

**THE CORRAL AT BRECKENRIDGE HOMEOWNER ASSOCIATION
ANNUAL MEETING
August 13, 2016**

I. CALL TO ORDER

The Corral at Breckenridge Homeowner Association Annual Meeting was called to order by Geoffrey Forman at 9:06 a.m.

Board members present were:

Geoffrey Forman, President, 304E
CJ Milmoie, Secretary, 308E
Tim Lawler, 102S (via teleconf.)

Lorri Heuck, Treasurer, 105E
Terry Lee, 202E
Bill Schwartzkopf, 108S

Owners present were:

Ada & Hal Anderson, 301W
Bill & Ginger Lake, 106S
Barbara Forman, 304E
Don & Karen Unger, 208W
Chris Rains, 303W
Dean & Trish Jacot, 207E
Gary Duffens, 208S

Shannon Lee, 202E
Mike Yura, 103W/101W
Diane Mikulis, 306E
Jim, Dan & Sharon Mikolitis, 301E
Kirk Hanes, 204E
Gerry & Jen Hurley, 203W
Stephen & Jacob Weitz, 104S

Mike Clement, Rich Kleinhans and Andrew Newton of Tolin Mechanical were guests at the meeting.

Representing Great Western Lodging were Chad Christy, Brian Juchno, Jeff Cospolich, Pete Vanderlinden and Leanne Hamilton. Erika Krainz of Summit Management Resources was recording secretary.

II. ROLL CALL & PROXIES

Leanne Hamilton confirmed there was a quorum for the meeting with 19 units represented in person and receipt of 13 proxies.

III. VERIFICATION OF NOTICE

Leanne Hamilton confirmed that notice of the meeting was sent.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

Bill Schwartzkopf made a motion to approve the August 8, 2015 Annual Meeting minutes as presented. Lorri Heuck seconded and the motion carried.

V. PRESIDENT'S REMARKS

The Board and membership recognized the Great Western Lodging staff for their work on behalf of the Association over the past two years.

VI. MARKET & TOWN UPDATE

Jeff Cospolich provided the update. Summer guest volume has been high. Highway 9 north of town is being realigned. Compared to the previous winter, occupancy was up 6%, average daily rate was up 3% and revenue per unit was up about 5%, resulting in one of the best winters ever in terms of sales tax revenue. The Town and Vail Resorts agreed to a funding stream but parking and transit in town are still being debated. A parking garage was initially discussed but the Town has moved away from this concept due to concerns about exacerbating the congestion problem. The Town will be focusing on improved lighting, more roundabouts and pedestrian friendly improvements in an effort to reduce the number of cars in town. Kiosk metered parking on Main Street will be implemented to free up spaces for visitors. Owners were encouraged to read the Summit Daily News for updates.

Vail Resorts is building a 14,000 square foot restaurant at the top of Peak 7 and purchased Whistler ski area this past week.

VII. FINANCIAL REVIEW

A. Profit & Loss as of June 30, 2016

Chad Christy reported that of the end of June, the Association was operating \$2,625 favorable to budget.

B. FY 2016/2017 Budget Discussion and Ratification

The 2016/2017 Budget as proposed included no dues increase. There have been savings in Gas and Electric as well as operating efficiencies over time. Brian Juchno is working with Century Link to identify the 12 phone lines coming in to the building. The elevator and fire monitoring system are required to have land lines.

Up until two years ago, the building was categorized as a condotel due to the operational Front Desk. First Bank was the only local bank that would lend for Corral units and required a 30% down payment. Removing the office and PBX eliminated this designation and now all lenders will finance Corral units.

The Reserve balance as of September 1, 2015 was \$155,000. Contributions were \$56,722, Special Assessment income was \$800,000 and there was \$26,463 of additional income from an insurance settlement. The driveway snowmelt project was budgeted for \$709,000 and expenses to date have been \$708,426. The only other Reserve expense was \$24,000 for sealcoating the decks. The projected balance for the end of August is \$306,000. There are no significant projects scheduled for next year. Refinishing the wood on the west sides of the building is a potential project and a determination will be made after this winter.

Dean Jacot made a motion to approve the 2016/2017 Budget as presented. Dan Mikolitis seconded and the motion carried.

VIII. PROPERTY MANAGER'S REPORT

A. 2015/2016 Completed Projects

1. Completed ongoing small repairs throughout the property as needed.
2. Resealed the east and west hallways. There was \$36,000 budgeted in Reserves and the actual cost was \$26,000.
3. There has been vandalism to the pedestrian gate over the years. A metal fabricator built a reinforced gate. Lighting will be added and the door latch will be reinstalled. The total cost for the entire project should be under \$5,000. A third security camera will be added.
4. The driveway snowmelt project was completed. Work started on April 18th and was completed by the July 4th weekend as projected.

