

**SODA SPRINGS RANCH - FILING II**  
**Homeowners' Association**  
**MINUTES OF BOARD MEETING**  
Soda Springs Ranch Restaurant Building  
May 19, 2007

**Present:** Bob Costello, Kurt Ostrow, Mark Baxley, Tom Evon, Gary Windsor, Gary Trujillo, Rich Olivo, Jack Stout and Mark Lewis

**Also Attending:** J.C. Cavalera, Manager; Mark Krieg, Accounting Representative; Regina Fowler, Management Office

**Absent:** Gerry Johnston

**Call to Order:** Mark Baxley, Board President, called the meeting to order at 8:30am.

**Approval of Minutes:** Minutes from the March 17, 2007 Board Meetings were presented for review. **Motion made by Kurt that the sentence “The racquetball courts are rarely used, and Gary Windsor’s suggestion to install a floor over the courts and create a community room was favorably discussed” be stricken from the minutes of March 17<sup>th</sup>, 2007. Jack Stout seconded the motion. Motion passed.**

**Motion was made by Jack Stout, seconded by Gary Trujillo, that the Minutes for the March 17, 2007 meeting be approved as amended. Motion passed.** Signed copies of the Minutes were given to J. C. Cavalera for filing in the Management office.

**Committee Reports:**

**Financial Statements Review**

Bob Costello passed out the Financial Report dated May 18, 2007 for the ten months ending April 30, 2007.

Total cash in the Operating Fund is \$34,709, with \$9,679 in the General Fund. All tracts have a positive fund balance except for Tennis Cottages. The Tennis Cottages fund balance is negative due to higher snow removal costs than was budgeted for them this year.

The General Fund still has a negative fund balance, but should be positive by June 30, 2008. Per Bob, this negative fund balance is due to legal expenses incurred that were never in the budget. We have been slowly catching up on this.

In the review of the Revenue and Expenses section of the Financial Report, Bob noted that the only unusual item is for snow removal, which has an actual cost of \$26,948 versus the budgeted amount of \$18,840. The 2007 budget was based upon a 4 year

average. The new 2008 budget is based upon snow removal costs for the last two years, which should be more realistic.

Receivables totaled \$25,447.19 as of April 30, 2007. By May 15, 2007, Receivables were down to \$12,959.19, due to the receipt of quarterly HOA dues payments from owners. There were 15 delinquency letters sent out for those HOA dues payments not paid.

The Athletic Club has a cash balance of \$16,508 as of 4/30/2007. There is \$5,108 owed to the R&R Fund from the Athletic Club. This represents an advance from the R&R Fund to the Athletic Club Fund for the replacement of the hot tub. This amount will be transferred back to the R&R Fund prior to 6/30/2007.

The new pool liner is shown on the Athletic Club Balance Sheet as a depreciable asset of \$4,500. To date, we have paid cash of \$2,250. The other \$2,250 is currently shown in Accounts Payable.

The Athletic Club Fund balance has increased by \$17,362 this year because we have been collecting funds to repay the advance for the hot tub. Bob noted that the repayment is not an expense, since the hot tub was capitalized at the time of purchase.

A review of the Fund Tract Balance Sheets by tract shows that all tracts have a positive Fund balance. Bob explained that our cash is deposited into three different banks, with funds being held in interest-bearing accounts. Total cash equals \$124,234.

The R&R Fund Common Area had expenditures of \$10,851, offset by \$2,700 in interest income. The difference of \$8,151 was allocated to tracts based upon the number of units.

A review of the R&R Fund balances by tract showed that the major expenditures for tracts have been on decks, roof maintenance, signage, and building exteriors. Bob noted that Court Club will have a bill of approximately \$3,000 for sewer repair for buildings D to C in May. Later in the year, Court Club will have a bill for repaving to repair the cut for the sewer line repair.

Review and approve Second Draft Budget 2007-2008:

Gary has requested a \$15 increase in Meadowview in dues, which is in the 2008 budget.

