

**MARINA PLACE CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
February 5, 2013**

I. CALL THE MEETING TO ORDER

The Marina Place Condominium Association Board of Directors Meeting was called to order at 6:34 p.m.

Board members participating were Al Watson, Susan Snyder, David Brunk, Christa Mehard Dam and Mark Vecchi.

Representing Basic Property Management were Gary Nicholds, Giovanna Voge and Charles Johnson. Erika Krainz of Summit Management Resources was recording secretary.

II. APPROVE PREVIOUS MEETING MINUTES

The October 29, 2012 Board Meeting minutes will be approved by email.

III. FINANCIAL REPORT

Christa Mehard Dam said Giovanna Voge sent a good detailed summary for the close of 2012. Highlights included:

1. The Association ended the year under budget by about \$14,000 in expenses and \$9,000 over budget in income. There was net income of \$23,000 in the Operating account. The surplus will be applied against the \$70,000 negative retained earnings.
2. There were savings in the Snow Removal, Electric, Insurance Deductible, Roof Repair and Maintenance and Landscaping accounts. Charles Johnson thought the electric savings could be attributed in part to the T-8 fixtures in the garages.
3. The Reserve expenses came in \$15,000 under budget since the Manager's unit improvements were not done. There were also savings in the siding and trim and concrete walls projects.

Christa Mehard Dam made a motion to approve the Financial Report. Al Watson seconded and the motion carried.

IV. BASIC PROPERTY MANAGEMENT REPORT

A. Frozen Pipes and Leaks Inside the Walls

Charles Johnson said there had not been any major issues this winter. There was one frozen line in Unit 117. He will pull some panels in the garage ceiling this summer. The line was thawed without bursting and there was no water damage. There have been two leaks from overflowing bathtubs. The overflow drain is in the wall so it is being treated as Association responsibility, but one leak was caused by a malfunctioning overflow drain; it appears to have been over tightened at installation. Charles told the owner the determination of responsibility would be a Board decision. All the bills have been paid except for the painting. The other leak was

caused by an improper connection to the overflow drain inside the wall. Both tubs are original. The costs for the repairs were about \$400 and \$1,200. Al Watson felt that the Association should assume responsibility as long as the tubs are the original installation. The other Board members agreed.

B. Responsibility for Ski Closet

Susan Snyder asked where owners could obtain information about the requirements for replacing the ski closet doors. David Brunk felt there should be standards established but that replacement should be an owner expense. Christa Mehard Dam thought the doors were part of the building and the Association should pay for them. Mark Vecchi agreed with David and Al Watson agreed with Christa. Charles Johnson said he could write up a standard. Al proposed that the Association take responsibility for the replacement and bill the owner. Susan felt the same rules should apply for window replacement and front doors. Christa recommended continuing with the established precedent, which is that owners pay for the replacement of the front door, ski locker door and patio doors and internal windows, and the Association pays for the storm windows since they are external. She suggested forming a committee to draft standards for the three doors and the interior windows. The document should be posted on the website in the Architectural section. The document should also include recommendations for where the doors and windows can be purchased. Al Watson, Charles Johnson and Al Baker will create the standards and provide them to the Board for review and a vote at the next meeting. Susan felt there should be two options provided so owners can replace their doors themselves in accordance with the specifications, or hire a contractor who can do a turnkey job.

V. OLD BUSINESS

A. Lead in the Water Update and Discussion with Attorney

Al Watson brought all documentation to the attorney for review. The attorney indicated that the Board was covered. The building has not been identified as having a problem so the Board has done everything that can reasonably be expected. Owners can install lead filters individually.

B. Basic Property Management Contract

Christa Mehard Dam made a motion to approve the management contract for a one-year term. Mark Vecchi seconded and the motion carried.

C. Balcony Railing Update

Al Watson said he was impressed with the drawings and price Mark Vecchi identified. Al was in favor of the simplest style. Charles Johnson said the stiles would be solid metal, the rails square metal tubing and all of it powder coated. Charles will do some more research on the process of powder coating and how long it is expected to last. Mark said he would like to look at other options for finishes.

Iron Hammer estimated the cost would be about \$120,000. They are located in Denver. A Cut Apart Metal Art is in Aurora. They want to sandblast, prime and paint the metal. Cooks Welding would not give a quote until the style has been selected. Their estimate was \$50 – \$75/ft.

Al Watson asked Christa Mehard Dam to look at the long-term budget to see if the project could be worked in. It might be possible to do the railings on one or two buildings each year. The cost would be reduced 10% if all buildings are done in one year and Iron Hammer would reduce the price by 5% for two buildings. Al suggested budgeting a cost plus or minus 10% or a set price with a CPI inflation factor.

