

ORO GRANDE LODGE ASSOCIATION
Board of Directors Meeting
January 4, 2018

Board members Lorna Kennedy and Matt Gaunt were present in person. Fred Sherman was present via teleconference.

Representing Summit Resort Group were Kevin Lovett and Katie Kuhn.

I. CALL TO ORDER – The meeting was called to order at 9:02 am.

II. OWNER/VENDOR FORUM – Breckenridge Mechanical representatives Josh Baker and Don Dew were in attendance. The heating system was discussed in detail.

- Owners have complained that the hallways and units are hot.
- There are two separate systems for the hallways and the unit heat.
 - Rooftop furnaces blow heated air into the hallways. These are set to 65° and cannot be adjusted to different temperatures per floor.
 - Each unit's temperature is individually controlled via a thermostat installed in the unit. Two large boilers heat the hot water that runs through the baseboards. The baseboards do not heat up unless the thermostat calls for heat.
- Breckenridge Mechanical has commissioned engineering reports for Oro Grande's heating system, and based on these reports and their experience with Oro Grande, they have made the following observations:
 - The hot water pipes are mostly uninsulated, so the heat from the pipes radiates in the units.
 - Units with a lot of sun exposure are also easily heated. It has been suggested that owners try window tinting on the South and West sides, as well as leaving their blinds drawn to minimize solar gains.
 - The building is very well insulated, so hot air does not leak out. Board Members in attendance stated that their unit heats just by having people present.
 - The fireplace pilot lights also contribute to the in-unit temperature. Unit 308 saw a 3° temperature decrease when turning off the pilot light.
 - Breckenridge Mechanical has an infrared camera and will work with Summit Resort Group to inspect several units to identify other possible sources of heat.
 - The hallways have different temperatures due to the infrastructure and design of the building. The 4th floor remains a comfortable temperature due to fresh air vents located in the hallways, which vent directly to the outside. The 2nd and 3rd floors do not have these vents, and only have dampers at the end of the hallways. In order to cool the hallways down, air has to be able to flow. Some potential options that were discussed are:
 - Install damper on 2nd floor that ties into fresh air duct that discharges at the roof.
 - Install barometric dampers that vent to stairwells on 2nd and 3rd floors.
- Breckenridge Mechanical stated that they would not be comfortable lowering the hallway heat temperature as requested by an owner.

III. MINUTES – Matt made a motion to approve the minutes from the June 8th, 2017 and July 7, 2017 Board meetings. Lorna seconded and the motion carried.

IV. FINANCIAL REVIEW – Board and Management reviewed year to date financials as follows:

November 30, 2017 close financials report that Oro Grande has \$12,468 in the operating account, 10,062 in the Alpine Bank Reserve account.

November 30, 2017 financials report \$264,033 of actual expenditures vs \$250,331 of budgeted expenditures; which results in a \$13,702 (5.5%) overage year to date.

Account Highlights

Areas of major underage/ overage:

Underage

- Contingency - \$2,300
- Fire Protection - \$1,965 (anticipated to close year closer to budget figures due to annual testing expenses)
- Elevator - \$1,938

Overage

- Gas - \$6,356
- Snow Removal - \$2,273
- Mgmt Labor Maint/Repair/Grounds - \$4,823 due to painting of the pool vents, doors, and hallway touch ups, luggage cart repairs, Saflok repairs and replacements, and trash pick ups, dump runs, cleaning, etc...
- Supplies & Contractor Support - \$3,486 due to mechanical expenses, roof maintenance, and basement drains cleared

All monthly reserve contributions have been made.

A/R is good, all dues are current.

Reserve funding regarding the roof was discussed. Roof replacement is scheduled in 2022 for \$208,000. With no dues increases or special assessments, Oro Grande will have a \$180,000 shortfall. The following funding examples were reviewed.

- Option One: Special Assessment
 - Stagger over 6 years: \$700 (approx.) per unit
 - One time assessment: \$4,000 (approx.) per unit
- Option Two: Dues Increase
 - Annual increase of 7.5% to total dues, contribute all the increase to Reserves
- Option Three: Special Assessment and Dues Increase
 - Annual 5% dues increase, contribute all the increase to Reserves
 - One time special assessment of \$1,000 (approx. per unit)

The Board would like to survey homeowners on which would work best for them, and make a decision before the annual meeting. SRG will draft a letter to be approved by the Board at the next meeting.

V. MANAGER'S REPORT – The following managing agents report was presented:

Completed Items

Stairway smoke detector replaced
Lock replaced on fire system
Garage door repaired
Fall clean up
Saflok repairs
Irrigation winterized
Heat tape repairs
Broken tree limbs removed
Garage door lock repaired
Internal drain cleaned in garage
Hot tub repaired for no heat
Roof repairs
Motion light installed near north lawn
Interior door repairs
Painted pool area ceiling vents

Pending

Dog waste sign installation
Leak in 208 behind wall will be repaired now that the holidays are over.
A noisy fan in garage needs motor replaced, and a proposal from Breckenridge Mechanical is pending. SRG will consult Breck Mech on whether the fan is necessary.

