

**Reserve HOA Board Meeting
Monday, September 17, 2012**

BOD Present: Linda Guerrette, Chad Sloniker, Matt Lydens, Regina Pickle, Chris Dudar

Guests Present: George Guerrero (Guerrero Roofing), David Probst (Pristine Landscaping)

Owners Present: June Misner (N203), Brian Waddell (C302), Laurel Mohr & Steve Mohr (N304)

Director Sloniker called the meeting to order at 6:32 PM.

Meeting Minutes:

Director Sloniker asked for comments on the June meeting minutes. Director Lydens made a motion to approve the minutes. Director Dudar seconded. **Vote: 4-0.**

Financials:

Director Sloniker asked for comments from Linda regarding variances in budget. Question raised regarding A/R over 90 days. The Board reviewed current A/R. All A/Rs are on payment plan except the new letter sent to P103. Overall A/R is down from last quarter. Discussion was held regarding timing of certain seasonal items such as snow removal, trash removal, painting of buildings.

Director Sloniker inquired regarding \$20K check for exterior building painting. Director Lydens inquired regarding charges to Super Clean in L102, N104 and O104 for washer/dryer back-ups. Linda advised that we are taking steps to identify irregular plumbing and recurring drain issues. Director Pickle made a motion to approve financials. Director Lydens seconded the motion. **Vote: 4-0.**

Tree Removal:

Linda discussed tree removal ; namely, one tree in front of Building N which was broken off earlier in Summer. Linda has received bids from several contractors. Linda contacted Holy Cross Electric to see if they would remove it at their expense. Linda was advised by Holy Cross that in addition to the subject tree there are also approximately ten (10) other trees that need to be removed because they are violating their ten foot easement rule. It is estimated that the removal of the trees will begin in October 2012. Owners Mohr expressed their concern over Holy Cross' tree removal process. The Board acknowledged their concerns but advised that Holy Cross is the final authority regarding the enforcement of easements granted for power lines. Bill Huber of Holy Cross is the contact for tree removal. Linda will provide his contact information for the Mohrs as well as any other owners that have questions or concerns.

Irrigation System:

Linda introduced David Probst of Pristine Landscaping and gave brief history of the irrigation system and previous switch to raw water based primarily on lower rate of raw water versus domestic water. While there was a known risk of approximately one acre of Reserve property that could dry to brittle during dry years such as 2012; unforeseen complications and deterioration of the irrigation system have resulted based largely on Eagle River Water & Sanitation District's non-compliance with the contract which began in 2003. This Summer we tapped into several pits where we still had some access to domestic water. David Probst advised that one of the main problems is that ERWSD is not sending the water we are entitled to according to the current contract. The second problem is that ERWSD is not sending clean water. The dirty water we are receiving from ERWSD coupled with the fact that there are still domestic valves on the irrigation system is causing serious deterioration of the overall structure of the system. ERWSD is in charge of several key components (pump, flow) of our system and they are not cooperating with the HOA pursuant to the current contract. In addition, HOA was supposed to create a holding pond which was never installed due to cost.

Major issues that need to be addressed are (1) owners are tampering with the current clocks but also the current clocks needs to be replaced; (2) domestic valves need to be replaced with raw water valves; (3) security of the valve boxes is compromised; (4) heads & pop-ups need to be replaced. Regardless of whether the HOA stays on raw water or changes to domestic water, the pipes, heads and valves still need to be replaced which will be a large capital expenditure.

Discussion was held between owners present and David Probst re: his analysis/estimate for potential replacement and/or repairs of current raw water system or switching to domestic water.

The Board tabled the issue for further investigation, discussion and possible meeting with ERWSD.

Roofing Update:

Linda introduced George Guerrero of Guerrero Roofing. Linda and Contractor Guerrero spoke to the two year contract for reroofing of buildings and flat roofs paid over five year period with 0% interest. Unplanned issues that resulted in change orders were (1) Upgrading chimneys/ducts to prevent leaking (Additional \$20K which was approved by BOD and Contractor); (2) Additional ventilation of roofs needed; (3) Additional change orders for six (6) flat roofs which needed to be rebuilt; and, (4) Drainage of asphalt roofs which is considerably more than the prior shaker roofs has required gutters to be placed to redirect flow. Additional gutters are still necessary at some locations.

