

ORO GRANDE LODGE
HOMEOWNERS MEETING NOTES

NOVEMBER 10, 2007

Meeting Called to Order

At 1:10 p.m., Craig Boroughs called the Oro Grande Lodge homeowners meeting to order.

Homeowners Present:

Myron and Barbara Moorhead, #200	Curt & Christine Hauer, #403
Fred Sherman, #201	Ken & Lisa Hoyt, #304
Mr. & Mrs. Al Sanborn, #205	Travis & Genie Leo, #309
Craig Boroughs, #209	Lane McKnight, #312
Matt Walsh, #210, #406	James Lee & Susan Anway, #402
Matt & Megan Kelly, #409	Douglas & Debra Spurgeon, #410
Paul & Samira Soto, #412	Tommy O'Hara, pending owner of #301
Lorna & John Kennedy, #305	

Units Represented by Proxy:

Larry Slade, #204	Kathy Lambert, #208
Dennis Hoke, #214	John Mullen, #216
Francis & Anne Mojo, #301	Robert & Judith Thompson, #302
Harlan & Carolyn Wilder, #310	Bruce & Patricia Kelso, #313
Terrence & Kari McCanna, #400	James & Patricia Armstrong, #401
Patrick & Nanette Regan, #411	Elmer Altschuler & Anna Perre, # 416

Summit Resort Group Property Management personnel in attendance:

Peter Schutz
Kevin Lovett
John Crowell

Introductions/Proof of Notice/Proxy Count/Quorum

An opportunity was provided for all present to introduce themselves. Following the proxy county, it was determined that a quorum was present.

Keystone Citizens League

Sherry Strong from the Keystone Citizens League presented an informational update on activities around the valley and information about participating in the Keystone Citizens League. The Keystone Citizens League, formed in the mid 90s, is a group of Keystone owners that take an

active interest in the Keystone Community. The organization's primary objective is to maintain and improve the quality of life in the Keystone area through communications with Keystone Resort Management, County Commissioners, and the National Forest Service as well as other groups. Any owners interested in joining the Keystone Citizens League should contact the Keystone Citizens League at www.keystonecitizens.org.

Review Minutes of Last Meeting

Minutes from the last homeowners meeting held on November 11, 2006 were distributed in the meeting packet and owners reviewed the minutes in conjunction with the Report from the Board as the status of items in the minutes were addressed throughout the presentation.

Report from the Board

Craig Boroughs conducted a PowerPoint presentation with assistance from Travis Leo and Matt Walsh. The following topics were discussed:

- Management History
 - East West Management managed the property from 2001-2003.
 - Resort Quest took over management from 2003-2007.
 - During the spring, the Board was concerned about the responsiveness and decline in the quality of service being provided from Resort Quest, so after a short-list of qualified property management companies was identified, a Request for Proposals was submitted to the companies on the short-list including Resort Quest.
 - Upon review of proposals received from Keystone Property Management, Key to the Rockies, Resort Quest, and Summit Resort Group, Summit Resort Group was hired as the new Association Management Company in October of 2007 for a one year contract.

- Review of 2007 Projects
 - Needed gutter, heat tape, and drainage improvements were completed to address issues with water seeping into the back garage wall.
 - New trees were planted and noxious weeds were removed as part of an agreement with the original building developer to receive a portion of the County Bond for the original landscaping plan.
 - The Board worked with a maintenance tech from Resort Quest to plant the trees, and savings from this in-house effort resulted in extra funds from the County Bond that were used to update the exercise room with new equipment.
 - Completed landscaping improvements included removal of numerous tree stakes that were installed as part of the original building development and clearing of flower beds including the bed around the Oro Grande sign and placement of red wood chips.
 - The garage was power washed in May and again in October. The Board is planning to have the garage swept more regularly during the coming winter.