The following action items from the annual meeting were discussed and reported on by Summit Resort Group:

- Owners were concerned about people propping doors open and leaving the building unsecured. An owner suggested installing a time delayed alarm on the common area doors that will sound when the door is left ajar too long. After discussion, the board approved the installation for approximately \$300, for the door at the rear of Oro Grande with the caveat that the owners closest to the alarms are consulted first.
- Repair fire doors that are not properly latching – Completed, awaiting bid to replace 2nd floor fire door that has delaminated
- Check weather stripping around common area doors – All look good, but will continue to monitor
- Provide information to Art Littman and Robert Welch regarding heating system – Completed
- Review concrete decking around pool area where water pools – Water pools in these areas because they are sloped towards floor drains.
- Bike rack clean out and storage was discussed. SRG will order and distribute updated bike permits along with a letter detailing the bike clean out procedure. A homeowner at the annual meeting also suggested adding new vertical bike racks in the ski locker room off the garage. Each rack is approximately \$15 to purchase. The Board approved purchasing and installing ten new racks, with a sign stating to “Store at Your Own Risk”, and a new camera focused on the new bike racks.
- Investigate water on floor in unit 204 – Completed, water was coming from a broken refrigerator supply line, not pool condensation
- Investigate maintenance responsibility of exterior decks and door weather stripping – homeowner responsibility per Declarations: “*all maintenance of*

individual Units including...doors, patios, decks, and other fixtures designed to serve a single Unit, shall be the sole responsibility of the respective Owners.”

- Bundle phone contract with Resort Internet – SRG has inquired with their sales team and is waiting for a response.
- Install motion lights on exterior near north lawn – Completed
- Investigate sound dampening panels or acoustic tile to reduce pool area noise
- 32 sq ft of noise dampening panels can be purchased for \$270. The pool ceiling is approximately 1,750 sq. ft., so 50% coverage would be about \$7,382, not including installation costs. Due to the expense, the Board decided to not pursue this further.
- Investigate funding options for roof replacement in 2022 - Completed
- Stucco repair near unit 402-Pending (requires warmer weather)

VI. RATIFY ACTIONS VIA EMAIL

Matt made a motion to approve the following action via email:

- 10-10-17 ESA Request (Approved)

Lorna seconded and the motion carried.

VII. OLD BUSINESS

- The heating system was touched on again after Breckenridge Mechanical left the meeting. The following items were discussed:
 - Two homeowners at the annual meeting volunteered to look into the heating systems. Art Littman said he may have some engineering friends who could investigate the high heat, and Robert Welch could commission an energy audit or produce information regarding cost and benefits. SRG has sent both owners two years of gas bills and two engineering reports drafted by Breckenridge Mechanical as requested.
 - The hallway heat has been monitored, and no complaints have been received. While warm, it is comfortable and even a little cool on the 4th floor.
- Lorna mentioned that her unit heat has frequently been turned up to 66 degrees after security checks. Kevin said that Mike has been doing this due to a request received to turn the heat up. He will tell Mike to keep the temperature set during future security checks.

VIII. NEW BUSINESS

- There is damaged heat tape in the rear of the building that needs replaced. Karbowski Gutters provided a bid for \$760 to replace about 80 feet of cable. The Board approved the bid, dependent on a second bid from Turner Morris.
- Kevin briefly discussed the Board's purpose and positions prior to delegating officers.
 - He noted that all Governing Documents are on the website, and recommended reading through them occasionally to get familiar with them.
 - Summit Resort Group is the facilitating agent, but all decisions are made by the board.
 - SRG is planning to structure the 2018 meeting a little differently, so that it is easier to adhere to the agenda and stay organized. The Board agreed that the changes would be beneficial for the next annual meeting, mainly the Board sitting up front and helping SRG run the meeting.
- An Owner's Lounge Committee was formed after the 2017 annual meeting, and their recommendations were discussed. The Board approved removing the large wooden

- entertainment center and refrigerator for approximately \$100. Repainting of the oak storage unit for \$50 was also approved, assuming labor would be donated. SRG will include a note regarding the Owner's Lounge in the annual mailer to homeowners.
- A Management Fee Disclosure was reviewed, along with the Conflict of Interest Policy.

IX. NEXT MEETING DATE

SRG will contact the Board in April to set a May meeting date.

IX. ADJOURNMENT

The meeting was adjourned at 10:47 am.

Board Member Approval

Date