

ORO GRANDE LODGE HOMEOWNER ASSOCIATION

ANNUAL MEETING MINUTES

NOVEMBER 15, 2008

I. CALL THE MEETING TO ORDER

Craig Boroughs called the Oro Grande Lodge Homeowner Association Annual Meeting to order at 1:00 p.m. on Saturday, November 15, 2008 in the 4th floor meeting room at Oro Grande Lodge.

Board Members Present were

Craig Boroughs, President, Unit 209
Travis Leo, Secretary, Unit 309

Owners Present were

Myron & Barbara Moorhead, Unit 200	Fred & Susan Sherman, Unit 201
Alvin & Jarris Sanborn, Unit 205	Dennis & Connie Hoke, Unit 214
Lorna & John Kennedy, Unit 305	Geanie Leo, Unit 309
Kristy & Luis Hernandez, Unit 315	James & Andrea Anway, Unit 402
Michael Felicissimo, Unit 408	Matt & Megan Kelly, Unit 409

Owners Represented by Proxy were

Larry Slade, Unit 204	Matt & Andrea Walsh, Unit 210, 406
John Mullin, Unit 216	Tommy O'Hare, Unit 301
Robert & Judith Thompson, Unit 302	Richard & Laurie Guntren, Unit 307
Douglas & Melinda Grendell, Unit 308	Harlan & Carolyn Wilder, Unit 310
Bruce & Patricia Kelso, Unit 313	Terrance & Kari McCanna, Unit 400
James & Patricia Armstrong, Unit 401	Curt & Christine Hauer, Unit 403
Patrick & Nanette Regan, Unit 411	Paul & Samira Soto, Unit 412
David & Joleanna Sandblom, Unit 413	

Representing Summit Resort Group were Peter Schutz, Kevin Lovett and John Crowell. Dave Peterson of Summit Management Resources recorded the meeting minutes.

II. ROLL CALL; PROOF OF NOTICE

With units represented in person or by proxy a quorum was reached.

III. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

A motion was made to approve the minutes from the Annual Meeting held on November 10, 2007 as presented. The motion was seconded and carried.

IV. PRESENTATION BY BOARD AND MANAGEMENT

The Board and Management gave a Power Point presentation to review numerous completed projects and various other important topics as noted below.

- The Board renewed the management contract with Summit Resort Group for two years (October 2008 through September 2010). Several factors were considered in the decision as were discussed throughout the entire meeting, but several important projects were completed and the basic service was provided as expected.
- Additional owner lockers were added to the 3rd floor meeting room to meet demand and owner interests expressed at past annual meetings. Everyone will now have an owner's locker, and there will no longer be an additional charge for an owner's locker.
- A berm with an impermeable liner was added along the east wall as a final task to keep water from seeping into the garage wall, and the berm was covered with gravel. An additional impermeable liner was also added to the area between the fire road and previously installed berm along the north wall and covered with gravel. This area does not receive much sun, and it would be difficult to get anything to grow in this area. The new liner will help prevent weeds from growing in this area and further reduce water from seeping into the ground near the garage wall.
- Damaged areas to the stucco were patched, and the patched areas were painted. The damaged areas were caused by ice falling from the roof along the back of the building before the new gutters were installed last year.
- The two new spruce trees planted in 2007 unfortunately died and were replaced with chokecherry trees. The mature pines along the highway were sprayed for pine beetles during the spring and one of the mature pines unfortunately was hit with beetles and had to be taken down.
- Landscaping tasks are now completed by Summit Resort Group including mowing, pulling weeds, and some manual watering.

