

HIGHLAND GREENS LODGE

BOARD MEETING MINUTES

Wednesday, April 20th at 1:00 pm MST

HGL Board of Directors

- Anne Mead – President
- Steeve Piper – Treasurer
- Bret Muller – Secretary
- Zephyr Wazallann – Member at Large

Alpine Edge Representatives

- Steven Frumess – General Manager
- Jessica Martin – HOA Administrator
- Kimberlyn Bryant – HOA Administrator
- Martha Zaugg – HOA Administrator

GoToMeeting Access Instructions

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Access Code: 454-904-573

1. Roll Call; Establish Quorum

The meeting was attended by Board members Anne Mead, Steve Piper, and Zephyr Wazallann. The Alpine Edge management team was also in attendance.

The meeting was called to order at 1:05 pm by Anne Mead.

2. New Business

a. Boiler Room Presentation

Devon, a representative from PSI, regarding the status of the boiler room. He informed the Board that PSI is concerned with the issues that are building up in the boiler room. At this point, it is costing more to be reactive rather than it would have been to be proactive. Moving forward, PSI needs approval from the board to develop a plan and hire a mechanical engineer to inspect the entire mechanical room. Devon recommended that the Lodge replace both boilers this year. The estimated cost would be anywhere between \$300-500K. PSI recommended three engineers and asked the Boards permission will get bids from them.

Alpine Edge trusts that PSI can manage the boiler room project from start to finish and coordinate an engineer. This cost would be paid through the Reserve Fund.

Anne motioned to have Devon (PSI) hire a mechanical engineer of his professional choosing to create a Mechanical Report for the mechanical room. The motion was seconded by Steve. All were in favor.

b. Update on Insurance Claims

Martha informed the Board of the current situation with Saul regarding his resistance to giving Alpine Edge information regarding his spending on this project. Saul is also performing work outside of the scope of service by hanging drywall in the common area except for the third-floor hallway ceiling. Steven informed the Board that Saul is expecting his next payment; however, Steven does not feel comfortable paying until everything has been reconciled. Anne said there are currently no bids or approval to have work done in the ski lockers and the lobby. Martha recommended to the Board that they reach out to Saul to reconcile everything that has been spent so far.

Anne clarified the section of the claim tracker that states a 40% deposit. She was not able to tell if the deposit had been paid or not, but it looked like the insurance company paid the entire balance of the lobby and the fire sprinkler leak. Martha explained that the claim sheet shows 40% of the estimation, which includes the project management fee, dump fee, and construction fee.

Steven said a reconciliation needs to happen so he can see the number of funds left for this project. Steven has a tentative meeting set for Friday with Saul and will tell him to stop working on the common areas.

Repairs to unit 403 have been stalled due to not being able to move forward without the fire sprinkler being fixed. Cintas cannot work on the sprinkler without approval from its legal department.

The game plan is to continue to try to reconcile and continue to use Saul as the contractor, except for unit 403 at this time. Alpine Edge will monitor him closely to make sure he is staying within his scope of work and cleaning up afterward. Martha added that going forward, Alpine Edge will coordinate the dumps and the cleans, so Saul will not receive money for that. Anne made a motion to request a reconciliation from Enriquez Construction (Saul) of their contract regarding the insurance claim up to the current date. The motion was seconded by Steve and unanimously passed.

Alpine Edge will send this request to Saul.

c. Hot Tub Project

Zephyr informed the Board that she spoke with Jill, from Turner Construction, who informed her that the Association did not sign a contract last year to lock in the Special Assessment price for the hot tub project. Anne adjusted that statement saying that it was due to their structure, and they would not sign a contract until the building permit was approved. The project is \$200K more than it was when the Special Assessment was completed. Anne reminded the Board that snow removal was not a part of the property management contract and that not having heated concrete around the hot tubs would add to their operational costs. She also said they would also have to change their scope of insurance. There are still grants through the Colorado Environmental Office that will pay up to \$9K per station.

Zephyr also stated that Jill told her that if they wanted to eliminate some things to get back down to the assessment price, they could move forward on that, and it would be around \$100K. Anne asked for it in writing. Zephyr read an email from Jill stating that the contractor would have to submit a new bid and if they wanted to eliminate one of the boilers. Zephyr asked the Board how to move forward. Anne said a Special Assessment is a possibility, but from a price perspective, it would be approximately \$612,200 in fees. Anne broke down the fees for the Board.

Anne explained that the funds they have collected for the Special Assessment are “restricted”. In order to approve the use of the reserve funds for the mechanical room, it would have to go through an owner vote.

Anne asked Martha how much was in the reserve account. Martha said \$327, 801, which might include some of the assessment.

There was a debate on whether they should do other Assessments or put off one project. Zephyr recommended returning the assessment money to the owners and having them pay the new assessment. Steve thought they need to prioritize the boiler room and put off the hot tub project.

Anne reminded everyone that the bylaws state that removing a common element (such as the hot tubs) would require 100% approval from the owners. She was concerned about the lack of engagement from owners and therefore not getting the legal requirements to vote. Martha informed her that Alpine Edge would reach out to nonresponsive owners via phone call and push for votes. Anne thought it would take too long to get survey results from the owners.

Martha said the next steps should be to speak with David regarding the steps it would take to make these changes. She reminded the Board that the boiler room can not be

held off much longer. Zephyr agreed and asked how they would explain the hot tub being postponed or turned into something else. Steve thinks they should demo the hot tub and start over. Anne reminded them of the bylaws.

Martha said the first step should be to talk to the lawyer. Anne said the accounting needs to be set up to see who has paid and who hasn't. Alpine Edge will communicate with owners regarding the situation. Anne will email David and CC Alpine Edge.

d. Capital Reserve Needs

3. General Board Comments

Martha informed the Board that the three cars that were stored in the parking lot belonged to one owner. He said he is in Florida at the moment and claimed to lose a pass but will have the cars moved by Monday. The Board agreed to wait to tow until noon on Monday.

Anne asked if there were any extra parking passes. Martha informed her that Alpine Edge did not receive passes from Wilderrest.

4. Adjournment

The meeting was adjourned at 2:53 pm by Steve Piper.