

**SODA SPRINGS RANCH - FILING II**  
**Homeowners' Association**  
**MINUTES OF BOARD MEETING**  
**Soda Springs Ranch Restaurant Building**  
**May 17, 2008**

**Present:** Mark Baxley, Gene Peteranetz, Bob Costello, Mark Lewis, Rich Olivo, Jim Blakley, Gary Windsor, Bob Lang, Gary Trujillo, Tom Evon

**Also Attending:** Regina Fowler, Management Office; Gerry Johnston

**Absent:** J. C. Cavalera, Mark Krieg

**Open:** Gene Peteranetz, Board Vice President, called the meeting to order at 8:57 AM.

**Pine Beetle Spraying:**

Larry Malouef was invited to attend this Board Meeting in order to discuss with the Board the various options available to us to address the pine beetle issue in our area.

Larry is the contractor who currently does tree spraying for the Association. The Board has a contract with Larry to provide tree spraying this year. Larry has now purchased the chemicals for spraying this year.

Rich Olivo was approached by residents of one of the units (referred to as "residents" in the remainder of the minutes) who expressed concerns about the impact of tree spraying on their health. Apparently, last year, after the tree spraying was completed, one of the residents had respiratory issues that they felt might be caused by exposure to the chemicals used in spraying the trees. Rich asked Larry to discuss the concerns of the residents and then to address the Board.

Larry noted that Filing 2 is not the only area that will be doing tree spraying. Filings 1 and 3 will also be doing tree spraying. In fact, tree spraying will take place throughout the Grand Lake area as people attempt to protect their trees from the pine beetles.

In Larry's discussions with the residents, Larry found them to be very cordial. Larry feels they have a valid health concern. The Board's responsibility is to hire a licensed contractor who follows the "letter-of-the-law" in the application of chemicals to address the pine beetle issue. Larry has many regulations that he follows as a licensed contractor to comply with pesticide applications laws.

The residents had done some independent research and suggested an alternative pesticide that Larry could apply that would pose less health concerns. Larry is familiar with this alternative pesticide and pointed out to the residents that, based upon their specific health situation, this alternative chemical would actually pose a higher concern than what Larry currently uses.

There is a micro-injection option where capsules are injected into the trees. It is more toxic and more expensive, but is not sprayed, so there is not as great of an impact to individuals with respiratory issues. There is also a synthetic pheromone solution where bags are hung on the trees. The pheromone tricks the pine beetles into believing that the tree is "occupied" and, in theory, the pine beetles go find another tree.

The cost of doing the pheromone bags is \$20/tree versus \$12/tree for spraying. There are 250 trees to be sprayed. The estimated total difference in price would be around \$2,000. The residents are willing to pay this difference.

Larry pointed out to the Board that there is no treatment against the pine beetles as effective as spraying. The spray is in the air for approximately 15 seconds. After 1 hour, the spray is water repellent. The spray is also bio-degradable.

Rich pointed out that the residents do have alternative housing that they can take advantage of during the period of time that spraying is taking place.

There is a Pesticide Sensitivity Registry for the state of Colorado (see [http://www.cdphe.state.co.us/dc/Zoonosis/wnv/PestSensitivReq\\_04.pdf](http://www.cdphe.state.co.us/dc/Zoonosis/wnv/PestSensitivReq_04.pdf)). This document provides the following information:

"The registry does not prevent application of pesticides but only requires that commercial applicators (like lawn care companies) notify people on the registry 24 hours before an application is made to abutting property (property that touches yours) so that you can leave for a period of time or make other preparations for the application."

Larry pointed out that the residents are not currently registered with the Pesticide Sensitivity Registry.

After discussion, the following motion was made:

**Motion made by Mark Baxley to advise the residents that we have studied the issue and determined that the pesticides being used and the application of the pesticides are compliant with all pertinent regulations. In deference to the concerns of the individuals, we will provide 48 hours notice to the residents informing them of when we are spraying and let the individuals take appropriate action. Seconded by Gene Peteranetz. Motion passed.**

Gerry Johnston was asked to include an article in The Rancher informing owners of this decision.

**Motion made by Mark Baxley to seek legal opinion the Board's decision regarding the application of pesticides. Seconded by Bob Costello. Motion passed.**

Larry will send a certified letter to the residents advising them of the schedule for spraying.

