

The Reserve on the Eagle River  
Board Meeting Minutes  
Monday, September 15, 2014, at 6:30 PM  
The Reserve Clubhouse

BOARD MEMBERS PRESENT: Jess Frieze, Marilee Horan, Tim Sullivan, Janet El-Bitar and Scott Ashburn

BOARD MEMBERS NOT PRESENT: Lauren Immel and Matt Lydens

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

OTHER MEMBERS PRESENT: Lord (F-102), Abraham (F-201), Guerrette (I-203), Cummings (O-103) and Joy Dunham for Shackleford Properties (O-303)

- I. Roll Call. With five of seven Board members present, a quorum was established. Dan McNeill called the meeting to order shortly after 6:30PM.
  
- II. Homeowner Forum. All homeowners present were given the opportunity to weigh in with opinions regarding recent happenings and address the Board and management with questions. Discussion included the following:
  - Linda Guerrette had a change to the Roll Call section of the Minutes of the August 25, 2014, Board of Directors Meeting (a quorum was not present at the beginning of the meeting, but rather after Matt Lydens arrived at approximately 7:30PM)
  - Dan McNeill requested that whenever homeowners send communication to Board members via email to discuss general association business, that he be copied on the correspondence as Managing Agent
  
- III. Minutes of the August, 2014, Board Meeting. These minutes were drafted and circulated to all Board members for review and approval via email. With the incorporation of Linda Guerrette's change, there was a MOTION: TO APPROVE THE MINUTES OF THE AUGUST 25, 2014, BOARD OF DIRECTORS MEETING. The motion was seconded and carried unanimously. The revised minutes will be re-posted to the website: [www.thereserveontheeagleriver.com](http://www.thereserveontheeagleriver.com).

IV. Financial Review. Kay Cheney, bookkeeper for the association, prepared the current financial reports (as of August 31, 2014) and Jess Frieze presented them to the Board.

According to the Balance Sheet, the association has \$84,228 in regular checking and \$95,255 in the liquid asset replacement account. The balance on the roof loan to Guerrero's Roofing is \$93,513.

The Profit and Loss Statement reveals that the association has total income of \$264,342 through August 2014; this compares to budgeted income of \$276,432 at this point in the year (the difference is primarily due to \$11,166 in accounts receivable over 90 days). Operating Expenses total \$222,824. This compares with budgeted expenses of \$255,230 at this point in the year; therefore, the association is \$32,406 under budget on Operating Expenses.

The 2014 beginning balance in the Replacement Reserve Account was \$59,688.95. Current year funding totals \$64,490. 2014 Capital Expenditures total \$42,160, the majority of which is for the roofing contract loan payback to Guerrero's Roofing at the rate of \$5,000.00 per month until all the roof work loan is fully paid in 2016. The ending balance in the Replacement Reserve Account is \$82,018.55.

Jess noted that Hindman Sanchez has been able to collect on some overdue accounts. As of September 15<sup>th</sup>, the total amount due (over 90 days) has been reduced to \$3955. He commented that enforcement of the Collections Policy, coupled with better economic conditions has had a favorable effect on the amount of accounts receivable.

V. Manager's Report. Dan reported that all of the parking lot lights are now in working condition, but because of the age of the lighting system, there will probably continue to be shorts and issue to deal with in the future.

Guerrero's Roofing still needs to re-roof the trash enclosures. They have indicated that this work will begin in September.

Management asked two structural engineers / roof consultants and water proofing experts to provide proposals for roof inspections, and neither of them was interested in doing so since they did not design the specifications for the new roofs. Dan contacted Tom Beck of TNT Specialty Contractors (a roofing company), and he indicated that he would be interested in conducting the inspections. His proposal will be forthcoming.

The painting project is well underway. The Happy Painter is priming all bare wood, caulking and scraping. Some siding replacement has been completed, and it was determined that the plywood underlayment beneath these areas is in good,

dry condition. Owners will be given the contact information for the Happy Painter in case they want their deck boards stained (the cost to do so will be borne by the unit owner).

The jetting of 15 different unit's drain lines (both kitchen and laundry facilities) has been completed by PSI. The report from the subsequent camera inspections was just delivered to management prior to today's meeting, and Dan had not had a chance to review it yet. He will do so, and communicate the results to the Board by email.