- The Spring Clean-Up Day during May was a big success. Appreciation was expressed for all owners that volunteered to help clean the building and grounds. Another Oro Grande Spring Clean-Up Day was scheduled for June 6, 2009.
- A surveillance system was installed during May and became immediately useful to help identify culprits that had rifled through unlocked cars at Oro Grande (and throughout Summit County). Because of the images from the cameras, the Sheriff's Department was able to arrest several local teenagers who had been stealing items from unlocked cars. The Board expressed appreciation to Lane McKnight that volunteered several hours to get the system installed and help track down all the needed components to install the system at a low cost.
- As part of efforts to address security concerns, owners were reminded not to leave the exterior doors propped open. There have been incidents of the house phone by the entry being used by people to make calling card calls. Some of these offenders did not reside at Oro Grande. Management will be monitoring the situation. Owners suggested moving the phone inside the lobby.
- New keycards for the building were issued and effective on October 29th. The keys will be good for one year. Keycards for the doors to rental units are administered by the rental agents with separate common area keys provided by Summit Resort Group.
- During 2007, the Board identified that the previous management company charge a monthly management fee twice during the last month of service (September of 2007). The Board challenged the previous management company over the duplicate charge, and the initial response was that the charge listed as a monthly management fee was for back maintenance costs from up to four year ago that totaled to exactly equal the management fee, but after additional communication, the charge for \$1813 was eventually refunded.
- An access easement exists and is on file with the County for access through Arapahoe Inn parking lot. The owner of the Arapahoe Inn wanted Oro Grande to cover the costs for snow removal and maintenance of the easement area, but the agreement clearly states that the owner of the Arapahoe Inn parcel is responsible for maintenance including snow removal. Summit Resort Group met with the owner of the Arapahoe Inn to discuss the concern, but the Board has expressed that no changes will be made to the previous agreement.
- Several repairs were completed during the past year.
 - The garage door operator motor was replaced.
 - Several pumps used to pump hot water to the baseboard heaters were replaced. Given the age of the building, these costs may be routine. There is only one original pump remaining, so hopefully, that pump is the only pump that will need to be replaced in

- the near future. Management may go ahead and order a replacement pump so heat to affected areas will not be down for long when that pump finally fails.
- The pump for the patio snowmelt system was replaced, and the snowmelt sensor was replaced. The sensor had been yanked down. It was replaced higher, so it will be harder to reach.
 - The motors for the pool ventilation system were replaced. One of the motors failed and as the motor was being replaced, the other motor went out. Breck Mechanical personnel stated that the motor had not been grounded correctly. As these repairs were being made, the pool area was very humid for a couple weeks. The paint bubbled up, but has settled and may be fine for a while. Summit Resort Group may work on the stain to the doors in the pool area.
 - Two small leaks (drips) were repaired to pipes above the 2nd floor hallway.
 - An ice dam was removed from the roof over the winter. Owners of 4th floor units were advised to notify Summit Resort Group immediately if they ever notice any evidence of wetness near their ceilings, especially during the spring thaw.
 - Repair costs for the handicapped elevator are still low, and the Board expressed appreciation to all owners for not using the handicap elevator to move luggage.

The Board specifically noted that they will be looking to Summit Resort Group to continue to help control contractor costs whenever possible. Some progress has been made as some contractors have done a good job including the contractors used to install the berm, clean the exterior windows, and steam clean the carpets, but there were a few incidents during 2008 where contractors were not as responsive as they should have been or the costs were simply too high.

The Board toured the building mechanical rooms with Management and Breck Mechanical over the past year to identify potential issues and review repairs made throughout the year.

- Light covers in the pool area were replaced. The new covers are recessed a bit more, so hopefully, stains will not burn into these covers as easily. An area on the pool wall may need to be patched at some point.
- The next potential bigger reserve expense may be to replace the doors from the pool area to the patio that will be more secure, sealed better, and more resistant to humidity, but the plan is to try to make it a bit longer with the current doors.
- A television stand was installed in the exercise room, and issues with heat have been addressed by using the 2nd floor ventilation system. Management will research installing a programmable control on the ventilation system. Some additional accessories may be purchased for the fitness room depending on the budget.

