

**THE RESERVE ON THE EAGLE RIVER HOMEOWNER ASSOCIATION  
BOARD OF DIRECTORS MEETING  
OCTOBER 15, 2012**

The Board of Directors meeting was held on October 15, 2012 at The Reserve Club House. In attendance were: President Chad Sloniker, Matt Lydens, Joy Dunham, Regina Pickle, Chris Dudar and Linda Guerrette, property manager. Owners present were Peter Lord, Janet El-Bitar, Laurel Mohr, Marilee Horan, Jess & Kathy Frieze, June Misner and Kelly Young.

1. The meeting was called to order at 6:36pm.
2. **MINUTES:** The September 17, 2012 meeting minutes were reviewed. Motion to approve was given by Matt Lydens, seconded by Gina Pickle: All in favor 5:0
3. **FINANCIALS:** Chad asked if there were any major increases in the budget. Lawn Care 519 was over budget due to irrigation. Common repair 521 was over budget due to flood in club house. Paint Buildings 601 and Siding Replacement 606 were absorbing the \$10,000 paid this year for Building N Tyvek issues. Remaining \$13,500 is in the 2013 budget. Chad made a motion to approve the 2012 budget, Chris Dudar seconded the motion; all in favor 5:0.
4. **TREE CUTTING:**  
Jess Frieze inquired to the progress of the tree cutting by Holy Cross. Linda explained that although some of the branches are still in the 10 foot easement Bill Huber of Holy Cross thought it was acceptable and that they will reassess again in the future. The broken trees behind building N have been removed and the stump in front of building N will be removed next year and is in the budget for 2013. Discussion about replacement will resume next summer based on how sun exposure affects the ice buildup in front of Building N this winter.
5. **IRRIGATION SYSTEM:**  
Meeting with ERWSD and The Reserve (Chad Sloniker, Linda Guerrette, Peter Lord and David Probst of Pristine Landscaping) is set for Tuesday, October 16, 2012. Chad inquired of the plan of action so the meeting stays on track. Linda said we have water samples from point of entry as well as throughout the property, water tests, rotors packed with sledge and photos to prove the quality of water is not up to what is specified in our contract. The pressure and amount of water are also documented and Dave Probst will bring all evidence to the meeting. Peter Lord offered to attend the meeting since he was the initial contact for The Reserve when original contract and irrigation system was installed. Chad wanted the meeting to strive for resolution of the issues and procedure for moving forward.

Based on outcome of meeting and resolution to move forward Board will decide the amount of assessment necessary to proceed.

6. **NON-SMOKING POLICY:**  
Constant complaints by owners have brought this issue to the Board's attention. Currently the Decs & By-Laws state there is no smoking in common areas: pool, club house and hallways. Discussion was made to restrict renters from smoking in units, however, this draws the issue to the decks; legally the Board can restrict smoking on decks. Most rental contracts have a "no smoking in unit" clause. Linda proposed we educate owners of the issue through the annual meeting and newsletters, ask them to handle it neighborly and propose a vote at the annual meeting to restrict smoking on decks beginning January 1<sup>st</sup>, 2013.
7. **BUILDING N:**  
Tyvek and residing of Building N is to start Tuesday, October 16<sup>th</sup>. Guerrero Sheet Metal is contracted to have this project done in 1 ½ weeks. It will be done in sections as weather permits. Commitment of a crew to work every day was agreed by George Guerrero. Tyvek is to be applied 8 feet from bottom up with replacement of new painted siding. Siding on parts of decks that is not exposed to water/weather will not be replaced. Kathy Frieze asked if repair to hole was completed; Linda confirmed that metal was used to cover hole and spray was applied to repel birds from forming a nest again. Building N will be painted entirely with the exclusion of windows and trim based on a budgeted amount and time frame

of work prior to winter. Janet El-Bitar suggested that if possible we should save the expense of prepping building again in 2013 for windows/trim and try to do this year if possible.

