

**THE CORRAL AT BRECKENRIDGE HOMEOWNER ASSOCIATION
EXECUTIVE BOARD MEETING
August 8, 2015**

I. CALL THE MEETING TO ORDER

The Corral at Breckenridge Homeowner Association Executive Board Meeting was called to order by Geoffrey Forman at 8:00 a.m.

Board members participating were:

Geoffrey Forman, President, 304E

CJ Milmoie, Secretary, 308E

Terry Lee, 202E

Lorri Heuck, Treasurer, 105E

Tim Lawler, Vice President, 102S

Bill Schwartzkopf, 108S

Representing Great Western Lodging (GWL) were Chad Christy, Keith Kroepler, Brian Juchno and Leanne Hamilton. Erika Krainz of Summit Management Resources was recording secretary.

II. PROPERTY TOUR

Geoffrey Forman said the Board toured the property with management yesterday. The painting looks very good.

III. OTHER BUSINESS

A. *Snowmelt System Replacement*

The main issue for discussion at the Annual Meeting will be the snowmelt system replacement. The estimated cost is \$709,000 plus the expense to hire a liaison to oversee the project. Chad Christy can provide a recommendation. Tolin is the most qualified contractor for this type of work in the mountains and will most likely be the contractor selected in order to preserve the warranties and service agreements.

The existing system is at the end of its useful life and is likely to fail in the near future. It is running at 25 – 30% efficiency and the 80+ zones in the driveways are not balanced. The new system will have a more modern control system for distribution. The standard warranty on the tubing is one year but it might be possible to negotiate a longer term in the contract.

Geoffrey Forman recommended levying a Special Assessment to finance the project. If bank financing could be obtained, it would be expensive. A chart was created to provide an idea of what the Special Assessment would be by unit size, assuming a cost of \$800,000 for all expenses and a 5% contingency. In rough numbers, the Special Assessment will be \$10/sq.ft.

Chad Christy said the Board should discuss if the Special Assessment will be paid in one lump sum or in installments. If an installment option is offered, the last payment would have to be received no later than May 1, 2016.

It was noted that proceeding with the project will be a Board decision and will not require a homeowner vote. The owners will be provided information today and invited to provide feedback. The process should be transparent.

B. *Other Projects*

Other potential projects that could be paid for from the projected year-end surplus included:

1. Hallway Floors - the hallway floors are listed in the Reserve Study for 2016/2017. The floors are very slippery for ski boots. This project will be explored for the coming year since there is funding available.
2. Exterior Painting – the south and west sides need more frequent painting. Brian Juchno will assess the buildings and put those sides on a set schedule with three-year intervals. The east and north side intervals can be six to seven years. The buildings were last painted in 2009 as part of the reconstruction. The most recent bid is \$13,000 lower than the last time.
3. Picnic Tables – Brian Juchno suggested adding picnic tables and a gas grill for each building in the common areas.

C. *Real Estate Update*

A real estate update will be included in the meeting packet. A unit recently sold for \$715,000, indicating that the market is improving.

D. *Employee Theft Coverage*

The Association attorney filed a lawsuit on behalf of the Association related to the employee theft policy. The attorney will be paid on a contingency basis, under which the law firm will receive 1/3 of any award. The Association will be responsible for paying expenses such as court and deposition costs, which the attorney estimated would be \$8,000 – \$10,000. If the Association prevails, its share of the award should be \$30,000 minimum, but could be as much as \$160,000. There is a case being decided in the Colorado courts on this specific area of insurance law. It would allow for double damages (\$340,000 maximum) for bad faith on the part of the insurance company.

IV. RECESS AND RECONVENE

The meeting was recessed at 8:53 a.m. in time for the Annual Meeting and reconvened afterward at 11:59 a.m.

V. ELECTION OF OFFICERS

Bill Schwartzkopf made a motion to retain the same Officers. Tim Lawler seconded and the motion carried.

VI. SET NEXT MEETING DATE

The next Board Meeting will be held on Tuesday, October 13, 2015 at 5:00 p.m. MST via teleconference.

VII. ADJOURNMENT

Bill Schwartzkopf made a motion to adjourn at 12:03 p.m. Lorri Heuck seconded and the motion carried.

Approved By: _____

Board Member Signature

Date: _____