- Several projects were completed during 2008. The garage was powerwashed in the spring. The vending machine in the ski locker room was removed because it was not being used. A sled cage was added to the ski locker room. Exterior windows were cleaned in August. Hallway carpets and lobby rugs were steam cleaned in November.
- A bulk high speed internet contract was signed to provide high speed internet service to every unit. Since several individual contracts were in place with Resort Internet last year, the Board decided to stick with Resort Internet for a bulk contract and rescind all the individual contracts in the process as opposed to trying to switch to Comcast while several individual contracts with Resort Internet were still in effect. The service from Resort Internet has improved with the changes for the bulk service, and the contract will be allowed to automatically renew for another year.
- Laundry income has been significantly higher. The Board suggested that the machines have not been used more, but the quarters are simply making it into the Association account and specifically thanked Summit Resort Group for looking out for the Association in this area. The dryers do not work well, but complaints have decreased since the cost was reduced to 50 cents. The machines are functional, and the Board has made it a priority to assure the four washers and four dryers stay functional. Eventually, better washers and dryers will be installed. Unfortunately, adding machines to the third floor would be very expensive because pipes in the vicinity are not sized to handle two additional washers. An owner suggested snaking the dryer vents to clean them out if this had not been done recently.
- The common area cleaning contract was allowed to expire as the service had gradually deteriorated. Management and the Board are reviewing alternate options but may focus on having individual full building cleans completed on occasion as opposed to having a continuous service contract. The Board again thanked all owners that participated in the Spring Clean Day to help get the building cleaned up.
- Unoccupied units are inspected by Management twice a month in summer and once a week in winter. These inspections are very important to assure no leaks or backed up drains or any other issues are apparent and not being addressed.
- Summit Resort Group added Oro Grande lodge to their bulk insurance agreement and was able to significantly reduce the insurance premium for the Association as a result; however, the premium is expected to increase in 2009.
- The Fourth floor meeting room was converted into an owners' lounge. The room was only being used once a year for meetings, so this option seemed like a better use of the space. Since items in the room will be donated by owners, only owners will be provided keys. Contact Summit Resort Group if you would like a key to the owners lounge.

- Management has been working to address issues with the cable signal for some specific units. Contact Summit Resort Group if you have issues with your cable signal. The current cable contract stipulates that Encore should be provided to Oro Grande, so cable boxes can be obtained from Comcast to get Encore, but it is the owner's responsibility to pick up the cable boxes. Contact Summit Resort Group for the details on how to get a cable box.
- No new changes in the plans for the Sanctuary development behind Oro Grande are apparent. Two buildings will eventually be constructed behind Oro Grande, but work on these specific buildings is not anticipated till the summer of 2010. There will be a 25 ft pedestrian setback with an additional 15 ft building set back from the Oro Grande property line. A new higher berm will be installed between Oro Grande and the buildings. It does appear that the wetlands are now receiving water. The Board has asked Management to communicate with the developers to see if the current aspen grove behind Oro Grande can be moved and maintained if at all possible.
- The Board specifically asked all owners to please help with obeying all Rules and Regulations and to also be respectful when communicating with other owners. The Board announced that no pets are allowed for renters. The Board specifically asked for everyone to pick up after their pets, not leave garbage bags in the hallways or garage, to not leave doors propped open after hours, and to not take glass into the pool area. Dogs are not allowed in the pool. One parking space is allotted for each unit in the garage with one additional space in the parking lot. Parking passes will not be distributed at this point. During busy periods, management has been communicating with those that have multiple cars to specifically note that only one car is permitted in the garage for each unit.
- To assure good communication with owners on Association activities, memos were sent to owners in May and in August with the monthly billing statements, and meeting notes are posted on the Association website: http://summitresortgroup.com/hoa/hoa_oro_grande.html. The previous e-mail list has not been used as it was very difficult to keep the list current, and several owners' e-mail filters were filtering the e-mails.
- Several other topics were discussed. Garage door openers are available to be purchased. Contact Summit Resort Group if you want a garage door opener. The bigger windows at the east end of the hallways need to stay closed as the low level of the windows has been identified as a safety concern by the insurance provider. Also, the smaller windows at the east end of the hallways have been closed for the winter. The bike racks have been consolidated into one parking space for the winter but will be spread out across two spaces before the summer. If you have problems with the timer for your fireplace, the Association will cover the cost for a replacement timer. Summit Resort Group will be shoveling around the dumpster often again this winter to prevent icing issues in the dumpster housing. Recycling containers are in the dumpster housing. Delivery of