- Exterior windows were washed. The budget for exterior window washing for 2008 was reduced to one wash per year. The season for washing the windows is short and while periodically washing the exterior windows is important, it seems more practical to do this once each summer.
 - The ski locker room floor was stripped, cleaned, and sealed.
 - Energy efficient compact fluorescent light (CFL) bulbs were installed. Substantial savings (~\$7,000 annually) are *predicted*.
 - A price for natural gas was locked in for the 2008-2009 winter for a significant portion of the historical usage for winter months. Since this line item is the largest line item in the budget, the winter hedge makes budgeting much easier and protects the association from large fluctuations in the price for natural gas.
 - Various repair and painting projects were completed including the painting of the pool area and exterior garage doors. It was also noted that repair expenses to the handicap elevator have decreased. The Board thanked the owners for not using the handicap elevator to move luggage.
 - Estimates have been received to replace the light fixture covers in the pool area, and the covers should be replaced soon.
 - Owners' lockers are available, but there are fewer lockers than units, so there is a waiting list for the owners' lockers located in the hallway outside the pool area. Summit Resort Group recently completed an audit of current contracts for owners' lockers and sent a mailer to owners. Essentially, all owners expressed interest in having a locker. Estimates are going to be obtained to get more lockers to hopefully move towards having one locker for each unit. Several options for the location of more lockers are available including the 3rd floor meeting room. Current contracts are set up with a particular owner, so if a unit sells, the new owner is added to the waiting list. Owners were asked to contact Summit Resort Group if they are interested in getting a locker for \$100 annually.
 - The building was re-keyed on October 25th. Each owner received a mailer with new keys. The keys are good until October 31, 2008. New keys will be sent to owners prior to the current keys expiring in October 2008.
 - A few miscellaneous projects were completed: a new dumpster is in place and a "No Outlet" sign was installed at beginning of the fire road behind the building.
- Review of Other Topics
 - Laundry services were discussed. The Board stated that laundry fees for the coin operated machines at Oro Grande were decreased in 2006. In the past, income was unreliable, and there were questions about whether all the quarters were being deposited into the Association account. Also, the dryers do not work well, but the machines are functional. The Board has made it a priority to assure the machines are always functional. Since the machines are functional, the Board has held off on buying better machines, but ultimately, better machines could be purchased. Summit Resort Group pointed out that commercial laundry services are available but the service would likely be more expensive than the current arrangement. The expense to install additional laundry machines on the 3rd floor at Oro Grande would exceed \$6,000 due to the need to change the size for pipes to handle the additional machines.

At this time, there are no plans to proceed with obtaining additional laundry equipment.

- Keystone transportation services were discussed. The cost for transportation was included in the budget for 2008, so the Association will continue with the services. Keystone still has not provided the stickers to use as bus passes or provided details in regards to the route for the coming winter. Summit Resort Group will mail the updated stickers (or passes) to owners as soon as these stickers are received.
- In the past, the same personnel used for cleaning rental units were used for common area cleaning, so during the busy rental periods, the staff was focused on the rental units and the common areas were neglected. After the rental rush was over, the Board noted that the staff tended to treat that time as break time and still did not give the building the attention it needed. To break away from this pattern, an outside contractor, Perfect Services Cleaning, was hired to focus on the common area cleaning. The budget for Common Area Cleaning for 2008 was increased as part of this effort to see that the building gets the needed attention.
- As part of the management contract, Summit Resort Group will be completing in-unit security inspections weekly in the winter months and semi-monthly in the summer months.
- The building limit for the insurance coverage had not been increased in some time, so the limit was increased resulting in an increase to the premium. Also, a risk analysis was completed, and the few noted issues are being addressed.
- Currently, high speed internet is provided by Resort Internet through contracts with individual units for \$21 per month. Owners also have the option of contacting Comcast on their own to add high speed internet services (\$45.99 per month). A new bulk program has been offered by Comcast that includes one modem in each unit for \$16.95 per unit per month plus a one time \$39.95 installation fee per unit. In order to realize the \$16.95 bulk rate, every unit will need to be signed up. A motion was made to add the Comcast bulk internet deal to the dues for \$16.95 per unit per month; the motion was seconded and passed. It was noted that this would result in a dues increase of \$16.95 per unit per month to cover costs. Summit Resort Group and the Board will discuss implementation as well as the effects on owners with existing contracts with Resort Internet.
- An update was given on the Sanctuary development under construction behind Oro Grande. The development will consist of a few single family homes, duplexes, triplexes, and quad-plexes. Construction on the two buildings planned for the lots behind Oro Grande are not slated to begin until 2009. A larger berm is planned to be installed and will coincide with the 25 ft easement along with a 15 ft building setback. Work is being done to preserve the wetlands, and the Board has expressed interest in seeing the aspen transplanted if the grove behind Oro Grande needs to be removed. Summit Resort Group and the Board will keep in contact with the project manager.
- Owners were notified that the bike racks in the garage would be consolidated into one parking spot, and owners were encouraged to temporarily remove their bicycles as the bike racks are moved.
- The following projects were reported as pending: replacing carpets in the lobby area, building a cage to hold the sleds in the ski locker room, and repairing the stucco on the backside of the building.

