

Cortina Property Owners Association
Semi-Annual Owners Meeting
Saturday, February 20, 2016
Town of Silverthorne Meeting Room

Board Member, Stan Wagon called the meeting to order at 10 AM. The meeting was attended by owners representing 19 properties with 9 proxies received for a total of 28. The members of the Board and owners attending introduced themselves. Board members present were Gene Bygd, Dave Matthews, Arthur O'Hayre, Stan Wagon, Steve Weinberg, Jeff Leigh, David Burford, and Richard White. Also attending was Deborah Polich of NP Services, Inc., as the financial administrator for the Cortina Property Owners Association (CPOA) and Mesa Cortina Water & Sanitation District. Owners attending introduced themselves.

Minutes. *The minutes of the August 15, 2015 meeting were approved as written. (Wagon/Burford/unanimous).*

Board Report. Stan Wagon provided a summary of issues since the last meeting. While complaints are received regarding outside lights left on or too bright, they are regulated by County code and the Association has little input. Recommended was speaking directly with the owner regarding problem lighting. Seasonal lights should be removed after the holiday season. Stan indicated he would be resigning from the Board in May as he was running for a position on the Water and Sanitation Board of Directors. Problems with two junk cars were eventually taken care of with the involvement from the County, letters to the owner, an attorney letter, and finally a phone conversation with the owner. A letter was written to an owner regarding cleanup of the outside of the home and it has improved. Issues with wood piles, dumpsters and log piles for fences were checked by the County and no code violations were found. The Board takes necessary action for enforcement of the covenants based on owner complaints received. The slash burning near Mesa Cortina by the Forest Service was objectionable to some owners. The Forest Service indicated they would wait for more favorable winds prior to future burning.

Treasurer Report. Treasurer Richard White presented the financial report. A summary of prior years, the year-end 2015, and the 2016 budget was included in the meeting notice and available at the meeting. Richard indicated there were no unusual expenditures in the last year as compared to budget. The Board has discussed available investments for cash reserves and has not found any options to increase interest income. A long time delinquent vacant property owner was sent collection letters and the Board reviewed options to lien and foreclose the property. The Board did not feel the property value was sufficient to justify the cost of foreclosure and the existing unpaid property taxes. Jeff Leigh suggested the possibility of working with the County to have the property purchased as open space. The receivable reflected on the financial summary represents only assessments due without late fees and interest that are allocated to uncollectable expense. The financial report reflects \$28,000 held in architectural deposits. Some of this amount are old deposits that have not been refunded.

Mesa Cortina Water & Sanitation District. Jeff Leigh, Water and Sanitation District manager presented an update of the District. Board members Randy Rehn, Billy Jack and Jon Whinston attended the meeting. During 2015, the District upgraded the water

treatment vault including a new water line connection to the Buffalo Mountain Metro District (BMMD) and constructing a surface building housing a new computer water control system. The total project cost was approximately \$118,000, including \$50,000 for the new control system. The new system was working well and will provide timely information for improved future operations.

The District continues to inspect sewer main lines and the connecting service lines to correct I&I (Inflow and Infiltration) ground water to avoid penalties from the Joint Sewer Authority for excess flows. A new policy of the District is a \$25 daily fine to homeowners who do not repair sewer service lines after notice and sufficient time for the repairs to be completed.

Two positions on the Water & Sanitation board are available at the May 3, 2016 election. Current member Greg O'Neill is interested in continuing on the Board and Stan Wagon is interested in replacing Barry Westerland who is not running for re-election. If only two petitions are received, the election will be cancelled saving the considerable cost of holding an election.

The District has identified approximately 1,500 feet of old water line in poor condition. The lines on Kings Court, Lord Gore and a portion of Aspen Drive have had significant failures in recent years that are expensive to repair. The project is being engineered for construction this summer with a cost that could approach \$180,000. The District has \$230,000 in reserves, but would look for partial alternate funding to not deplete the reserves. Bank loans are an option at a favorable interest rate, but required substantial legal costs and other bank requirements. There may not be a contractor available for the work this year.

Work done in 2015 included a diving inspection of the water tank that is in good condition and regular maintenance on pressure reducing valves, hydrants and mainline valves.

The 2016 rate increase from BMMD was passed through to owners in the 2016 rates. The BMMD fees were expected to increase annually in the future. The Mesa Cortina rates also include funding of future capital projects. The District is looking at the long-term project of using the Bashore well to become self-sufficient for water and sewer operations. While the costs may be in the \$600,000 to \$700,000 range, funding options may allow repayment of the debt incurred within the existing budget and in the long-term expenses could be better controlled. It was suggested that the District provide feasibility information regarding the conversion at future CPOA meetings.

The Water and Sanitation District meetings are at 5 PM on the first Tuesday of each month at the Silverthorne Fire station.

Funding Request. The District requested the Association consider a grant of up to \$50,000 for funding of the water line replacement project. The same owners are served by both entities, it would reduce any loan costs of the District, and interest earned on the cash on hand is limited. The District had previously received three grants for sewer projects from the Association. *A motion was approved to fund one third of the water line replacement cost up to \$50,000 for any work that was done in 2016. (Wagon/O'Hayre, unanimous).*

Architectural Review Committee (ARC). Jon Whinston presented the ARC report. All new construction and any exterior modifications to existing homes require approval from

the ARC per the covenants of the Association. Developing ARC non-compliance fines in the future through a modification of the existing documents is under consideration. The current guidelines have a deposit requirement of \$5,000 or 10% of the project cost which ever is less. The ARC was proposing an adjustment to the deposit requirement. There was a discussion of the amount that should be required and the function of the deposit to obtain compliance with the covenants. *A motion was approved to require a 10% deposit with a deposit minimum of \$1,000 and a maximum of \$5,000. (Wagon/O'Hayes, unanimous).*

There was a discussion regarding limitation of the time period an owner could request a refund of the ARC deposit. *A motion was approved that the deposit is not refundable after three years of the original deposit date unless an extension is granted by the ARC (Weinberg/Wagon, unanimous).* The Board would request input from the attorney regarding old construction deposits still held by the Association.

Other. There are positions available on the Board of Directors and any owners interested can be nominated and elected at the August meeting. It was suggested notice of the openings be included with the July water and sewer billing.

There was a discussion of forming a committee to plan an owners cleanup day in the spring and an owners picnic after the August meeting. Dave Matthews reminded owners of fire mitigation actions that all owners should pursue to cut dry grasses, cleanup slash, and clearly mark house numbers. The fire department has house numbers available at a reasonable cost. There are County regulations regarding grow houses that could be a fire hazard and any suspicious property uses should be reported to the County.

Next Meeting. The next meeting would be Saturday, August 16, 2016 at 10 AM.

The meeting was adjourned at 11:55 PM.