

The Reserve on the Eagle River
Board Meeting Minutes
Monday, July 16, 2018 at 6:30PM
Reserve Clubhouse

BOARD MEMBERS PRESENT IN PERSON: Deb Forsline, Jess Frieze, Linda Guerrette, Marilee Horan, and Christine Riker.

ALSO PRESENT IN PERSON: Dan McNeill, Managing Agent and Bob Oppenheimer of McNeill Property Management and Sara Thurston McNeill, Secretary to the Meeting

HOMEOWNERS PRESENT IN PERSON: Robbie and Christine Gregg (I-101), Brian Woodell (C-302), Marie Dowling and Susie Barber (D-201), Cassie Desmone (B-104 and F-204), Steve Wodlinger (C-101), Lynn Green—Bennett (D-204), Erik Miller (P-201) and Omar El-Bitar (G-101)

- I. Roll Call. With all five Board Members present, a quorum was established. Dan McNeill called the meeting to order shortly after 6:30PM.

- II. Review and Approval of the Minutes of June 18, 2018, Board Meeting. These minutes were drafted and circulated to all Board members for review and comment via email prior to the meeting. There being no suggested changes to the minutes, there was a MOTION: TO APPROVE THE MINUTES OF THE JUNE 18, 2018, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was seconded and approved unanimously.

- III. Homeowner Forum: Several homeowners were present to discuss recent rental activity at the Clubhouse, citing trash, parking concerns, smoking (during Stage 2 Fire Restrictions) and a food truck parked on the grass across from the pool. Ultimately, it was decided that the annual income of \$200 from the rentals was not worth the wear and tear and nuisance issues associated with large parties at the Clubhouse. Management will send a list of any future parties currently on the books to the Board and will suspend any future reservations until further direction from the Board of Directors.

Omar El-Bitar addressed the Board and questioned why his renter (of five years) has had one of his two trailer permits revoked (it was due to an expired license plate). Deb Forsline explained that the parking regulations do not allow tenants to park trailers at The Reserve any longer, but one of his two permits is still “grandfathered” under the old regulations. Furthermore, the tenant is in noncompliance with the storage of canoe and various other items in the common

area parking lot, and he has failed to pay his \$25 per month fee for the existing permit for one trailer.

Omar then asked about the installation of new rain guards on the undersides of upper level decks. Bob Oppenheimer, who is heading up the Deck Post Replacement Project, explained that he has identified a replacement material made of vinyl that is very affordable (between \$153 and \$163, depending upon the size of the deck). Owners can purchase the material and install it themselves, have management install the material or they can hire a third-party contractor to install it. The material, along with the new design works well to keep moisture off lower level decks while keeping the deck joists and support posts dry.

There was a request to remove all debris and construction materials from the deck project away from the sides of Building I and off of all sprinkler heads (at least one is damaged and needs to be replaced).

Deb Forsline reported that on Thursday, July 5th, Linda Guerrette spoke to the people playing horseshoes across from the pool. None of them were residents at The Reserve and they were drinking alcohol and smoking tobacco and pot. Linda informed them that there was a Stage II fire ban and all outdoor smoking is prohibited (smoking on common area is also prohibited at The Reserve, per the governing documents).

On Thursday, July 12th Deb reported that there were about 12 people with coolers, beer and lit cigarettes playing horseshoes. Deb asked them to leave because they were smoking and none of them were residents of The Reserve. The Board's stance on this issue was made clear last year when the group was courteously invited to speak for themselves at a Board Meeting. Deb reminded them of the fire ban again and asked them to clean up and clear out. She then contacted Officer Salazar, with Eagle County Sheriff department, regarding this group. He said that he would definitely drive by and cite them for the smoking and trespassing if he was called in the future. Deb continues to get complaints about noise and about non-dues paying persons using The Reserve's amenities.

Discussion ensued. There was a suggestion to remove the horseshoe pit, and another suggestion to add signage in the area to warn users that they must be residents of The Reserve if they play horseshoes or they will be considered trespassers and prosecuted to the fullest extent of the law. After further discussion, there was consensus to try the latter approach first.

Finally, Erik Miller addressed the Board with regard to recent fines he has accrued related to short term rentals in his unit. He noted that he was unaware that short term rentals must be for seven nights or longer, based upon the Amended & Restated Rules & Regulations that were adopted last May. Dan explained that the Rules were sent to all owners for a 15-day comment period in April and adopted by the Board in May. Many comments were returned and considered by the Board

prior to the adoption of the Rules and he failed to return any comments. Nor did he respond to the first warning he received from management. Subsequent fines for occupancies less than seven days were \$100 and \$200.

Erik requested that the Board waive his fines and he agreed not to rent to anyone for less than the required seven-night period. There was consensus to waive his fines as long as he returned the executed Short Term Rental Agreement to management prior to each occupancy, moving forward.