Jess Frieze questioned why Guerrero Sheet Metal was doing the work since the roof project was not done up to standards and if he was even qualified. Linda explained that Guerrero has the permit on the building and the inspection done by the town will verify the quality of the work. Jess Frieze mentioned he thought the type of nail used was incorrect. Linda addressed the issue and found out that in fact the nails begin used were correct and that the screws put in the new siding on the east side of building N by Jess Frieze has the potential of causing the boards to split in 2-3 years.

County knows of 2 other buildings Q and K that do not have Tyvek. These buildings will not have to be done until existing siding is removed which is not on the 2013 schedule. Board is building this work into CIP when those buildings are scheduled for painting.

Laurel Mohr wanted to give the status of the repairs in her unit. She has turned the matter over to her insurance company which filed a claim, assessed the damage and George Guerrero has agreed to pay insurance company directly.

8. **RAILING REPLACEMENT:**

Linda explained that based on information from Wells Fargo, our project is not large enough to qualify for financing and that the fees involved may add up to be cost prohibitive. Based on this information an assessment for approximately \$1000/unit will be necessary to pay contractor 50% to start project. Chad suggested the Board get full payment by May, working with some owners on an individual basis and that the buildings be scheduled based on which owners are paid in full. The majority of owners in arrears happen to be on the bottom floors so are not affected by the cost of replacement. Peter Lord and others present asked if owners could handle this individually; Chad recapped that the Board decided this route would work best to ensure control over completion, specs are to code and design of each deck remained uniform for exterior of property.

Completion of project will be approximately 3 weeks beginning summer of 2013, product chosen is a powder coated black aluminum. Jess Frieze inquired about the color and why it is not white; Board explained that the trim is actually cream, black matches the pool fencing and that view is less obstructed by black vs. white.

Laurel Mohr asked if owners can have decks redone at the same time and AS4 LLC is providing 3 choices: pressure treated wood, Trex and cedar. All information will be included in the owner meeting packets as well as presented at the annual meeting.

9. **ANNUAL MEETING PACKET:**

Linda presented letter for Board to review. Ballot & proxy will be separate documents, water marked so they will be unable to be copied and numbered to provide owner privacy as well as for identification to prevent falsification. Packets will be sent out November 3<sup>rd</sup> and will need to be postmarked or received no later than 48 hours prior to the meeting.

Linda is awaiting McMahon & Associates to confirm date of audit which will be done prior to annual meeting.

Peter Lord asked if in an effort to go "green" an email list could be formed by building to keep owners up to date on projects. Board will require email addresses at annual meeting to begin process.

10. **2013 BUDGET & CIP:**

Linda said she added 3% for utilities such as electric, water/sewer and trash removal in the 2013 proposed budget. Janet El-Bitar inquired about when bids were last taken for these items; all have been reviewed in the last 2 years. Insurance was questioned by Janet El-Bitar and Linda gave the history that

we have signed a 3 year contract starting in 2012. New roofs did bring down the cost some and Matt Lydens would like Linda to inquire about the railing revisions to lower cost of insurance.

Painting Buildings 601 includes the portion of \$13,000 for Tyvek on Building N

Peter Lord asked why the bridge is being added as a line item to capital expenditures; Linda explained it is an insurance specification as well as the deck railings.

Moving on to capital expenditures, Chad questioned the difference between 2012 / 2013 in Roofs 610 as well as the Reserve Funds 360; this brought to Linda's attention that the ending number had been calculated incorrectly. Chad made a motion to table the approval of the budget because of the inaccuracy of the total expenditures which Linda will correct and send via email for approval. Matt Lydens seconded the motion; all in favor 5:0.

Linda has extended the CIP to include everything the HOA is responsible for maintaining and expanded it to 2023. Replacement costs and user life are still factors that have to be added. Suggestions to combine new and old buildings and move smaller items to the operating budget will clean up the line items.

11. The meeting was adjourned at 9:25pm.