Current status of the project is that three (3) buildings are left to be done due to change orders and some contractor scheduling issues. Proposal presented was to complete Building E and complete the gutter projects on the buildings already done. Buildings to be completed in 2013 would be C & Q and Flat Roofs of I & K. Estimated time needed due to the change orders is 2 ½ months. After further discussion, the Board suggested not starting Building E until 2013 to insure that Building N and the gutters are finished in 2012.

- **Status of N Building:** Main roof is 100% complete. Finishing up final work this week. Owners Mohr and Misner, along with Director Dudar discussed their concern over the staging and construction delays on Building N. Contractor Guerrero acknowledged their concerns and explained there were delays for shingles, noise complaints from owners, Tyvex issue, leak issue and other issues which were the sole responsibility of Contractor Guerrero.

- **Roof Leak in N304:**

Owners Morh expressed their discontent regarding the handling of the leak in their unit due to roofing of Building N. The Board and Contractor Guerrero engaged in extensive discussion with the Mohrs and encouraged the Mohrs and Contractor Guerrero to cooperate in the swift resolution of this issue and necessary repairs.

- **Siding Issue on Building N:** Contractor Guerrero and Linda gave update on siding for Building N.

An Eagle County building inspector inspected the building regarding the lack of Tyvex. Eastern wall was enclosed with Tyvex prior to the siding being replaced. Building inspector is now requiring front of building (eight feet up) and western side of building (eight feet up) are also wrapped in Tyvex. Estimated cost of approximately \$23K to resolve this matter.

Open Forum - Owner's Concerns:

Owners Misner and Mohr discussed their concerns regarding owners clearing trees behind Building N. The Board advised that this issue was resolved at June 2012 meeting. It was suggested that the HOA covenants are added to the next newsletter to alert other owners that written Board approval is necessary for changes to common areas.

Property Manager Update:

- *Painting on Building O has been completed. That concludes the exterior painting projects for the year (Building O, east side of J, E). The railings on Building O & E were not painted along with the exterior building due to the pending replacement of the deck railings.*
- *Linda and the Board held further discussion with regard to irrigation system. Director Sloniker and Linda agreed to meet with ERWSD as soon as possible to determine which avenue to pursue – raw water v. domestic water.*
- *Linda suggested to complete certain short term projects: tree pruning in front of the buildings, addition of drainage rocks around the buildings. After discussion the Board decided to put off additional projects except for trees that present a safety issue.*
- *Carpet was completed in Building G (East & West) and interior hallway painting in East of Building G and Building H.*
- *Posts on Building N104 and Building L104 have been replaced. Additional posts to be monitored are on Building G and Building I and Building L and will be scheduled for replacement.*
- *Landscaping line items will be more specific in 2013 and upcoming budgets.*
- *Smoking has become an issue. Linda will draft a notice of the revised smoking policy.*
- *Agreement has been signed with McMahon & Associates and they will proceed with review audit of 2011. Audit will be completed prior to annual meeting in December 2012.*

- *Railing estimates have been received by CRC Design, AS4 LLC and TNT. Linda recommended that the Board go with AS4 LLC because of the good work product they delivered on the posts for Buildings N & L. Prices range from \$1170 for an 18 ft. railing, \$1040 for a 16 ft. railing and \$780 for a 12 ft. railing. The Board reviewed the approved design. Director Lydens made a motion to for Linda to begin negotiations with AS4 LLC for the replacement of the railings. Director Sloniker seconded the motion. Linda will have AS4 LLC provide a black mock-up and a draft agreement for review by the Board.*

Proposed Budget/CIP:

Linda presented a draft five year forecast and a revised HOA Item Responsibility List. The Board agreed this is a good start to the CIP but it is necessary to merge the lists together so it can be included in the annual meeting packets for ownership.

Linda presented the projected 2012 budget . Linda and the Board reviewed the line items together and discussed discrepancies. Linda will review proposed budget formulas and send out revised documents for Board review prior to October 2012 meeting.

Annual Meeting Packets:

Annual meeting will be scheduled for Monday, December 3, 2012. Packets must be sent out by November 3, 2012. There will be a separate proxy and ballot with a watermark and distinguishing identifier. Ballots will be sent out with a self-addressed stamped envelope similar to last year and will be required to be received within 48 hours of the annual meeting as per the Bylaws.

Next Meeting:

Next meeting to discuss budget and preparation of annual meeting packet: Monday, October 15, 2012 at 6:30 p.m. at Reserve Clubhouse.

Director Sloniker made a motion to adjourn the meeting. Director Lydens seconded the motion. Meeting adjourned at 12:00 AM on Tuesday, September 18, 2012.