Tennis Cottages, Pine Ridge, and Garages have had increase in values based upon assessed tax values used for insurance expense allocations. All tracts are showing a slight increase in their monthly fees in the 2008 budget. Bob clarified that snow removal is for all contractor work, including snow removal done by Rich Olivo. **Motion made by Bob Costello, seconded by Gary Windsor to accept the 2<sup>nd</sup> draft of the 2008 budget. Motion passed.**

Committee-of-the-Whole for Athletic Club Improvements:

1. Review status of pool inspection and liner installation:

We are hoping to have the new pool liner installed May 31. Gary suggested that there are steps which are completely covered by the liner and that there are a lot of leaks around the pool lights. We will be getting new plates around the pool lights and drain. Rich stated that the last installation did not seem to be a professional installation. Rich noted there was a lot of duct tape used in the previous installation. Mark B. showed the Board some of the old pool liner. He showed pin holes that existed in the old pool liner, perhaps due to debris in the pool that was not cleaned up before the previous liner was installed.

Gary asked if we should consider a cover that supports a child's weight. Bob C shared with the Board that an automatic pool cover would cost around \$7,500. There was a discussion about whether the pool should be drained or remain filled during the winter months. Bob and Rich pointed out that keeping the pool full of water during the winter is actually better for the pool liner. Mark B pointed out that the boiler keeps blowing out. **Motion by Mark B, seconded by Bob C to have J.C. look at the costs of an electronic ignition system for the boiler, authorizing a cost of up to \$1,000. Motion passed.** Rich will get the pool running, then look for any leaks and get a plumber to fix.

2. Discuss owner feedback regarding Athletic Club amenities:

Mark B has been forwarding feedback he's received from tract owners. J.C. reported that the hot tub issues seem to have been addressed. The temperature issue was addressed by locking the access panel to the thermostat. The hot tub jets have been fixed. J.C. is not sure why there were complaints regarding cleanliness, since the hot tub is backflushed every other day. There was a question as to whether we need to have an age limit for using the hot tub. Tom Evon is going to check to see if there is a state law on age limit for using a hot tub.

3. Discuss long term planning for Athletic Club amenities:

Kurt suggested sending out an email to all owners prior to the annual meeting to get as broad of feedback as possible. Gary W suggested a standard-worded survey that we could use to survey owner interest/feedback. Tom Evon suggested an "ala carte" approach where owners can see amenities and associated costs. Mark B suggests we have an article in the Rancher of what is being considered. **Motion made by Mark B, seconded by Bob C that each board member wishing to propose a plan for future Filing II amenities management, prepare a brief written description of their plan for presentation at the September 2007 Homeowners' meeting. The written description should include a short description, including the approximate costs and source of funds. Statements will be reviewed by the Board at its July 2007 meeting, and will be included in packets sent to homeowners. Motion passed.**

### Board Management

Discuss possible revisions to Board Management and Property Management committee structure starting after September, 2007 meeting. Kurt is ending his service on the board after 9 years. Bob C suggested that we eliminate the Board Management and

Property Management committees, with these being replaced by a Board Executive Committee consisting of the President, Vice President, Treasurer, and Secretary.”

**Motion made by Gary W, seconded by Jack S that we dissolve the Board management and Property Management, being replaced by the Board Executive Committee consisting of the President, Vice President, Treasurer, and Secretary. Motion passed.**

### Property Management Report

JC reported that the trees have been sprayed. Trees that were sprayed that have beetles infestation have an “X” on the tree. A white dot means no beetle infestation. Gary noted that there are some dead trees that need to be removed from our property. Rich reported that water runoff is so strong right now, he cannot get a new gate installed. When this happens, the pond will look like the water level is low. Once all this is done, we can stock the pond.