**Approval of Minutes:**

Minutes from the March 15<sup>th</sup>, 2008 Board Meeting were presented for review. **Motion was made by Bob Costello, seconded by Jim Blakely, 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:****Operating Fund**

**Balance Sheet.** Bob Costello reviewed the financial statements for the ten months ending April 30, 2008. Total cash in the Operating Fund is \$72,091 and \$12,271 in the General Fund. Accounts Receivable totaled \$21,590. Accounts Payable totaled \$8,712. All tracts have positive Fund balances. Even the General Fund has a positive balance for the first time in 12 years.

**Note:** The four checking accounts in US Bank, the two above, the R&R and A/C accounts totaled \$111,302 at April 30, slightly in excess of FDIC insurance. Our funds in Liberty Bank and Grand Mtn. were under the \$100,000, \$86,884 and \$85,711, respectively. With the payment of invoices at May 10 the funds in US Bank are now below the \$100,000 insurance limit.

**Revenue and Expenses.** Normal expenses of operations in the first ten months for the tracts, with the exception of higher-than-anticipated snow removal. Total Budget for Tract and General Snow removal is \$26,616. We have spent \$36,906 as of April 30, 2008. The saving grace was that are new insurance coverage was under budget by about \$13,000, which provided funds for the excess snow removal.

**Receivables.** We will have an updated schedule as of 05/15/2008. Delinquent letters should go out on May 18 or 19.

**Athletic Club.** There was a cash balance of \$20,516 as of April 30, 2008. Special Assessment cash totals \$51,809. All funds collected from the special assessment are kept in a separate account. Special Assessment Receivables totaled \$46,090. Revenue for the Athletic Club is \$113,604 in excess of expenses thru April 30, 2008. \$105,000 of this excess is the Special Assessment.

**Reserve and Replacement Fund**

**Balance Sheet.** All tracts now have a positive Fund balances, although both Meadows and Ranch Club have very low balances and should not plan extensive projects, only emergency items. Our cash is deposited in three different banks, with funds in two of the accounts being interest bearing accounts. The third account is a regular checking account. The three accounts total \$127,209.

**Revenue and Expense.** Overall, \$68,372 was spent on R&R items during the first ten months of the fiscal year. Revenue for the same period was \$83,181. There was

\$15,680 spent on deck replacements, \$15,291 spent on roof repairs, \$14,993 spent on building, \$2,897 spent on parking lot improvements, \$6,895 spent on garage doors, and \$7,214 spent on the Common Area.

*Fiscal Year 2009 Budget.* Motion made by Bob Costello for the approval of the first draft of the fiscal year 2009 budget, with the Meadowview R&R being increased from \$80 to \$100.

#### **Property Management:**

- Regina Fowler informed the Board that there is a general clean-up of the grounds taking place.
- There are a lot of roof leaks needing to be addressed this year due to the heavy snow fall this winter.
- The lock on the trash compactor seems to be working quite well. We have reduced the number of times the compactor needs to be emptied from once every two weeks to once every four weeks.

#### **Master Water Association:**

- The new generators will be installed in the next couple of weeks.
- The Water Board received \$10,000 from the owner of the home being built in Filing 3.
- The ponds are now getting water in them.

#### **Committee-of-the-Whole for Athletic Club improvements:**

##### *Sports Court*

- Contract signed.
- Submitted deposit. Materials will be ordered 5/19 and will be delivered to the Club House. Gary Trujillo will check to see what is required for unloading the materials shipment.
- Installation will be in mid-June and will take 3-4 days.
- Gary provided Bob Costello the Certificate of Liability for the installation of the court.

##### *Hot Tub Cover*

- Gary Windsor is securing the materials for the cover.
- Gary saved us a lot of money by going to Denver to get the materials.
- Completion date is estimated to be mid-June and the project should be completed well under budget.

##### *Pool Cover*

- Cover will arrive sometime around the end of May. The contractor that will install the pool cover needs to inform us of the actual installation date so that we can get an electrician to come do the electrical work.
- We will need to build a bench to cover the pool cover. Gene Peteranetz asked that we look at using Trex materials versus redwood to provide a maintenance-free solution. Gary Windsor will look into the dimensions needed for the pool cover bench and will look at Trex costs.

### *Picnic Pavilion*

- Rich is planning to install the pavilion at the back line of the tennis courts and run the pavilion length-wise to the Athletic Club.

### *Play system*

- The new play system will be installed in the corner of the old tennis courts closest to the pool. We will build a containment area around the play system on top of the old tennis court to hold in the pea gravel. By doing this, we will eliminate the need for the installation of any type of weed block materials under the pea gravel.
- Mark Lewis will confirm exactly how the play system is anchored.

