

## **Annual Meeting**

The annual meeting of the Terrace Condominium Home owners Association, Inc., was held on Jan. 27, 2016. This year 41 owners were present and 19 more submitted proxies. This is a record turnout for the annual meeting, prompted in part by questions about the monthly assessment increase.

For the first time, the proposed budget was accompanied by an explanation of the various components and why they changed or why they were fixed. This allowed owners to analyze the budget in advance, rather than just waiting to ask questions at the meeting. The board expressed the same concerns as many owners did with the increase in the cost of Silver Mountain Properties management fees and explained what the board was doing to try to reduce or minimize those costs. The budget was approved with 19 owners dissenting.

The terms of four of the seven board members, Jan Cowan, Andy Hermes, Mike Simpson and Thomas Tankersley, were expiring. There were no other nominations from the floor and so all four were re-elected to two-year terms ending in December 2017. Continuing members are Amy Smith, Andy Hermes and Richard Jones, whose terms end in December 2016. Officers — president, vice-presidents, treasurer and secretary — are elected by the board at their first meeting after the annual meeting.

Owners discussed the problems with the roofs and the false starts over the years to fix or replace them. The board presented an outline of a plan to address the replacement of the roofs this year. (See the Roof Replacement section below.)

Board members acknowledged the contributions of Julie Hanson, who served as president of the board since she joined the board in January 2007. She resigned from the board in fall 2015. When Hanson became president, the HOA was in a sad state with no reserves and not enough money from the settlement to fix all of the problems that remained after the remediation work. She led the board to slowly work through problems and build financial stability to the budget. All owners owe a debt to Julie for all that she contributed to the Terraces.

The draft minutes of the annual meeting are on the Terrace website at <http://www.smprop.com>

## **Ice Dams**

With the heavier snows in January and the warm, sunny days and freezing nights, ice dams have built up on the roofs again as they had in 2013–14. The worse spots were the valleys where the dormers on the front of the buildings connect. This is principally over the balconies of the front units, causing huge icicles hanging from the gutters and in some cases from the ceiling of the balcony. The ice dams were attacked with a new method this time — using steam to melt the ice from the roof, rather than scraping the snow and ice off by hand. All roofing experts say that a properly installed roof, with proper ice and water shield layers installed **should** prevent ice dams from causing damage. But, of course, no one will **guarantee** it!

A good explanation of how ice dams are caused is a short video on the American Family Insurance website. The link is: <http://tinyurl.com/zt84dlo>

## **Ice on Sidewalks**

In addition to ice dams, there have been severe problems with ice on sidewalks, especially along side of the elevators. The heat tapes in the gutters do not prevent the ice buildup, which is partly due to the loss of flashing with the gutters. The gutters are kept clear by the heat tape in them, but water is avoiding the gutters and then dripping onto the sidewalks. Any roof replacement will have to be designed to prevent the water runoff and ice buildup on the sidewalks. Any solution needs to avoid installing heat tape on the roofs as this is very expensive to operate.

## **Revising the Declarations**

The Declarations are the "constitution" of the Terraces. That is, they lay out how the Terrace Condominiums were created and how they operate, from defining common elements to how the HOA board is established and what authority it has. The current Declarations are original from when the developers built the first buildings, and much of the content has to do with what control the developers retained until everything was finished. All that is history now. Additionally, state law has changed regarding condominiums, HOAs and management companies. The board has started work to revise the Declarations to bring them up to date. Revised Declarations must be approved by 80 percent of all owners and by 67 percent of all first lien holders.

The current Declarations are on the Terrace website at <http://www.smpop.com>

## **Annual Garage Sale**

The annual garage sale weekend will be Saturday and Sunday, May 21 and 22. This is the only time anyone can hold a garage sale at the Terraces, so mark your calendar and start getting your merchandise ready. The HOA will arrange for advertising for these two weekend days.

## **Roof Replacement**

As discussed at the annual meeting, the board has started a process to replace the roofs of the 12 buildings at the Terraces. As a preliminary, we need a "reserve study" that shows the lifetime and replacement costs of various common elements — like roofs, exterior painting, hallway carpets, etc. — and the reserves we should build to cover them. The board is identifying experienced local firms and intends to get a reserve study started soon.

With a reserve study, we can approach banks to explore the options to borrow all or part of the money. This could allow owners to pay the costs over time rather than in a single, big assessment. Initial conversations with a local bank are positive about getting a loan with favorable terms.

Before we borrow money, we must pin down the total cost. With warmer weather coming to keep snow off the roofs, we will start getting bids. Since there are not many shingle roofs the size of the Terraces in the Valley, it is likely that a roofing contractor from Grand Junction or Denver will offer the best bid. We also need bids on repairing and upgrading the attic spaces — fixing broken heat ducts, dryer vents, clogged air vents and insufficient insulation. The attics of Buildings 2 and 3 were repaired and upgraded a year ago and initial observations during the ice dam period show the work helped to keep the attics cooler and thus reduce ice dam formation. Repairing or replacing the gutters and having proper flashing are part of the project too.

With firm costs for the scope of work and loan offers from banks, the board can determine the best path forward, in terms of the size and timing of a special assessment. We can also see if replacing all roofs at once is the best option, compared with staging the replacements by doing a few buildings each year.

Look for more information in newsletters or special news with your monthly statements. A special meeting of homeowners will be held when the plan is finalized and before a special assessment is made.

## **Happy Spring (Mud Season)!**