

Lake Dillon Condominiums Association  
Board of Directors Meeting Minutes  
March 5, 2021

**I. Call to Order**

The meeting was called to order at 9:00 AM. Board members Forrest Scruggs, Brian Donalson, Ken Lehman, Walt Spring and Julie Hummel attended via Zoom. Kevin Lovett and Peter Schutz attended on behalf of Summit Resort Group.

**II. Owners Forum**

Notice of the Board meeting was posted to the website. There were no Owners, other than Board members, present.

**III. Approval of Meeting Minutes from the November 10, 2020 Board Meeting and the November 24, 2020 Budget Ratification Meeting**

Ken moved to approve the minutes from the November 10, 2020 Board meeting and the November 24, 2020 Budget Ratification meeting. Julie seconds and the motion carried.

**IV. Financials**

Association financials were reviewed as follows:

December 31, 2020 Close financials

December 31, 2020 close financials report:

\$6,465 in Operating with \$2550 of Accounts Payable

\$59,751 in reserves

The P & L vs budget reports \$188,521 of actual expenditures vs \$190,188 of budgeted expenditures resulting in a year end operating “underage” of \$1667.

All 2020 planned reserve contributions have been made.

The 2020 yearend tax return preparation is pending.

January 31, 2021 Close financials

January 31, 2021 close financials report:

\$7,421 in Operating

\$61,913 in reserves

The P & L vs budget reports \$15,875 of actual expenditures vs \$16,770 of budgeted expenditures.

**V. Actions Via Email**

There were no actions via email completed since the last meeting.

**VI. Managing Agents Report**

The following items were discussed under the managing agents report:

Completed items; the following items were reported on as complete:

-annual backflow inspection

-annual state boiler inspection and minor repairs

Report/ discussion items; the following items were discussed:

-HB 1254 Annual Management Fee Disclosure; SRG presented the management fee as required by HB 1254.

-Conflict of Interest Policy Regular Review; The Conflict-of-Interest Policy was presented per the CCIOA required “regular review”.

-Annual HOA Disclosure; It was noted that the CCIOA required annual HOA Disclosure to Owners (requirement that communication is sent to Owners stating that all required HOA documents are posted on the Lake Dillon HOA website) has been fulfilled multiple times this past year to include website notification included in the annual owner meeting notification packet as well as post mailer.

-Insurance renewal; The HOA insurance renews April 1, 2021. The current carrier, Farmers Insurance, has provided a renewal proposal. SRG shopped the market and has not received a proposal that is competitive with the Farmers renewal. The Farmers renewal proposal includes the increase in building value as established by the independent insurance valuation completed this past Fall. Upon discussion, the Board agreed to proceed with the Farmers renewal.

-202/ 102 leak; This past February a leak occurred on a baseboard heating pipe fitting in the living room of unit 202 causing damage to a section of the floor in unit 202 and also damage to the ceiling in unit 102. Repairs are underway and expenses are expected to be below the HOA deductible.

## **VII. Old Business**

The following old business item was discussed:

A. Treadmill; The Board discussed purchase of a new treadmill for the clubhouse area. Walt will contact the Owners of the “old gym” in Dillon that closed to see if they have a treadmill that they are interested in selling.

## **VIII. New Business**

The Board discussed the following new business items:

A. Gas; The Board discussed the gas service. The current agreement with Tiger expires this May 2021 and currently includes a fixed rate of \$2.15 per dkthm. Gas pricing has increased, and fixed renewal options range from \$3.19 per dkthm to \$3.40 per dkthm. The current index pricing is \$3.11 per dkthm. Upon discussion, the Board agreed to ride the index at this time; if fixed rates drop, additional discussion will take place.

B. Boiler system; The Board discussed the boiler system. Per original design, there are two boilers in place. It was noted that the existing boilers and system is original and over 50 years old. There are concerns of piping corrosion and one of the pumps has failed and needs replacement. There is also a leak on one of the heat exchanger flanges. With the pump currently not functioning, at this time, only 1 boiler is running. The mechanical

company has stated concern of possible pipe collapse during pump replacement and possible catastrophic failure. While the replacement of the boilers has been on the radar and discussed by the Board and Owners for a number of years, the new issues have increased replacement urgency. Breckenridge Mechanical has provided a proposal to replace the boilers. It was noted that in addition to replacement of the boilers, once a permit is pulled the County will require environmental room upgrades to meet code. Timing of replacement (when to do replacement, how long will it take, how many days will heat, and hot water be affected) was discussed. The Board also discussed funding, obtaining alternative opinions and competitive proposals as well as notice to Owners. Upon discussion, Julie moved to proceed with the boiler replacement project with a start date of September 8<sup>th</sup> and completion date of approximately October 15<sup>th</sup>; Walt seconds and the motion passed. Two more proposals will be requested for comparison to the current proposal and when requested do they recommend replacing now or later. SRG will work to obtain additional proposals from mechanical companies. SRG will also obtain feedback from other companies with regard to their thoughts on timing. An email will be sent to all Owners informing them of the project, anticipated scheduling as well as anticipated special assessment amount and timing.

B. 2021 Annual Owner Meeting; The 2021 Annual Owner Meeting is scheduled for Saturday August 7, 2021 10:00 am.

C. Projects 2021; Projects slated in the Capital Reserve plan for 2021 include asphalt work and an allocation for hot tub water chemistry balancing machine. The asphalt will be viewed in the Spring to determine if asphalt work is necessary for 2021; if work is not necessary, this project will be moved out to 2022. The hot tub chemistry balancing machine will be moved out to 2022.

**IX. Next Board Meeting Date**

The next Board of Directors Meeting will be held after receipt of additional boiler replacement proposals.

**X. Adjournment**

At 10:15 am the meeting was adjourned.

Approved: 5-26-21