

SODA SPRINGS RANCH - FILING II
Homeowners' Association
MINUTES OF BOARD MEETING
Soda Springs Ranch Restaurant Building
May 16, 2009

Present: Gene Peteranetz, Jim Blakley, Bob Costello, Gary Trujillo, Rich Olivo, Bob Smith, Mark Baxley, and Gary Windsor

Also Attending: Regina Fowler, J. C. Cavalera Management Office; Gerry Johnston, Mark Krieg

Absent: Mark Lewis and Bob Lang ✓

Open: Gene Peteranetz, Board President, called the meeting to order at 9:02 AM.

Approval of Minutes:

Minutes from the March 21st, 2009 Board Meeting were circulated for Board member signature. **Motion was made by Bob Costello, seconded by Gary Windsor, that the minutes be approved as written. Motion passed.** A signed copy of the minutes was given to Regina Fowler for filing in the management office.

Financial Review:

SUMMARY OF FINANCIAL INFORMATION FOR THE TEN MONTHS ENDED APRIL 30, 2009-SODA SPRINGS RANCH CONDOMINIUM ASSOCIATION

OPERATING FUND-
BALANCE SHEET-PAGES 1-3

Total Cash in Operating Fund of \$106,776(\$49,620 needs to be transferred to R&R Fund) and in General Fund \$19,691
Account receivable totaled \$33,490
Accounts Payable totaled \$4,589
All Tracts have positive Fund Balances.

REVENUE AND EXPENSES-PAGES 4-7

The expenses of operations had nothing unusual in the ten months for the Tracts.

Snow Removal cost last year at April 30 was \$36,906 compared to this year of \$16,781.
RECEIVABLES-PAGE 8

We will have an updated schedule as of 5/15/2009. Delinquent letters will be sent on or about May 18, 2009

Financial Review (cont.):

ATHLETIC CLUB-PAGES 9-12

There was regular cash of \$7,480 as of 4/30/2009; Special Assessment cash was \$4,938

Special Assessment Receivables totaled \$12,850

Due to R&R Fund \$12,500, we repaid \$6,250 in April and should be able to repay the remainder over the next six months. Special Assessment Cash and Receivables total \$17,788; this means about \$5,000 is still available. Possibly some of this should go to the Regular Account as there has been about \$5,500 paid out of the Regular Account for the walls in the old racquet ball court and the electrical work, plus around \$5,000 for the base of the play area and another \$2,000 for outdoor lighting and curtains for the Hot Tub. However, there is still work to be done on the interior and some outdoor work.

Revenue has a deficit of \$7,285 for the ten months ending April 30, 2009 this is due, in part, to an error on my part in estimating Depreciation in the Budget and to Repairs and Maintenance, relating to the above mentioned items.

On the Special Assessment Receivable page anything over \$215 is a delinquent account.

RESERVE AND REPLACEMENT FUND-

BALANCE SHEET-PAGES 13-14

All Tracts have a positive Fund Balance

Our Cash is deposited in three (3) different Banks, with funds in interest bearing accounts for two of the Banks and a regular checking account for the third account. All funds total \$141,586

REVENUE & EXPENSES-PAGES 15-18

The last two months \$6,761 was spent. Of this amount \$1,600 was deposit on Tree Spraying: \$1,100 was for the Wi-Fi equipment and \$1,370 was on the Crawl Space work in Tennis Cottages.

Overall \$42,345 was spent on R&R items in these ten months, against revenue of \$85,206. There was \$14,846 spent on Decks; \$4,969 spent on Roofs; \$4,303 on Buildings; Parking Area \$4,128, Garage Doors \$1,297, Plumbing/Sewer \$1,747, \$4,300 on Tree Removal and \$1,100+ on Wi-Fi.

Financial Review (cont.):

Bob reviewed the HOA Accounts Receivable Aging Summary and the Athletic Club Special Assessment Aging Summary, both dated May 16, 2009. The total for the HOA is \$20,161.86, and letters will be sent out to delinquent homeowners in the next few days. The Athletic Club total is \$12,200, consisting mostly of balances due from the periodic payment plan. Any balance due amount in excess of \$215 is a delinquent account.

