

The Reserve on the Eagle River  
Board Meeting Minutes  
Tuesday, March 21, 2016, at 6:30 PM  
The Reserve Clubhouse

BOARD MEMBERS PRESENT: Scott Ashburn, Deb Forsline, Jess Frieze, Linda Guerrette, Marilee Horan and Brian Woodell

BOARD MEMBERS NOT PRESENT: Andrew Abraham

ALSO PRESENT: Dan McNeill, Managing Agent, Kerry Wallace, Legal Counsel and Sara Thurston McNeill, Secretary to the Meeting

- I. Roll Call. With six of seven Board members present, a quorum was established. It is duly noted that Jim Little resigned from the Board of Directors on March 18, 2016, via email. Deb Forsline welcomed all to the meeting and called it to order shortly after 6:30PM. Scott Ashburn explained that his home at The Reserve is now under contract and due to close in May 2016. Upon the sale of his home, he will also resign from the Board of Directors.
  
- II. Review and Approval of the Minutes of the February 16, 2016, Board of Directors Meeting. These minutes were drafted and circulated to all Board members for review via email. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE FEBRUARY 16, 2016, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was seconded and carried unanimously.
  
- III. Homeowner Forum. No homeowners attended the Board Meeting.
  
- IV. Proposed Amended & Restated Declaration – Insurance and Maintenance Considerations. Kerry Wallace of Goodman Wallace attended the meeting in order to clarify and answer questions related to Section 7 of the proposed Amended & Restated Declarations that she drafted for review. The Board, management and Kerry discussed clauses related to carbon monoxide and smoke detectors, limited common elements (such as decks), access to units and requirements for both association and homeowner insurance policies. Although Steve Derrado of Peliton Insurance was invited to attend the meeting, he could not do so. He did send along a sample insurance letter that the Board reviewed.

Kerry noted that the recorded plat map for the association is not very clear or easy to read. She ordered a complete O&E report for The Reserve and will need to do some more research before a comprehensive legal description can be compiled. An current survey may be needed. The next section of the proposed draft of the A&R Declaration that will be carefully reviewed by the Board will be Article 4: Use and Restrictions.

The Board thanked Kerry for attending the meeting, and there being no further questions for her, she excused herself.

V. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of February 29, 2016) and Deb Forsline presented them to the Board.

According to the Balance Sheet, the association currently \$38,261.30 in the regular checking account and \$130,659.45 in the liquid asset replacement account. The balance on the roof loan to Guerrero's Roofing is \$3513. As of the date of the meeting, the loan is FULLY PAID.

The Profit and Loss Statement reveals that the association has operating expenses of \$79,386 for the first two months of the year. This compares with budgeted expenses of \$86,472. Common Electric is over budget; Dan noted that now that the heat tapes have been turned off, this line item should equalize in the coming months.

The 2016 beginning balance in the Replacement Reserve Account was \$107,305.28. Funding totals \$19,080 (through March 13, 2016) and 2016 capital expenses total \$21,717.46 and include \$13,513 to Guerrero's Roofing, \$2234.70 for smoke detector replacement, \$1173.76 for the new Knox Box and \$2720 for the irrigation system design. The ending balance in the Replacement Reserve Account is \$104,667.82.

Accounts receivable over 90 days past due total <\$514.88>. Currently, there are five delinquent accounts of concern: two have been sent demand letters (if not fully caught up or on a payment plan within 30 days, they will be turned over the legal counsel for collections); a third has been sent a reminder email; a fourth has received a courtesy voice mail reminder and is sending a payment today; a fifth is on a payment plan and making progress to become current.

There was a MOTION: to approve the February 2016 Financial Reports. The motion was seconded and carried unanimously.

VI. Manager's Report. Dan McNeill reported that Guerrero's Roofing has completed ice dam removal on several buildings using a combination of a hot,

pressure washer and a more traditional hammering method. George Guerrero recommended installing either a Bylin system or heat tapes in problem areas (north facing eaves that back into dormers). Dan noted that these additions can be expensive capital outlays, and then more funds will need to be allocated for Common Electric in the operating budget. Alternatively, the budget for roof snow removal can be increased so that the association can address ice dams in a proactive manner.

Management presented three proposals for the weekly maintenance of the pool, one from Avalanche Property Maintenance, a second from Maximum Comfort Pool & Spa and a third from Specialized Pool Care. After review and discussion, there was a MOTION: TO AWARD THE CONTRACT TO AVALANCHE FOR THE 2016 SUMMER SEASON (14 WEEKS, 3 TIMES PER WEEK SERVICE FOR A TOTAL COST OF \$3500). The motion was seconded and approved unanimously. Management was directed to contact Colin Cyr to determine if he is interested in performing the daily opening and closing duties as he did last summer.