- Rules and regulations were discussed. Owners were reminded to register their pets and pick up after their pets. There are less spots in the garage than units. Owners are allowed to park one vehicle in the garage and one vehicle in the parking lot. Parking passes will not be issued at this time as the needs in regards to parking passes are being monitored. Charcoal grills are not permitted on unit decks per county regulations. Also, no glass is allowed in the pool/hot tub area. The Board specifically asked owners to help with complying with rules and regulations and asked for owners to help by being polite to all owners and guests including times when owners are notifying other owners of their violations of the rules and regulations.
- A few notes about provided services were passed along to owners: recycling is available and the website for the association is up and running at www.summitresortgroup.com/hoa/hoa_oro_grande.html. Garage door openers can be obtained through Summit Resort Group at the expense of the unit owner, and cable boxes can be obtained from Comcast to get multiple HBO and Encore Channels since the cable contract includes Encore which is currently only provided using a decoder box.
- A couple owners expressed interest in seeing a welcome package prepared for new owners that would include information about such things as high speed internet, cable boxes, insurance coverage, garage door openers, etc. This care package could even include items such as coffee or other treats to simply welcome the new owners to the building.

Financial Report

Kevin Lovett from SRG reported the status of the financials for the association:

September 30, 2007 Close

As of September 30th, the Oro Grande association had \$25,719 in the operating account, \$7,560 in the Alpine Bank monthly Reserve account, and \$85,581 in the separate higher interest bearing Reserve account. The association was \$10,250 under budget year-to-date for 2007 operating account expenses. Financial statements through September for the association were prepared by Resort Quest.

Proposed Operating budget 2008

The proposed budget for 2008 was reviewed. Changes from the 2007 budget were discussed. Following the review of the proposed budget, Craig Boroughs moved to approve the 2008 annual operating budget; the motion was seconded and passed. Owners voted by voice vote to approve an increase to the dues by \$16.95 to include the addition of the high speed internet bulk program from Comcast.

Managing Agents Report

Kevin Lovett of Summit Resort Group thanked the Oro Grande Lodge owners for the opportunity to serve as property manager and stated that Summit Resort Group is very happy to be on task at Oro Grande and encouraged owners to contact Summit Resort Group should they need any assistance or have any questions.

General Discussion/Owners Comments/New Business

The Owners thanks the Board of Directors for their continued fine work at the building. The Board of Directors thanked Craig Boroughs for his efforts and work.

The owners expressed interest in participating in an "Owner Work Day" for owners to work together and complete spring cleaning, landscaping, and other projects. The work period would be followed by a potluck barbecue. **May 17th, 2008 was selected as a date for the owner work day.** Summit Resort Group and the Board will create a list of projects for owners to complete and an advertisement will be sent out to all owners regarding the work day.

The Board inquired for comments from owners about the usage of the meeting rooms and whether there is any interest in having a community room or a game room. Owners are primarily interested in having more owners' lockers, so if these rooms can be used to meet that need, more owners' lockers should be the priority. The 4th floor meeting room is rarely used. An owner suggested moving the exercise equipment to the 4th floor meeting room.

Election of Board Members

Two positions on the board were up for vote. Matt Walsh and Lane McKnight were elected to 3 year terms.

Next Meeting

The next homeowners' meeting was scheduled for **Saturday, November 15, 2008 at 1:00 p.m.**

Adjournment

With no further business, the meeting adjourned at 2:55 pm.