Christa said she would like to review the Reserve Study for the next three years with the Finance Committee volunteers from the Annual Meeting. She will try to have this completed by the next Board Meeting.

Charles said he was concerned about the rail above the Clubhouse. He has seen children climbing on it. He obtained a bid to bring the rail to code. He also recommended adding 52' of railing along the roof of Clubhouse 2 to prevent access. The total cost for these two railings would be about \$6,500.

The Board will continue this discussion online and work on a presentation for the next Annual Meeting.

VI. NEW BUSINESS

A. Cobianet

Christa Mehard Dam said she had some complaints from her tenants about the internet service. She suggested a mid-year check with the owners to determine if there are any other service issues. Al Watson and Gary Nicholds said this was the first complaint received. Charles Johnson said he was using it daily and had no problems. Al was not in favor of encouraging owners to complain about the service; he believes they will contact the Board if they are experiencing issues.

VII. SET NEXT BOARD MEETING DATES

The next regular meeting was scheduled for Tuesday, May 21, 2013 at 6:30 p.m.

VIII. ADJOURNMENT

David Brunk made a motion to adjourn at 7:40 p.m. Susan Snyder seconded and the motion carried.

Approved By: _____ Date: _____
Board Member Approval

**MARINA CONDOMINIUM ASSOCIATION
ANNUAL MEETING
July 6, 2013**

I. CALL THE MEETING TO ORDER

The Marina Place Condominium Association Annual Meeting was called to order by Al Watson at 9:05 a.m. in the Dillon Town Hall.

Board members present were:

Al Watson, President, 236	Mark Vecchi, 318
Susan Snyder, 315	David Brunk, 422
Christa Mehard Dam, 337	

Owners present were:

John & Joy Ostaffe, 123	Geraldine Haskins, 134
Michael & Donnis Moore, 215	John & Mary Nice, 216
Pam English, 231	Sandy Bradfield, 232
Susan Lee, 238	Charlotte Jacobsen, 316
Joel & Louise Carter, 319	John & Carole France, 324
Steve Holt, 329	David Patterson, 333
Bob & Tobie Rosenberg, 334	Jamie Vanhorn & Linda Sowaskie, 335
Sue Bays, 338	Rex Murdock, 417
Pam Brunk, 422	Margaret Miles, 426
Al & Judy Baker, 427	Joe Ballweg, 432
John Goldstein, 435	

Representing Basic Property Management were Gary Nicholds, Charles Johnson and Giovanna Voge. Margot Mayer of Summit Management Resources was recording secretary. Trevor Giles from the Dillon Water Department was a guest at the meeting.

II. PROOF OF NOTICE/QUORUM

With units represented in person or by proxy a quorum was confirmed.

III. VERIFICATION OF NOTICE

Gary Nicholds stated that notice of the meeting was sent in accordance with the Bylaws.

IV. WATER PRESENTATION

Trevor Giles from the Dillon Water Department provided a summary of the water situation. He said the EPA and State of Colorado regulate that less than 15 parts per billion of lead in water is acceptable, although the EPA is considering changing the allowable concentration to five parts per billion. The Town of Dillon has no lead service lines and lead is not in the water distribution system. The water was tested at different sources for lead. Pipes installed prior to 1986 contain lead-based solder.

Last year two of the three samples that were tested exceeded the current requirement.. The State mandates that users have to be notified. In the past, the Water Department tested ten samples

every two years; testing has been now increased to twenty samples every six months. The last tests found three of the twenty samples exceeded the current requirement.

He explained that the lead concentration is higher when the water has been sitting for longer periods in pipes that contain lead-based solder. Water samples must sit in pipes for six hours before samples are taken for testing. Polished brass plumbing faucets can also increase the lead concentration in the water.

He recommended that owners flush the water coming out of the taps until the water temperature changes. This usually removes the residual water with lead that has been sitting in the pipes. Testing in residential homes has shown that after the first few seconds there was almost no lead content and none after two minutes. In order to conserve water, he recommended that owners fill up a bucket to water flowers. Lead levels in water affect babies and children more than adults.

Lead-based solder was not used after 1988. Trevor discussed two options being considered by the Town of Dillon to make the water less aggressive on the pipes which will decrease the potential for lead in the water. One option is to raise the pH slightly and the other is to add phosphate to the water. The Town of Dillon has budgeted for an engineering study of the Town's water infrastructure to determine the best option. The study will be presented to the State for approval and should be completed in mid-2014. More information can be found at the website www.townofdillion.com under the "Utilities" tab.