Management garnered a proposal for fire alarm inspections from Best Electric. The bid covers the eight buildings whose alarms are hard-wired to a central system. The Board directed Dan to get a proposal for the inspection of all smoke detectors at The Reserve, including those in buildings where the alarms are only battery operated.

The pool is now closed and operating expenses related to the pool should come in within budget constraints.

Dan distributed a spreadsheet to those present, highlighting those owners who are now fully registered with management. After a door-to-door effort, another 20 units are now in compliance; 39 owners still need to fill out the proper forms. Management will be working in the coming weeks to contact these owners by phone. The goal is to achieve 100% compliance.

Dan contacted the managing agent of the Millers Creek Homeowners Association to gauge their support for the installation of a speed bump in front of the stop sign near Building C. She said the Association was not opposed. A legal opinion on the matter was garnered from David Firmin of Hindman Sanchez, and he said that "so long as the speed bump will be constructed on the (Reserve) Association's property in the easement area and so long as the speed bump will not unreasonably interfere with the intent of the easement (meaning that the speed bump is of a typical size), then I see no reason why the Association cannot construct the speed bump at its own cost."

Jess Frieze reported that he sat near the intersection of concern for about one hour recently. Less than 25% of the cars came to an actual stop at the stop sign.

There was fairly lengthy discussion about the speed bump, with each Board member weighing in with their opinion. The opinion of several owners present was also included in the discussion. Janet El-Bitar made a MOTION: TO MOVE FORWARD WITH THE CONSTRUCTION OF THE SPEED BUMP JUST EAST OF THE STOP SIGN NEAR THE MAIN INTERSECTION NORTH OF BUILDING C. The motion was duly seconded and carried unanimously. Dan recommended that the Board consider a project that includes pruning the Cottonwood trees at the northeast corner of the bridge, and then constructing a

crosswalk, complete with traffic calming signs across the road, just north of the bridge. There is a footpath along the north side of the Eagle River that crosses the road there. The Board asked Dan to get the costs for this project together for review.

Dan reported that he is getting bids to re-plant the trees destroyed by the fire near Building A. Insurance proceeds should cover the cost of this project.

The irrigation system will be blown out for the winter season within the next two to three weeks. Dan will talk with the landscaping contractor about aerating all turf areas this fall.

One owner thanked management for sending out memos regarding the presence of both black bears and mountain lions in the area, and precautions that residents should take to avoid unwanted encounters.

Management will distribute the fall newsletter in October and the Risk Management Checklist in November.

- VI. Committee Reports. Jess Frieze gave a report on behalf of the Landscaping Committee. The schematic drawings compiled by Ceres Landscaping were displayed for those present at the meeting. The cost for these plans totaled \$6300. The next step is to have Ceres bid out the various components of the plan. In this manner, “real” costs will be able to be included in the Capital Spending Plan and the different phases of work completed over time. The cost to have Ceres complete this next step is estimated to be \$2750. After some further discussion, Marilee made a MOTION: TO AUTHORIZE CERES TO MOVE FORWARD WITH THE COST ESTIMATES, INCLUDING SPECIFIC QUANTITIES FOR ALL OF THE MATERIALS REQUIRED TO COMPLETE THE WORK. The motion was seconded and approved unanimously.

Marilee reported that the Capital Spending Committee met last Friday, and a spreadsheet was compiled that includes all of the common elements that the association is responsible for replacing. The next step is to estimate a useful remaining life for each element and a cost for its replacement. Different committee members were assigned different elements to research (ie: asphalt, roofs, siding, landscaping). Linda Guerrette commented that these tasks may not be appropriate for lay committee members to tackle. Dan responded that the committee members will take the plan as far as they can, and then some professionals may need to be brought in to refine the Plan. Dan asked Linda to provide any documentation that she may have regarding costs for future capital projects to the committee.

VII. New Business. One owner sent a letter to Board with some concerns earlier in the day, although not all Directors had had a chance to read the letter. Management will respond to the owner's concerns with the Board's direction.

The owner specifically inquired if there were any plans to sell common land to fund future projects. It was reiterated that NO SUCH PLAN IS BEING CONSIDERED AT THIS TIME. Any sort of plan like this would require 67% of the ownership's approval, and an amendment to the Declaration and the plat map. Management was directed to include a note about this in Fall Newsletter.

VIII. Adjournment. There being no further business to come before the Board, the meeting adjourned at approximately 7:50PM.

Respectfully submitted,

---

Secretary to the Meeting