

ORO GRANDE LODGE ASSOCIATION
Board of Directors Meeting
January 19, 2012
5:00 pm

Board members present were Matt Gaunt and Mike Perrault (who joined at approximately 6:00). Lorna Kennedy and Glenn Watt attended via telephone.

Representing Summit Resort Group were Kevin Lovett and Deb Borel.

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I. Call to Order: 5:05 pm

II. Owners Forum – The meeting was advertised on the website. No owners other than board members were in attendance.

III. Minutes - Minutes from the November 4, 2011 Board meeting were reviewed and approved.

IV. Officer Elections - Officers were elected as follows:

Lorna Kennedy - President
Matt Gaunt - Vice President
Glenn Watt - Secretary / Treasurer
Mike Perrault - Director
Matt Walsh - Director
Travis Leo - Alternate

V. Financial Review – Board and Management reviewed year to date financials as follows:
December 31, 2011 Close

December 31, 2011 close financials report that Oro Grande has \$19,473.43 in the operating account, \$13,698.32 in the Alpine Bank Reserve account and \$47,668.34 in the Capital One Reserve account.

December 31, 2011 financials report \$ 251,418.20 of actual expenditures vs \$254,404 of budgeted expenditures; we close the year \$2985.80 under budget in operating expenses.

Account Highlights

Areas of major underage/ and overage were reviewed:

Underage

6240 Common Area Gas - \$6478 under
6270 Contingency - \$4017 under
6430 Window Washing - \$1200 under
661 Mgmt Labor - \$3828 under

Overage

6650 Fire Protection - 1023 over
6660 Elevator - \$3016 over
6662 Supplies and Contractor Support -\$5875 over

6730 Repairs and Maint Pool - \$1382 over

SRG will email the Board account detail of GL #'s 6660 and 6662

Operating budget 2012 - approved and in place

VI. Managers report – The following managing agents report was presented:

Completed Items

Hallway window bars installed

Quiet hours signage posted around bldg

HBO programming restored

Exercise mats installed in exercise room under equipment to dampen sound.

Report Items

Water Work - The Board discussed and reviewed proposals submitted for "water work" items; this was follow up to discussion at the 2011 annual owner meeting.

Issues discussed included:

Sand in water supply - clogs screens

Scale Build up - bad for pumps, fittings, valves, causes leaks

Aggressive water -causes pin hole leaks

Solutions to the above problems were presented as follows:

Sand- install a sand trap on the main coming into the bldg (right after the water meter) in mechanical room by front entry door

Scale Build up/ Aggressive water - Calcium -Magnesium / Low PH

Domestic Hot Water- install an electronic conditioning system in the 2nd floor mech room. In a home, you would put in a water softening system; a water softening system on a bldg of our size is totally impractical. The electronic conditioning system will "descale" the domestic hot water system. This will help the lives of valves, pumps, pipes. This may result in short term leaks on the system as the existing scale is removed (existing scale in some areas may have already eaten through the pipes, and it in itself is keeping line "water tight"). The descaling may help in loosening up some of the "frozen" valves (frozen from calcium buildup).

Heating system - the heating is a "closed" system with a fresh water fill mechanism that adds fresh water when necessary. There is some glycol in system; need to test it as it is probably insufficient. Glycol is "non- aggressive" and coats pipes which in turn prevents scale build up. We have "aggressive water" and when heat is added, makes it much more aggressive causing pumps to fail, valves and piping. The fix is to add glycol to 30-40% and to install a glycol injection system to take the place of the fresh water fill.

Domestic Cold water - the Cold water is essentially "less aggressive"; therefore, we can treat it differently. We are seeing the "blue / green" build up and pin hole leaks on the cold water side; not really scale build up. Low PH. The fix is to add a soda ash injection system on the main water supply line coming into the building. This essentially adds a food grade liquid into the water that "coats the pipes"

preventing aggressive water from touching the pipe. this is added in the first floor mech room by the front door.

Bids to implement the four solutions were reviewed as well as a report from a third party water consultant. Upon review, Lorna Kennedy moved to accept the proposal from The Water Guy / Hilco to implement the four solutions; Glenn Watt seconds and the motion passed. SRG will see that this work is completed. SRG will work with the Snake River Water District to formally request their further attention to the "sand in the water" issue; the Snake River water District will be approached with a request to "split" the sand filter installation expense if unable to rectify the situation.

Garage area fan move - the fan in the garage that supplies fresh air to 2nd floor mechanical room vibrates to unit above, 203. Plans to relocate / re-support the existing fan were reviewed. Matt Gaunt will meet with SRG and mechanical contractor to discuss proposals further.

Sound proof exercise room wall - A bid / plan was presented to sound proof the exercise wall that backs up to unit 208; even with the sound proofing install, there is good chance that the sound will carry through the ceiling. At this time, additional sound proofing will not be installed. However, the Board agreed that the hours of exercise will change to run from 8 am until 9 pm.

Sanctuary dead trees - SRG will continue efforts to have Sanctuary developer cut down the dead tree that is near Oro Grande property.

Saflok install to 3rd floor owner locker room - decision was made to not install a saflok on the 3rd floor owner lock room at this time.

Security camera system - The "recording" hard drive on the security camera computer has failed. Board agreed to have a DVR installed on the security camera system. A surge protector will be installed.

Holiday repairs - the following Holiday repairs were reported on as complete:

- garage door, repairs complete (minor expense)
- pool area dehumidification system and garage heaters (\$1000)
- front door main saflok card reader replace \$250

Door repairs - the following door repairs were reported on as pending:

- main door from garage to lobby, replacement opener ordered
- back "man door", lock handle under repair

Energy Audit - has been ordered

Mailer update to Owners - An informational mailer is planned to be sent to owners in May 2012

VII. Old Business

A. Association Document Audit - SRG completed a review of all Oro Grande Association documents to ensure in compliance with current Colorado Legislature. SRG

reported that all Association documents are in place and on website. However, all current Board members do need to sign and turn in the Conflict of Interest Acknowledgement forms.

B. Arapahoe Inn Update- there has been no communication from the Arapahoe Inn.

C. Wi-fi

Resort Internet proposal and current agreement was reviewed as follows

-Original contract signed, December 21, 2007; 1 yr deal that auto renews each year without one month cancellation notice

-Current monthly fee \$1111.50 (original fee \$1000 - annual price increase cpi + 1%)

-Offer, in exchange for 5 year renewal, upgrade to wi-fi throughout bldg

Travis Leo and SRG are exploring possible alternative arrangements for the next renewal.

VII. New Business

A. Projects 2012/ capital plan - The Capital Reserve plan and Projects slated for 2012 were reviewed. Items listed in the plan for 2012 include:

-water work - these items approved

-garage area fan move - remains under consideration

-sound proof exercise room wall - not planned to be addressed in 2012

-3rd and 4th floor wallpaper / corner guard project - remains under consideration for 2012

-roof- full inspection, repairs - the inspection will take place; repair proposal TBD

-stucco repairs to ledge - remains under consideration

-pool area painting - remains under consideration

-additional "placeholders" are in the plan for mechanicals and would be pursued on an as needed basis only.

B. Solar - SRG will obtain bids for solar

C. Denver contractors - the Board would like Denver contractors to bid on projects where applicable.

VIII. Next Meeting Date

Next meeting will be in early May 2012 and will be coupled with a walk around the building. SRG will poll board members in April on exact dates.

IX. Adjournment

The meeting adjourned at 6:35 pm