

The Reserve on the Eagle River
Board Meeting Minutes
Monday, July 18, 2016, at 6:30 PM
The Reserve Clubhouse

BOARD MEMBERS PRESENT: Jess Frieze, Linda Guerrette, Marilee Horan and Brian Woodell

BOARD MEMBERS NOT PRESENT: Andrew Abraham and Deb Forsline

ALSO PRESENT: Dan McNeill, Managing Agent and Sara Thurston McNeill, Secretary to the Meeting

HOMEOWNERS PRESENT: Chris Dudar (Unit E-102), Cassie Desmone and Woody Brackeen (Units B-104 and F-204)

- I. Roll Call. With four of six Board members present, a quorum was established. Brian Woodell, Secretary, called the meeting to order shortly after 6:30PM.

- II. Review and Approval of the Minutes of the June 20, 2016, Board of Directors Meeting. These minutes were drafted and circulated to all Board members for review via email prior to the meeting. There being no suggested changes, there was a MOTION: TO APPROVE THE MINUTES OF THE JUNE 20, 2016, BOARD OF DIRECTORS MEETING AS PRESENTED. The motion was seconded and carried unanimously.

- III. Homeowner Forum. Chris Dudar attended the meeting to discuss the formation of a committee to explore the feasibility and costs for building garages on common land. The Board discussed Chris' proposal and there was consensus to form a Garage Committee and appoint Chris Dudar as the chairperson. Marilee suggested that the committee include at least one homeowner that is not in favor of purchasing a garage for a more balanced approach.

Woody Brackeen asked whether a government entity could "take" or condemn Reserve common land in order to build affordable housing. The Board's response was that condemnation of land is possible, but fair market value would need to be paid to the association. Dan commented that he was recently approached by one local developer who expressed an interest in Reserve common land.

IV. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of June 30, 2016) and Dan McNeill presented them to the Board.

According to the Balance Sheet, the association currently has \$72,982.47 in the regular checking account and \$150,753.05 in the liquid asset replacement account. Accounts Receivable as of July 10, 2016, was <\$12,601.28.> There are currently three owners who are 90 days behind in their dues, and demand letters have been sent to each.

The Profit and Loss Statement reveals that the association has operating expenses of \$209,791 for the first six months of the year. This compares with budgeted expenses of \$243,588. Most line items are tracking at or under budget at this point in the year. Lawn Care, Common Repair and Maintenance and Electric (Common) line items are over budget. Dan noted that some expenses for Lawn Care need to be reclassified into Tree Spraying. Net Income is \$7299.45.

The 2016 beginning balance in the Replacement Reserve Account was \$107,305.28. Funding totals \$38,160 (through June 30, 2016) and 2016 capital expenses total \$32,953.56 and include \$13,513 to Guerrero's Roofing, \$2234.70 for smoke detector replacement, \$1193.76 for the new Knox Box, \$446.28 for wiring for new heat tapes, \$3668 to Goodman Wallace for work on the Governing Documents Revision Project, \$3200 for the professional Reserve Study, \$1705 for the replacement of a deck support post on Building G and \$5440 for the irrigation system design. The ending balance in the Replacement Reserve Account is \$115,605.48.

V. Irrigation System Replacement Project and Related Special Assessment. Legal counsel has reviewed the contract provided by Eco Irrigation Company and sent a red-lined version back to the contractor. Eco has reviewed the changes and sent back some comments. Jess requested that all Board members review the contract and return any comments to legal counsel by Friday, July 22nd. The dates for commencement and completion need to be clarified and the plans and specifications compiled by Grand Junction Pipe and Supply need to be incorporated into the contract. All exhibits are to be attached to the document prior to execution.

The parties generally agree to all terms, and so there was a MOTION: TO APPROVE THE ECO IRRIGATION CONTRACT AT THE COST OF \$222,291.51 TO REPLACE THE IRRIGATION SYSTEM AT THE RESERVE. The motion was duly seconded and carried unanimously.

Legal fees related to the project's contract review will total approximately \$5000 and there was consensus to tackle the Entry Landscape Enhancements in conjunction with the Irrigation System Replacement Project at an estimated cost

of \$30,000. Therefore, there was a MOTION: TO LEVY A SPECIAL ASSESSMENT IN THE AMOUNT OF \$257,291.51 DUE AND PAYABLE ON OCTOBER 1, 2016. EACH UNIT'S SPECIAL ASSESSMENT WILL BE BASED UPON THEIR ALLOCATED INTEREST AS OUTLINED IN EXHIBIT C OF THE DECLARATION. The motion was duly seconded and carried unanimously.

Owners will be able to pay their share of the special assessment in one payment on October 1, 2016, contact the accountant to set up a plan to make 24 equal monthly payments, or contact the accountant to make another special arrangement for payment. Kay Cheney, bookkeeper can be reached at 970-471-2523 or cheneyinc@gmail.com.

VI. Manager's Report. Dan reported on the progress of the Exterior Painting Project. Building N is almost done. Prior to painting some rotten wood around windows and rear decks was replaced, along with a rotten deck post. This is the second rotten deck post that has been replaced this summer (the other post was on Building G).

After detailed discussion, there was consensus to inspect all of the deck support posts on Buildings F through N. These are the oldest buildings and have 3 levels of rear decks. It was duly noted that the "skirts" will need to be removed on these buildings prior to inspection and that if the skirting is rotten, it, too, will have to be replaced.

Dan then reported on the bridge work. Some sealant has been ordered from the Edwards Building Center to do a small area test case on the concrete surface. Once the test case is done, management will have a clearer idea of the amount of sealant to be ordered. The bridge sealant work will be done before the end of the summer, one side of the bridge at a time (one lane will remain open at all times for access). Mark Hamouz, the engineer hired to inspect the bridge in June, noted that the railing is not to current US highway code, and will get a cost for its replacement. Dan commented that since the bridge serves only private property and is not part of a public byway, the existing railing is most likely adequate, especially after the repairs and painting completed in 2015. There is an area on the southeast bank near the bridge that may need some shoring up.

Gutters and heat tape additions are in process for the buildings undergoing exterior painting this year. Sidewalk repairs are slated to begin next week.

Jennie Lewis, Code Enforcement Officer will distribute her bi-weekly report to the Board via email. She is working diligently to get all residents in compliance with the **4 vehicles only rule** and making sure that all parking permits on vehicles are currently registered with a unit. Management will also be working to get current leases on file with all owners that rent their unit on a long-term basis.

VII. Committee Reports. Deb Forsline reported via email prior to the meeting that the Governing Documents Revision Committee is waiting for a property survey bid from Sam Ecker at Gore Range Surveying. He consulting with legal counsel about the exact specifications of the survey. The Committee is expecting a red-lined draft of the A&R Declaration from legal counsel following the work session input at the June Board meeting.

VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 7:35PM.

Respectfully submitted,

Secretary to the Meeting