### *Exercise Equipment*

- Bob Lang reported that really only two pieces of the existing exercise equipment are viable for use.
- Bob L. is looking into the purchase of NordicTrack equipment.
- NordicTrack Equipment to be purchased includes:
  - 2 treadmills
  - 2 elliptical striders
  - 1 additional stationary bike
  - Estimated costs are \$4,600, with free shipping and handling for the NordicTrack equipment.
  - Equipment being purchased has the capability to work with an iFit monitoring device, which would be available to owners to purchase at the owner's expense.
- Additional improvements Bob L. is looking in to include:
  - 2-3 free-standing fans
  - 2 flat screen TV's. Mark Lewis pointed out that there is no cable TV in the Athletic Club today. Bob L. to look into how we get Comcast to provide cable TV access to the Athletic Club.
  - 1 universal weight set (could cost up top \$4000)
  - Flooring material to cover the racquetball court where the exercise equipment is being moved to.
    - Sport-court type flooring could cost \$6,000
    - If we use company that installed the outdoor sports court, costs would be around \$5,300
    - Given high costs, Bob L. will look into industrial carpeting

### **Unfinished Business:**

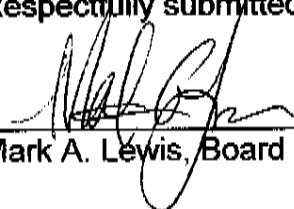
- Rich Olivo discussed with the Board that he did not feel that the current layout of the gate on the fence surrounding the pool area would not allow for the installation of the new GoKeyless lock system that the Board approved at their last meeting. The Board discussed the matter and agreed that we should just use the combination lock solution for the chain link gate access and move forward with the new GoKeyless locks on the Clubhouse and Athletic Club doors.

**Motion made by Mark Lewis, seconded by Gary Windsor that the Board approve the purchase of two GoKeyless locks to replace the locks on the Clubhouse and the Athletic Club door. Motion passed.**


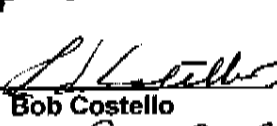
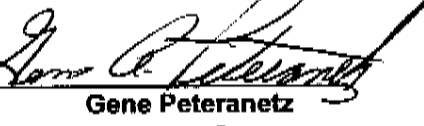
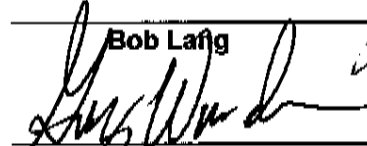
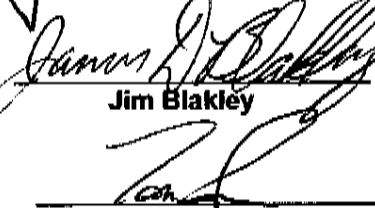
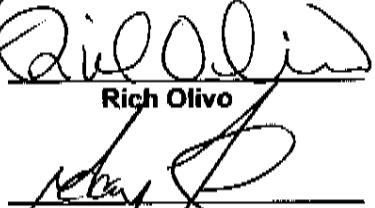
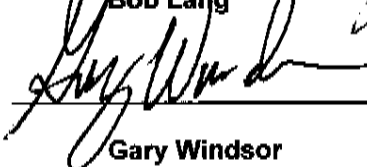
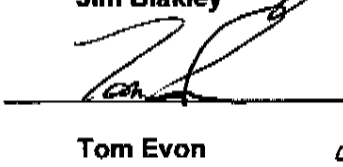

- Bob Costello shared an article with the Board on development that is going on behind us.
- Gary Windsor discussed the request to build a fire pit in Pine Ridge. Board is not approving this.
- The Board reviewed common space rules. We noted that all land, after you walk off your unit's deck is common space owned by the Association, not the unit owner. That means that the Board controls what can and cannot be built on common space.

**Motion was made by Bob Costello, seconded by Bob Lang., to adjourn the meeting. Motion passed. The meeting was adjourned at 11:50am.**

Respectfully submitted,

  
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 Mark A. Lewis, Board Secretary

Approved by Board Members 7/19/08  
 Date

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Mark Baxley	Bob Costello	Gene Peteranetz
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Bob Lang	Jim Blakley	Rich Olivo
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Gary Windsor	Tom Evon	Gary Trujillo