Cassie Desmone extended her sincere thanks to the Board of Directors for their efforts to keep The Reserve a great place to live.

- IV. Financial Review Kay Cheney, bookkeeper, prepared the June 30, 2018, financial reports and Dan McNeill presented them to the Board. According to the Balance Sheet, the association has \$89,206.38 in the regular checking account and \$229,414.06 in the liquid asset replacement account. Assets, liabilities and equity total \$330,060.41 including \$3,280.34 in prepaid insurance premiums and \$1418.62 in accounts receivable. The balance in the Replacement Reserve Account is \$167,345.25.

Dan reviewed the list of owners who are in arrears with the Board. Of the six accounts of concern, two accounts have been turned over to legal counsel for collections, three are on payment plans and one is for sale and slated to close soon.

The Profit and Loss Statement reveals that six months through the year, the association has total income of \$206,506 (based upon budgeted income of \$202,500) and has incurred total operating expenses of \$179,159 (based on budgeted expenses of \$213,458). Net income equals \$27,347. Dan noted that the drain line cleanouts have not yet been expensed, nor has any common hallway painting. None of the \$10,000 contingency has been used.

2018 capital expenses total \$63,496.53 and include \$795 in expenses related to the solar energy project and \$62,002 for the Deck Post Replacement Project.

- V. Manager's Report. Bob Oppenheimer reported on the Deck Post Replacement Project. 30 posts were included in the contract price; 39 posts have been replaced and two more are slated for replacement. Therefore, the Project is expected to cost \$126,127 for 41 posts. \$125,000 was allocated for the Project in the Reserve Study. The walkway lighting replacement project and entry landscaping project have been tabled for the time being. \$31,000 is the estimated cost to paint the exterior of four buildings this summer (estimated start date of August 1st); \$45,000 has been allocated for painting this year in the Reserve Study. During the painting project, management will make sure the contractor paints all of the newly installed deck support posts throughout the complex.

Management has a bid for the drain jetting project from PSI for \$11,500. There was a MOTION: TO MOVE FORWARD WITH THE DRAIN LINE JETTING PROJECT AT AN ESTIMATED COST OF \$11,500. The motion was seconded and a vote was taken; three Directors voted FOR the motion and two Directors voted AGAINST. The motion passed.

Management was directed to get the cost to replace the windows in the Clubhouse.

Stage Two fire restrictions are now in effect in Eagle County. These restrictions include:

- Building, maintaining, attending or using a fire or campfire, charcoal grill, any type of charcoal fueled broiler, tiki torch, wood burning stove, shepherders stove, or open fire of any type. These restrictions include developed camping and picnic grounds and private property. Fireplaces and wood burning stoves inside structures equipped with ember or spark arresters attached to chimneys are exempted.
- Smoking, except within an enclosed vehicle, trailer, building or tent;
- Using an explosive requiring fuse or blasting caps, fireworks, rockets, firearms, exploding targets and tracers or incendiary ammunition;
- Operating a chainsaw, cutoff saw, or any other mechanical equipment without an approved spark arrestor and without chemical pressurized fire extinguisher;
- Welding, or operating an acetylene or other torch with open flame (except with a current permit, contract or letter of authorization and the welding area must be barren or cleared of all flammable material for 10 feet on all sides of the equipment);
- Operating or using any internal combustion engine without a spark arresting device properly installed

For more information, go to the website of the [Upper Colorado River Interagency Fire and Aviation Management Unit](#).

Source: Eagle County Sheriff's Office

Jennie Lewis, code enforcement officer for MPM submitted the following report regarding recent rule activities:

- Fire ban flyers were posted in all buildings
- A warning was given to an owner for the storage of personal items behind their building
- Several parking permit issues were addressed
- The owner of one unit has been fined for renting for less than the 7-day minimum period

- She is investigating a possible abandoned vehicle across from Building G
- One trailer space has been vacated and has been assigned to the first person on the waiting list

VI. Old / New Business. Deb reported on the progress of Solar Energy Project. The investor and Holy Cross Energy are still hashing out details with regard to the contract. Ultimately, the title for the array will be given to HCE. The bank loan interest rate has been locked. The collateral for the loan will be the array. Deb will prepare a letter to all homeowners once the details of the Project have been finalized.

Steve Wodlinger had several questions for the Board, including the size of the area in which the array will be located (approximately one acre near the railroad tracks, across from the field house in Freedom Park) and whether the Board feels that the Solar Project is a “sound business decision.” The Board feels that they have done their due diligence on the Project and are moving forward based on the cost-benefit analysis (it really won’t cost the association anything once the loan is in place since the loan payments to the bank will be offset by payments to the HOA from Holy Cross for the electricity produced). Furthermore, only a small portion of the HOA’s open space will be used for the Project.

VII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 8:05pm.

Respectfully submitted,

Secretary to the Meeting