David Brunk explained that the Board started discussions after a letter was received regarding the elevated levels of lead. He tested the water in his unit and lead content results were .046 parts per billion, which is three times more than the allowable level. The water test costs \$35 and owners can test individually if desired. Susan Snyder said there were a number of effective water filter systems that can be installed in a unit to filter out lead, such as Zero Water, which filters lead and other elements. More information about removing lead from water is available on the website for the Environmental Protection Agency at www.epa.gov and the National Science Foundation at www.nsf.org.

V. APPROVAL OF MEETING MINUTES

Mike Moore made a motion to approve the minutes from the July 7, 2012 Annual Meeting as presented. Al Baker seconded and the motion carried.

VI. PRESIDENT'S REPORT

Al Watson said it had been a calm year. He encouraged owners to run for open Board positions. Overall, the complex looks great and is in good shape.

VII. TREASURER'S REPORT

Christa Mehard Dam said the Association was looking strong financially. The Association ended 2012 with a \$23,000 surplus. The Association experienced savings in the Snow Removal, Legal, Electric and Repair & Maintenance accounts and the insurance deductible because there were no insurance claims. In addition to the Reserve Fund, the Association maintains a Working Capital Reserve fund. Money can be borrowed from this fund when there are funding deficits and Operating surpluses are credited to this account. While it is expected

that the account balance will fluctuate, a \$70,000 deficit had accrued over time. The transfer of last year's surplus reduced the deficit by a third to \$47,000. The Association ended 2012 with \$185,000 in the Reserve Fund, up about \$20,000 from 2011.

As of May 31, 2013 the Association was operating favorable to budget. Hopefully there will be no insurance claims or legal expenses, resulting in another surplus. Reserve contributions this year have been \$80,000 and an additional \$122,000 will be collected by year-end. Reserve expenses have totaled \$115,000 and another \$61,000 is budgeted for projects through the end of the calendar year. Roof repairs were \$6,000 less than anticipated. The Reserve cash flows are in alignment with the projections in the Reserve Study, which was completed five years ago. The Reserve Study was updated this year and some missing items were added.

Recent efforts to improve the Association's financial systems and effectively manage the funds were the followings:

1. The budget was made more transparent by adding details for all expenses.
2. The Board has been diligently exploring areas for cost savings to ensure dues are utilized as effectively as possible. Cost savings were achieved by renegotiating the contract with Comcast and the membership has approved a contract with Cobianet.
3. The Board has been trying to enforce the process to obtain three competitive bids for all significant projects.
4. The Association had a poor insurance loss history and was unable to put the policy out to bid for the past three years. This year Gary Nicholds was able to secure a new insurance policy with CIBA Group resulting in a 15% premium reduction and improved blanket building coverage of the complex up to \$ billion. An owner asked if there was any issuerelated to the trees between the buildings with respect to increased fire risk. s. Al Watson said Marina Place was in a safe area since there are not a lot of tree stands in the immediate area. The loss specialist from the insurance company not expressed concerns with respect to the trees on the property. David Brunk noted that the Association's insurance coverage was changed in 2011 to a "bare walls" policy.

The Board plans to compare dues to other similar complexes. In advance of the 2014 Budget preparation the Finance Committee will meet to review the current budget and identify potential areas for additional cost savings. Interested owners were invited to participate in the meeting.

Owners had several comments and questions:

1. An owner asked if there was any consideration of increasing dues for units that have a washer and dryer.. It was noted that while water and sewer costs make up about 20% of the overall complex budget, the costs are extremely small in comparison to the fixed water and sewer fees. The fixed fees comprise the majority of the cost, which is roughly \$63 /unit/month. Only about 7% of the water budget is actual water usage. . There was a significant increase from the Water District.
2. An owner asked about the past insurance claims. Gary Nicholds explained that there had been three, all related to water damage.
3. An owner noted that it was important to be proactive and to make sure water heaters are functioning properly and that drainage pans are installed beneath them in case they should leak.

4. An owner recommended shutting off the water to dishwashers and icemakers when the unit is not occupied To reduce the risk of water leaks Another owner mentioned that filter systems frequently leak.
5. Christa asked owners to call or email her with input or to join the Finance Committee meeting.

VIII. MANAGER'S REPORT

Charles Johnson reviewed the projects.

A. Completed Projects

1. A new roof was installed on Building 1 at a cost of about \$100,000.
2. Damaged siding and trim were replaced.
3. Asphalt maintenance was done in the parking lot to patch four spots. Seal coating for half of the complex driveways was completed at the lake ends of Buildings 2 and 3. Charles indicated that in the future it may make more sense to complete the seal coating for all surfaces at the same time. This would result in more uniform appearance of the pavement surface.

