see how this can be accomplished.

There were several delinquencies listed – none over 30 days. It was noted that units 206 and 307 are paid via auto withdrawal and should not be on the delinquency list.

This will be checked with accounting. The missing lease (use of GCE space) has been located and C1 will be bringing their account current.

All financials are available on the website for owners to review.

Prior to proceeding with the budget discussion, Brian with Resort Internet spoke to the membership regarding the upcoming upgrades to Cable TV and Internet. This is in progress and it is hoped the project will be completed before Thanksgiving. As construction progresses, the time line will become clearer. There will be more channels, more HD channels, and much more bandwidth resulting in faster Internet. The increase in cost is minimal - \$4.00 per unit. The HOA will still receive a discount for prepaying annually in one lump sum.

- B. 2015-16 Operations Budget. Income is based on a 10% dues increase. Expenses are increasing as the building ages and there are more capital projects that will need to be done. The Board has been reviewing budget/MCR figures and while they had hoped for a less than 10% increase in dues, the budget is still running at a deficit. Mountain Managers will prepare a budget comparison (2015-16 versus previous years) and this will be posted on the website. Owners will not be asked to ratify the budget included in the meeting packet. The Board will continue to work on the budget and will approve via mail/email. Susan Horton noted that Copper Junction is pre CCIOA and therefore the Board can approve the budget without owner ratification. If the HOA elects to follow CCIOA, the majority of owners must show up to reject the budget, not approve it. Once finalized the budget will be sent to all owners.

6. **Old & New Business.**

- A. The elevator will be replaced in the spring. There is not enough time to do the work before this season begins. A new power pack will be going in now and the cost will be deducted from the total replacement cost. This should bring the cost down to about \$54,000 plus the cost of the power pack. The new power pack will be compatible with either Thyssen or Otis. The bids are close with Thyssen slightly higher but they offer a better warranty and maintenance contract.
- B. The Salto lock system was not installed on time and there were issues with incorrect installation, codes, etc. This is why the Board was hoping to retain the Ving locks for another year until all the "bugs" were worked out of the Salto system. Unfortunately, Copper Junction was left with no choice when Mountain Plaza elected to go with Salto. Their decision left Copper Junction and several other buildings with no one to partner with for maintenance of the Ving locks. Billy has a master for emergency unit access however, if any lock fails there is no key override and Copper must be called for access. Currently owners are unable to program their own locks but Copper Maintenance will do this for any owner when requested. Batteries will need to be changed but so far, it does not appear that Copper has set up any kind of routine maintenance program. They are able to "read" key cards and know when a battery is low. George will check with Copper and if they are not setting up a maintenance program, the HOA will see if they can set up their own.
- C. There were some additional questions about dues payments with the new management company. Bank accounts will need to be changed but owners should continue to pay dues in the same way they do now. Any check payments going to SmartStreet's lock box will be forwarded to Hammersmith's bank, Pacific Premier in

Denver. Owners paying via ACH do not need to do anything. When any changes are made, owners will be notified.

- D. The commercial patio is in need of attention. George and Ira will walk the area with Kevin Flewell and determine what needs to be done either by commercial or HOA.
- E. The "No Smoking" policy was discussed at last year's annual meeting. This has not been officially added to Rules and Regulations. The wording has not been finalized and Mountain Managers does not have a copy of the HOA's Rules and Regulations. George will be working on this. No smoking would pertain to all common/limited common areas but not inside an owner's unit.
- F. Snow storage was discussed. Depending on the amount of snowfall, anywhere from 2 to 6 exterior parking spaces can be lost each year. If any snow is dumped outside the property, the Village Company will charge for removal. This past year Ron attempted to have snow hauled off to free up additional parking spaces. The only company that was willing to work on this small a scale was out of Denver and wanted \$3,000 to haul off one load of snow. The Board elected not to clear the spaces and to use the B lot parking spaces when necessary. A straw vote was taken on whether to pay a monthly charge for seasonal snow removal or to continue to attempt to keep spaces as clear as possible. The majority favored not spending the additional money. Billy will continue to do as much as possible to preserve the parking spaces.
- G. Sam Parker, the new district manager for Copper Metro District joined the meeting and addressed the membership. As noted previously, the Metro District is facing some significant expenses and the only way to raise funds is through increased rates. In addition to the waste water plant required upgrades, the fire department is in need of new engines. Two of their engines are 18 years old; it is recommended that engines be replaced every 10 years. Two engines are being replaced. The number of engines will be reduced to two but each will be a combination engine and there will be no loss of water capacity, etc. The new engines will be more efficient and one will be able to access the center Village. The District is also upgrading Cable TV and Internet and they are working on staff sharing with Summit County Ambulance Service in order to have an ambulance on site 24/7. The mil levy will be raised approximately 11 mils. When you pay your property tax a small percentage goes to the Metro District. 1 mil equates to about 1/10th of a cent. Consolidating with Lake Dillon Fire Department has been considered but LDFD does not want to inherit the building debt or the salary increases that would be necessary to bring the Metro District fire department employees up to the Lake Dillon level. The Fire Department is permitted to bill for services rendered to areas that are in the response area but not in the district. Unfortunately, the collection rate is about 20%.

7. **Election of Board Members.** There was one vacancy on the Board (residential) for a 3 year term. The term for Ron Levin was expiring and he agreed to run for re-election. Bob McGinnis was also nominated. With two candidates for one open position, election was held by written ballot. Both nominees spoke briefly about why they wished to serve on the Board.

While ballots were being counted by Susan Horton and Rusty Yull, owners were asked to introduce themselves by name and unit number. George noted that no plans had been made

for an after meeting BBQ this year but due to the great turn out, this could be pulled together if owners were interested. Deena Hart volunteered to make a store run for burgers/hotdogs, and soft drinks. It was decided to meet at the patio area at 6:00 p.m.

Election results: By a vote of 14 to 9, Ron Levin was re-elected to the Board.

9. **Schedule Next Annual Meeting.** The next HOA meeting will be on Sunday of Labor Day weekend (9/4/16) at the same time and location.
10. **Adjournment.** There being no further business, a motion was made, seconded, and passed to adjourn the meeting at 12:15 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary

APPROVED:



George Hart, President

9/12/15

Date