JC has one homeowner asking if he can canoe on ponds. The Board response is “no.” JC has had a cleaning effort on the property going on. In response to this, Jack noted various property clean-up steps that need to be undertaken:

- Big log behind Meadowbrook needs to be moved
- Mattress on 12B needs to be removed
- Snow mobile outside Meadowbrook B #5 needs to be moved
- Snow mobile sign has fallen down
- Meadowbrook 12b has a satellite dish on their back. The Board says this is OK.
- General clean-up around the restaurant would be welcome

Gary noted that the owner of Meadowbrook 3 wants to build up a section of the open ground outside his property and install flagstone. The does not seem to encroach on open space. **Motion made by Gary W, seconded by Bob C that Meadowbrook B3 be allowed to continue with the landscaping project on his property, assuming he gets approval from the County Building Department, and subject to approval by the Architectural Committee. Motion passed.**

Gary asked for approval from the Board to get signs straightened out on the property. Gary wants to use a power washer to get rid of some of the swallows that are starting to nest on our property. Once the power washing activity is completed, he will then look at netting.

Regarding the frequency of lawn mowing, J.C reported that this occurs at each tract on an as-needed basis. J.C. has the responsibility of directing mowing efforts.

There was a discussion on our policy regarding weeding? J.C. will direct weeding activity as required. Rich will get signs for J.C. that indicate when weed spraying has occurred. J.C. will get a bid from Blue River Enterprises to see what the costs of spraying would be and check back with the Board.

### Soda Springs Master Water Association

Report on status of issues raised by Bob Costello’s e-mail dated 4/1/07 and recent meeting with Rod McGowan.

Jack – recently met with attorney and Mark Krieg. Annual meeting will be held 6/2/07. We have Class A and Class B members. Class A members are voting members. There were originally representatives from filings 1, 2, and 3. Filing 3 does not have a

HOA now, so legally we need each homeowner to sign a contract with us to get water. Currently, Mark Krieg bills the Filing 3 owners directly. Rod McGowan has been directed to send a letter to all home owners in Filing 3 of their options (contract with us or resurrect their HOA). They will be charged \$5/quarter to cover the costs to send individual bills to the home owners. Legal expenses are going up, but the Master Water Association will be in compliance with the law after these efforts are completed. We have not been collecting the \$150 hook-up fees for Filing III. The letter from Rod will help us to get this working correctly going forward. Gary feels that the lots are entitled to their taps and that, for Filing 3, we not try to collect monies for water taps. There was agreement that the \$10,000 per household tap fee would be appropriate for any future users outside of Filings I, II & III. Gary notes that the Master Water Association is responsible for the ponds on our property.

**Unfinished Business:**

A. Discuss date for 2007 Annual Meeting (Ref. Danni Lederman 3/27/07 e-mail) Mark B will email Danni and communicate that the Board has decided to keep the meeting on 9/22. She will be able to vote via proxy. If people are voting via proxy, homeowners need to send proxies to their track rep. Owner can designate their proxy be assigned to anyone who will be at the meeting.

**New Business:**

Tom – brought someone up from Denver to cosmetically improve the Common Area of the Tennis Cottage units. Tom is looking at some storage shed units that could be installed in the Common Area. Tom does not want this to become a storage area, as this could have the area looking bad in the future. Regina pointed out that there is a mold issue in Tennis Cottages. Who is responsible for addressing this mold issue? Mark B. noted this is a tract expense.

**Adjournment: At 11:30 AM, motion was made by Bob C, seconded by Mark Lewis, that the meeting be adjourned. Motion passed.** The next meeting will be held on July 21, 2007 at 9:00 AM.

Respectfully submitted,

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Mark A. Lewis, Secretary

Approved by Board Members \_\_\_\_\_:  
Date

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Bob Costello

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Kurt Ostrow

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Mark Lewis

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**Gary Trujillo**

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**Jack Stout**

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**Rich Olivo**

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**Gary Windsor**

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**Tom Evon**

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**Gerry Johnston**