



Fall 2016

Owners Meeting

A meeting of owners is scheduled for Wednesday, November 30, 6:30pm at the Glenwood Community Center. The purpose of the meeting is to present the plan for a special assessment to replace the roofs and do all the deferred maintenance identified in the Reserve Study performed last summer. A notice has been sent to each owner, including a spreadsheet of the items of work, the budget for each item, and what the assessment will be for each size of unit. If you have questions you want answered at the meeting, communicate them to Silver Mountain Properties soon. Email admin@smprop.com. The Board will try to have answers prepared in advance. More detailed information was in the notice that each owner received on November 14.

New Website

Check out <http://terracecondosglenwood.com>, the new website of the Terrace Condominiums. It has a beautiful look and is designed to keep owner information up-to-date. The Owner page is password protected; ask Silver Mountain for your password, if you don't already know it.

There are forms on the new website for owners to update their addresses, email, telephones, etc, as well as tenant information for investors. There is a form for an owner to register a complaint and a form to request maintenance or report a problem that needs attention.

Budget information is there, including year-to-date budget and balance sheets and meeting minutes. The goal is to have information available on the website to reduce the number of calls to Silver Mountain.

Sewer Problems

Three major sewer problems have occurred, starting in the fall of 2015. They all involved units on the back side of buildings built on slab floors. Settling of soil under the slabs left sewer pipes unsupported and they sagged and cracked or broke.

Leaks were identified under the two back units of Building 5 and one back unit of Building 1. Video scoping showed broken or cracked sewer pipes and bows or bellies of low places that caused poor drainage or backups. The remedy was been to cut a large rectangle in the slab in the kitchen or bathroom to get to the pipes. In all three cases, the ground had settled, leaving pipes hanging in mid-air.. To repair, all the contaminated soil had to be removed—by hand—shovel and buckets--and the pipes repaired or replaced in a way to prevent future problems—for example, attaching pipes to the foundation wall. Then the empty space had to be filled with new dirt—by hand-- and the slab hole patched. Finally, since there was still a little air space under the slab, foam was injected to fill the voids.

Each of these repairs has cost the HOA about \$40,000-\$50,000. The last one, this fall, in Building 5 also identified problems with the sewer pipe as it passed under the garage, so one garage floor was cut open to repair that. Scoping the sewers in Buildings 5 and 6 showed that the main sewer line was not out in front of the garages, as shown on the original plans, but passed under the garages and that line has low points in it. The tentative solution is to put a new main line in place where it should be—in front of the garages—and abandon the problem one. That work involves connecting two lines in each building from the old sewer line a few feet back in two garages out to the new line.

The three repairs, including the fix in one garage, have cost \$170,000. This has totally depleted the reserves that the HOA had built up. There is no money right now to build a new sewer line in front of Bldgs 5 & 6. The current plan is to have the existing line jet-cleaned on a regular basis to keep it flowing and then to video scope the lines in other buildings as money becomes available. Our consulting engineer tells us to be prepared for similar problems in other buildings. The video scoping will help us identify other problem places

and show the extent throughout the Terraces. Then the scope of work will be clearer and a complete plan can be made.

All of these problems go back to the original construction, when the soil was not properly prepared and compacted before foundations and slabs were poured. We, the current owners (and Board) have to deal with the problems created and find solutions. If these problems accelerate before we can build adequate reserves, there is a real possibility of a special assessment to fix them.

Declaration Change

The Board is proposing an addition to the Terrace Declarations. Two paragraphs need additional language to satisfy the bank's requirements to approve a loan to perform all the maintenance and repair work. These are Section 8.1 and 10.1, which deal with the powers of the HOA and with assessments. The Articles of Incorporation give the HOA the power to borrow money, but changes in state law governing condominium associations have placed increasing emphasis on the Declarations as the principal governing document and so the bank looks to the Declarations.

Two-thirds of all owners must approve a Declaration change. This change is the key to getting a loan, which in turn is key to being able to offer 20 quarterly payments on the special assessment. Without the change being approved, without a loan, the only other option is a special assessment due in full on the assessment date. The Board **STRONGLY** encourages each owner to approve the change.

The Declarations are on the new Terrace website, <http://terracecondosglenwood.com> on the Information page.

Behavior of Children

This summer and fall there have been problems with children—mostly upper primary school boys—crossing the line from playing to destructive behavior. ***Remember that as parents, you are responsible for your children. And remember, as investor owners, you are responsible for the behavior of your tenants, including children.***

Problems include taking rocks from along-side the buildings and leaving them in the grass where they become dangerous obstacles for lawnmowers, rocking portable toilets to try to tip them over, and throwing rocks that break windows. This goes beyond “boys will be boys.” Parents and landlords, please talk to your children about what is playing and what is destructive behavior. Parents and investors will be fined for damages, and the children will be reported to the Glenwood Springs Police Department.

Reminder: Your attendance at the Owners Meeting on Nov. 30 is important. Plan to come!