Summit Daily newspapers has been inconsistent at times, but Management is communicating with the Summit Daily to express interest in seeing papers delivered every day (The Denver newspapers that are delivered to the building belong to individual owners, so please do not take the Denver newspapers).

The Board specifically thanked Summit Resort Group for their diligence and careful management procedures over the past year.

V. FINANCIAL REVIEW

The Board and Management reviewed the financial report with the budget and operating expenses. The Association is over budget significantly for 2008 due to increases in natural gas costs and the new bulk internet agreement which was not included in the 2008 Budget.

Natural gas is over budget by \$13,941 and the internet service costs are \$9,727 year-to-date. A natural gas price for the coming year was recently locked in for 75% of historic usage, but the budget for natural gas for 2009 still needed to be significantly increased. For 2009, an 8% dues increase was proposed effective 1/1/2009. The Board emphasized that this is the first dues increase in three years and high speed internet and owners lockers will now be included in the dues and not charged separately. A motion was made to accept the 2009 Budget as presented. The motion was seconded and carried unanimously.

VI. OWNER FORUM

A. Transportation

Several questions were raised regarding the end of Keystone Transportation service. Keystone Resort had been providing transportation service to Oro Grande through a temporary authority with the Colorado Public Utilities Commission (PUC), but in the spring, a judge denied Keystone permanent authority to continue operating as a contract carrier. Keystone has suspended transportation service for Oro Grande as a result of this ruling.

Summit Resort Group has been communicating with Keystone to request transportation service at Oro Grande, but unfortunately, there is no indication that service will resume for this winter.

It was noted that the shuttles did not drop off very close to the gondola at River Run and walking to the Mountain House base area does not take long, but it was also acknowledged that walking is not an option for some renters.

Currently, the Summit Stage stops in front of the Keystone Inn heading east. A stop had been added in front of the Arapahoe Inn heading west, but the stop was removed due to safety concerns related to trucks coming off the pass. The Board noted that the stop was removed while I-70 was being repaved over the summer and all trucks were being diverted over Loveland Pass, but the stop was not added back after the trucks were back on the Interstate. Summit Resort Group will research Summit Stage options further. Owners suggested having the Board send a letter to the County regarding Summit Stage options.

B. Smoking Policy

The Board clarified the smoking policy at Oro Grande. Smoking is NOT allowed in any common areas including the hallways, lobby, stairways, pool area, and garage.

C. Bulletin Board and Denver Post Bin

An owner requested adding a bulletin board to the owners' lounge or exercise room for postings. A question was also posed about getting a Denver Post bin added on the property. Management and the Board will follow up on these matters.

VII. ELECTION OF BOARD MEMBERS

The terms for Board members, Craig Boroughs and Travis Leo, expired and were up for election. Lorna Kennedy volunteered to serve on the Board. Travis Leo declined to retain his seat on the Board and nominated Craig Boroughs for President and Lorna Kennedy for the Board. Both candidates were elected by acclamation.

VIII. SET NEXT MEETING DATE

The next Annual Meeting was set for Saturday, November 14, 2009 at 1:00 p.m.

The next Oro Grande owner Spring Clean Day is scheduled for Saturday, June 6, 2009 at 9:00 a.m. and will likely be followed again with a barbecue.

IX. ADJOURNMENT

With no further business the meeting was adjourned at 2:48 p.m.