Bob reviewed an R&R Analysis presented by Mark Lewis. A spreadsheet for each tract was presented to summarize future cost expectations compared to an analysis performed in 1999 by U.S. Inspect, Inc. Bob pointed out that the shortfalls shown for each tract were evidence that we need to be increasing R&R contributions to offset predicted expenditures. It was also pointed out that special assessments may be necessary for high cost items such as roof and siding replacements.

Bob presented draft copies of our budget for 2009/2010. Most tracts will have dues increases to help strengthen R&R fund balances. **Motion was made by Bob Costello, seconded by Gary Windsor, that the proposed 2009/2010 Budget be approved. Motion passed.**

Bob advised that the proposal for audit and tax preparation services from Day & Associates had not increased from last year. The cost for the audit will be \$4,300, and the cost for tax return preparation will be \$300. **Motion was made by Bob Costello, seconded by Gary Windsor, that the Day & associates proposal be accepted. Motion passed.**

Tennis Cottages Crawl Space Repairs:

Bob Smith reported as follows, regarding the status of Tennis Cottages crawl space repairs.

The inspections are 100% complete.

Over 190 pictures from the inspection process have been taken.

In summary, these inspections have found all crawl spaces were poorly vented with varying degrees of soil dampness from almost dry to water standing; crawl spaces have varying degrees of moisture intrusion, excessive debris in the crawl spaces, mold on some of the structural components including structure damage to some floor joists, damaged drywall, insulation improperly installed, excessive lint in all crawl spaces, improper exterior drainage and also active plumbing leaks.

Further, it was observed that some unit's water heater pressure relief valves were piped into the crawl space. Current building practices require this to be terminated near or into a drain. It is recommended that owner's take action to correct this situation.

Tennis Cottages Crawl Space Repairs (cont.):

If a unit water heater relief valve does open and vents into the crawl space, all crawl space repairs should be at the owner's expense.

The final finding, was that an owner had stored items in the crawl space. Since the crawl spaces have been deemed by the HOA attorney as a common element, storage of any items in the crawl space is not allowed without HOA approval. If the HOA has to remove these items in the future, it will be at the owner's expense.

For mitigation of the moisture issue, a repair plan has been developed and priced. Initial steps have been initiated. A contractor has begun work on two units. The units will be used to validate the work plan for all units. Work will begin 1 June. Costs estimates for drainage corrections are in work. An estimated cost has been included in the Reserve (R&R) expenditure plan.

The final item I need to discuss is how this will be funded.

The HOA attorney has determined this to be a common expense chargeable to the Owners of the particular Tract. Costs will be borne by the Tennis Cottage R&R Fund plus the Owners via either special assessment or an increase to the HOA fees.

The present Tennis Cottage (TC) Reserve (R&R) fund is not sufficient to fund this repair. Therefore, costs have been incorporated into the Tennis Cottage Ten Year Reserve (R&R) expenditure plan and funding options were evaluated which would start 1 July 2009 (the 2010 budget year). Per the declaration, the Soda Springs Ranch HOA Board is responsible for making a determination of how this resolution will be accomplished. Options considered were either having a special assessment (\$1800) or increasing the HOA fees (\$50/month). After evaluation and discussion with the HOA Board Treasurer, Bob Costello, the most practical option was to increase the HOA fee. The Board approved the increase when the 2009/2010 budget including the HOA fees by tract as discussed in the Financial Review above.

Athletic Club:

There was discussion of the need for fencing at the western perimeter of the pavilion area to encourage use of the paved sidewalk and steps rather than allowing foot traffic on the embankments. We also discussed desirable improvements to the area in front of the pavilion to be enclosed by the new fence. **Motion was made by Bob Costello, seconded by Jim Blakley, that we install 42" vinyl fencing along the top of the embankment in front of the pavilion, and extend the fence to meet the steps on the south end. A decorative fountain, flower pots, a gas fireplace ring and portable seating will also be installed. The total budget for materials and labor will not exceed \$5,000. Scheduling of the work, equipment selections, and component material and labor costs will be approved in advance by the Executive Committee by phone and e-mail. Motion passed.**

We discussed previous requests that we allow Athletic Club memberships by non-homeowners. **Motion was made by Bob Costello, seconded by Jim Blakley, that we not permit non-homeowner Athletic Club memberships. Motion passed.**

Gary Windsor reported that the new security gate and the key card locks would be installed in the coming weeks. Gary will start this coming week with the lock on the exercise building. He will need help with the gate construction.