B. Pending Projects

1. Paint trim and siding on Building 1. This project will be completed after Labor Day.
2. Install new balcony railings.

C. General Comments and Questions

1. Owners were asked several years ago to consider placing a drain pan under the hot water heaters. It is required when a water heater is replaced. The water heater drain must be connected to the floor drain. Some owners have been proactive and have pans under their water heaters. If the water heater fails, the owner will be responsible. Owners may contact Charles Johnson for a recommendation for a contractor to install a pan or new water heater. An owner said water heaters should be drained annually to prevent rust.
3. Charles Johnson said any non-functioning thermostats should be replaced.
4. An owner asked if it was possible to postpone painting until after the Labor Day weekend. Charles said he always tries to avoid the high season summer months and to have painting scheduled in June or September in order to minimize the inconvenience to owners and guests. Occasionally contractors fall behind schedule despite best efforts.
5. Owners were reminded to pick up after their pets.
6. Trash should not be left in front of the dumpster.
7. Dogs should be kept on a leash.
8. Clubhouse rules state that children under 16 should be accompanied by an adult and children are not allowed in the hot tubs.
10. No food or glass containers are allowed in the Clubhouse.
11. Owners who rent their units were encouraged to post the Marina Place Rules and Regulations in their units.
12. Owners may not place electronics in or next to the dumpster for disposal. The Colorado legislature passed Senate Bill 12-133 that went into effect as of July 1,

2013. It requires that all electronic waste be delivered to approved landfills for recycling and proper disposal. Owners may take their electronic waste to the Summit County Landfill located at 639 Landfill Road, Dillon, CO 80435, which is located two miles north of Keystone, 0.2 mile north of Highway 6, and is accessed via Landfill Road on the north side of U.S. Hwy 6. The landfill accepts electronic waste such as televisions, printers, fax machines, computers (CPUs and monitors), e-books, etc. A nominal fee is charged by the landfill to cover the cost of recycling; cash and check only. More information is available at www.co.summit.co.us.

IX. OLD BUSINESS

A. *Balcony Railings*

Al Watson said the balcony railings are a risk issue. While they do not meet current code requirements, they are grandfathered by the County due to the age of the complex, but the insurance risk assessor raises liability concerns every year. In the past, owners have installed netting and wiring to prevent children from falling through. Mark Vecchi and Charles Johnson took on the project and identified a solution with new railings. The committee obtained three quotes, interviewed contractors and selected a reputable company from Aurora. The cost per unit will be approximately \$1,000. The Board provided a sample of the railing at the meeting for owners to examine. The height of the railing will be 42" and will meet current code requirements. The Reserve Fund has a sufficient balance to cover the cost of the project and thus the project will not require a Special Assessment. The Board has not yet decided on the timing of installation but is in discussions with the contractor.

An owner asked if there would be any damage from removal of the existing fasteners and if the holes resulting from removal of the old railings would be patched and painted during the installation process. Susan Snyder said the contractor indicated that there would not be any damage. An engineering study is being requested to ensure the installation is robust and structurally sound. An owner asked if it would be possible to paint the railings the same color as the trim. Al Watson said the dark green trim color was already fading. The powder coated finish of the railing is expected to last 10 – 15 years before repainting is required. A more neutral color is being considered for the balconies (such as black) to ensure it will match no matter what color the buildings are painted in the future. In a show of hands, there was one owner opposed to moving forward with this project.

The railings will be replaced one unit at a time. The Association will furnish caulk and touch up painting will be scheduled by Property Management.

B. *Landings of Building 2*

An owner said the floor of the landings in Building 2 were very slippery after being painted last year. Charles Johnson will have the painting contractor repaint the floors when they are doing the touch up painting and he will ask them to add sand or grain to the paint.

X. NEW BUSINESS

A. Recycling

An owner said that the recycling area was an eyesore and the garbage is often overflowing. Charles Johnson explained that the dumpster area was overflowing recently because the pick up schedule was interrupted by the parking area asphalt work. Gary Nicholds and Charles will explore options for a larger recycling container.

B. Stairs

Al Baker said his guests suggested painting a contrasting color on the top stairs in the outside hallways to improve visibility. The Board will consider this request.

C. Board Recognition

An owner thanked the Board for their efforts.

D. Property Manager

Al Watson indicated the Board will have a plan to ensure there is sufficient overlap for training a new on-site manager before Charles Johnson retires.

XI. ELECTION OF MANAGERS

All five current Board members were running for reelection. There were no nominations from the floor. A motion was made to reelect incumbents by acclamation. The motion was seconded and carried.

XII. NEXT ANNUAL MEETING DATE

The next Homeowner Meeting will be held on Saturday, July 5, 2014.

XIII. ADJOURNMENT

Al Baker made a motion to adjourn the meeting at 11:04 a.m. Sandy Bradfield seconded and the motion carried.

Approved By: _____
Board Member Signature

Date: _____