B. Pending Projects

1. Work with Century Link to identify the incoming phone lines and eliminate any that are not needed.
2. The north and south sides of the post and rail fence will be repaired.
3. Look into repaint two sets of metal stair railings.
4. Exterior window washing will be done in October.
5. Bids will be solicited from landscaping contractors for a comprehensive landscaping plan. Owners were encouraged to forward suggestions and requests to the Board.

C. General Discussion

Owner questions and comments included the following:

1. An owner suggested adding a rain sensor to the irrigation system so it does not activate during storms and after it rains. Chad Christy responded that the growing season is only about eight weeks long and the irrigation is operated on a timer.
2. An owner commented the stair railings and vents in the south building are very rusted.
3. The owners recognized Brian Juchno and his staff for their work at the property during the snowmelt project. The cost for a General Contractor would have been 10 – 20% of the project cost. A technical advisor was hired for the installation.
4. Ada Anderson said there was an ongoing problem with rust in the water in the west building. The problem is especially bad during periods of low occupancy. Brian Juchno said the hot water heaters are not steel lined but the problem does not appear to exist in all units. Tolin Mechanical will do some investigation and possibly test the water.

IX. OLD BUSINESS

A. Driveway Snowmelt Project

Mike Clement reviewed the history of the snowmelt system. The original system was thin gauge tubing, had leaks, was not installed at the correct depth, had uneven run lengths that caused uneven flow and required operation at higher temperatures.

The new system is high efficiency, is insulated underneath to radiate heat to the surface and has equal run lengths to ensure a balanced system and efficiency at lower operating temperatures. He believes the manufacturer's warranty is about 40 years and the installation and craftsmanship warranty from Tolin is one year. Tolin can provide an annual maintenance contract after the warranty expires.

The manufacturer assisted with the design of the system. The boiler room equipment was redesigned. There are 38,000 feet of tubing buried 6" – 8" deep and the system holds 1,200 gallons of water/glycol mixture. The system has 17 zones with new controls that will provide an estimated 20% energy savings. There are two sensors in the slabs that will automatically turn the system on and off. The control valve was moved to the other side of the heat exchanger so the fluid is not constantly circulating when the system is not in use.

A question was raised regarding the expected remaining useful life of the boiler room equipment. Mike Clement estimated the equipment would need replacement in five to ten years. The equipment is in pretty good condition and Tolin has been able to significantly extend the life through preventative maintenance.

CJ Milmo commented that there were some areas of cracked concrete. Brian Juchno said he spoke to several concrete contractors. They indicated the cracks were caused by the corner of the planter boxes. There will be some cracking and it will be monitored. One crack was repaired but the surface spalled. Funds have been withheld until the contractor returns to cut out and replace the damaged section.

B. Insurance

Geoffrey Forman made a motion to require all owners to provide proof of appropriate insurance coverage for their units as defined in the CC&R's Article 7.1 through 7.5 to GWL. Shannon Lee seconded and the motion carried.

X. NEW BUSINESS

A. Unit Access

Geoffrey Forman believes some owners have changed their door locks and the locks are no longer on the master system. Brian Juchno said issues arise when a unit cannot be accessed by management or the Fire Department in an emergency.

Geoffrey Forman made a motion to require all owners who are not on the master key system to provide GLW a key to the unit and for any units that do not have access to the garage from the unit to provide the code to open the garage door. Ada Anderson requested an amendment to require all owners to be on the master system. Since this is already a provision in the Association documents, the motion was withdrawn. Management was asked to actively enforce this provision.

B. Domus Pacis Presentation

CJ Milmo spoke on behalf of the Domus Pacis organization. It provides one week of respite care for families affected by cancer. He encouraged owners to consider donating one week of time in their unit to this cause.

C. Vacant Lot

The adjacent vacant lot was used for parking during construction of Water House. The developer paid to revegetate and put up the fence. The Town had originally planned to dedicate the space as a park but nobody currently with the Town remembers the agreement and there are no immediate plans to do anything. Mike Yura agreed to work on a project to have the property revegetated and merged with the old growth forest.

XI. ELECTION OF DIRECTORS

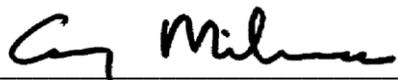
The terms of Tim Lawler, CJ Milmo and Bill Schwartzkopf expired and they indicated their willingness to run again. Chris Rains and Mike Yura self-nominated from the floor. Since there were other owners willing to serve, Tim Lawler and Bill Schwartzkopf withdrew their nominations. Bill Schwartzkopf made a motion to elect CJ Milmo, Chris Rains and Mike Yura by acclamation. Gary Duffens seconded and the motion carried.

XII. SET NEXT MEETING DATE

The next Annual Meeting for Saturday, August 12, 2017.

XIII. ADJOURNMENT

Bill Schwartzkopf made a motion to adjourn at 11:39 a.m. Jim Mikolitis seconded and the motion carried.

Approved By: 
Board Member Signature

Date: September 18, 2016