Property Management:

J. C. Cavalera proposed that the HOA sponsor ice cream socials on the first Saturday of each month through the summer season. There was consensus that these events would be held in the pool/pavilion area from 3:00 to 5:00 PM. These events should be promoted in "The Rancher".

There was consensus that we skip the trout stocking program in our ponds this year. Stocking costs have risen, and we appear to have a good fish population already. It was stated that the weed spraying effort will be conducted by management staff this year.

Gary Windsor reported that the cost of replacing backer board and shower surround tile in the bathroom would be approximately \$7,000 to \$8,000. It was decided to hold off on this work for future consideration.

Gary Windsor restated our policy that work orders must be in writing, and can only be issued by the management company. Work orders must be signed by our property manager, and in the case of tract maintenance, the tract rep should be notified. Gene Peteranetz clarified that Regina can sign work orders in J. C.'s absence, and that oversight of work orders is solely the responsibility of the management company.

Rich Olivo reported that glass recycling will no longer be offered by the Grand County Landfill.

Architectural Control Report:

Gary Windsor stated that the Architectural Control Committee will sign off on the patio slab replacements/extensions proposed for Court Club. The extensions will not exceed the areas enclosed between the timber retaining walls. No building permits or county approvals will be required.

There was discussion regarding a Tennis Cottage owner's request to plant new trees on the common area adjacent to her unit. Bob Smith stated that care and watering of the new trees would be the sole responsibility of the homeowner. Jim Blakley commented that any request for tree planting should be reviewed in advance by the Architectural Control Committee, with special attention paid to future view sight lines from other units.

Gary Windsor commented that any tree planting proposal should first be reviewed by the tract rep, and that the Architectural Control Committee would rely heavily upon the tract rep's recommendation.

Master Water Association:

Gary Windsor reported that the MWA is doing well. In conversations with local Realtors, Gary has emphasized that our gas powered emergency generators will provide for backup water supply to Soda Springs Ranch in the event of an area power failure.

Rich Olivo reported that he has advised J. R., a representative for Mary's ranch, that we cannot tolerate any future washouts of the ditch behind our ponds caused by their carelessness. Rich feels that J.R. will comply with our request.

Unfinished Business:

Wireless Internet:

Jim Blakley reported that 60 to 70% of SSR is now covered by the new WIFI system. Hardware configurations need to be tuned and adjusted to overcome Comcast's periodic service interruptions. Also, Jim will be installing security improvements to limit unauthorized use of the system.

New Business:

Bob Costello reported that he has reviewed Rod McGowan's proposed revisions to our community documentation, and he is certain all changes to our documents previously approved by our homeowners and by our Board have been incorporated. **Motion was made by Bob Costello, seconded by Rich Olivo, that our revised Declaration and Bylaws be approved. Motion passed.**

Regina Fowler requested that our Rules Committee present an updated and revised House Rules document for Board approval at our July meeting

Gene Peteranetz reported that, according to Roberts' Rules of Order, any future effort by our Board to modify a previously approved motion must be first approved by the Board member who made the motion.

The next meeting is scheduled for July 18th at 9:00 AM.

Motion was made by Rich Olivo, seconded by Mark Baxley, to adjourn the meeting. Motion passed. The meeting was adjourned at 10:50 AM.

Respectfully submitted,

Mark A. Baxley
Mark A. Baxley, Substitute Secretary

Approved by Board Members 7/18/01
Date

[Signature]
Mark Lewis

[Signature]
Bob Costello

[Signature]
Gene Peteranetz

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Bob Lang

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Jim Blakley

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Rich Olivo

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Gary Windsor

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Bob Smith

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Gary Trujillo