The required Knox Box has been purchased and installed in the west hallway of Building D. Management has collected keys to all units except for five at this point, and is working toward 100% compliance.

Management presented a proposal for a controlled burn of discarded brush at The Reserve. Concerns include the cost (\$1395) and scar it will create on the landscape. Alternatively, the brush can be hauled and deposited in the Eagle County Landfill at an estimated cost of \$2000 plus dump fees. A decision was tabled and management was directed to get the cost to mulch the brush materials instead.

Management distributed the Code Enforcement Spreadsheet (February 10 – March 18, 2016). 40 violations (all related to parking) were recorded. Two vehicles were towed. Management delivered a door-to-door water conservation memo to all residents on March 10<sup>th</sup>.

During a recent night time walk through of the property, Jess noted that seven landscape lights were not functioning and informed Sunshine Electric and Mike Skellion. The ballasts are slated for replacement.

Management will be working in the coming months to inventory the condition of all deck support posts and identify which ones should be replaced this coming summer. Linda Guerrette will provide Dan with a list of posts that were replaced in 2012 and 2013. Buildings D, G, K and N are slated for exterior painting (and partial siding replacement, as needed) this coming summer. The deck posts on these buildings will be slated for replacement, if needed.

Jess garnered a proposal for inspection of the bridge from Mark Hamouz of Alfred Benesch & Company, a firm that specializes in civil, structural and transportation engineering and has a branch in Denver. A field inspection and related report of the surface of the bridge would cost \$950; the railings could be inspected for an additional \$850. After discussion, there was a MOTION: TO MOVE FORWARD WITH BOTH INSPECTIONS. The motion was duly seconded and carried unanimously. The bridge decking is slated for sealant this coming summer at an estimated cost of \$2500.

Dan distributed proposals for tree and turf spraying and noxious weed control to the Board via email. The turf treatment for broadleaf weeds will include one comprehensive, organic-only application and then one, follow-up (organic-only) spot treatment. Thistles will be sprayed with an herbicide twice from the far berm to the sanitation building and the railroad tracks. Any other thistles will have to be removed by hand, as there is no effective organic herbicide for this noxious weed. There was consensus to move forward with the Ascent Tree Care bid for \$4200.

Management garnered a proposal last year from PSI for the jetting of all drain lines at The Reserve at a cost of \$23,000. Since this figure is much higher than budgeted amounts for plumbing repairs, management continues to address problem drains on a case-by-case basis. A memo will be distributed to all residents with the warning signs of slow or problem drains and emergency contact information in order to be pro-active and act within budget constraints.

**VII. Committee Reports.** Rick Agett is working to finalize the Reserve Study. He is waiting until spring weather to take photos of all of the common elements at The Reserve. The estimated, remaining useful life of each element will be forthcoming with the photos. Once the Reserve Study and related spreadsheet are complete, management can then update the spreadsheet each year with year-beginning and year-end balances, actual capital expenses, funding and anticipated costs based on actual bids.

Four proposals for the new irrigation system have been garnered so far; a fifth is forthcoming. These are based on the design done by Grand Junction Pipe and Supply. Once all of the bids are in, they will be forwarded to the Board for review and a decision. Depending on the cost, the Board may choose to phase this project over several years, and look at different funding options, including a dues increase, a series of special assessments, or both. Some Board members think that the entry landscaping project should be tackled with the first phase of the irrigation system project.

**VIII. Other Business.** Deb emailed the Board a proposed, revised Conflicts of Interest Policy. The Board reviewed it and discussed it, and returned one change

to Deb. She will make the change and bring the revised Policy with her to the April meeting for approval and execution. There was consensus to have any newly elected Board Members sign the Policy after their election at the Annual Meeting and prior to the first regular meeting of the Board of Directors after the Annual Meeting. In this manner, every Director will be informed of and consent to following the Policy.

- IX. Executive Session. At 8:20PM the Board of Director adjourned to Executive Session in order to discuss the terms of the settlement related to the lawsuit with person injured while riding his bicycle over a speed bump. The Board emerged from Executive Session at 8:30PM. The terms of the settlement are to remain confidential.

Management was directed to get the cost to install warning signs to advise motorists, pedestrians and bicyclists about the speed bumps, to be posted on either end of the property, along with the cost to paint each speed bump yellow.

- X. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 8:35PM.

Respectfully submitted,

---

Secretary to the Meeting