

THE PONDS AT BLUE RIVER HOMEOWNERS ASSOCIATION BOARD MEETING – July 11, 2008

The Ponds at Blue River Homeowners Association Board of Directors met on Friday, July 11, 2008, at the Wildernd Commercial Center. Directors Loren Steinbrink, Robert Kieber, Dallas Knudson, Jay Pansing, and Elaine Lowery were present, as was Landscaping Chairman Rick Jennewine and the owners listed below. Tim Glasco of Neils Lunceford, Inc. also attended and Pat Rice represented Wildernd Property Management. President Steinbrink called the meeting to order at 3:00 p.m.

INTRODUCTIONS, ROLL CALL & CERTIFICATION OF PROXIES

President Steinbrink introduced the other members of the Board and invited guests and the owners present identified themselves.

Owners Present:

Unit #	Owner(s)	Unit #	Owner(s)	Unit #	Owner(s)
103-A	Bette Schlie	126-A	Walt Imhoff	154-A	Chryel Varvil
110-A	Dallas & Renie Knudson	130-A	Barrett Edwards	160-R	Pepper Leavine
111-A	David & Marilyn Raymond	134-R	Leisa Hattsestad	170-A	Robert Kieber
112-A	Jay Pansing	144-A	Elaine Lowery	174-R	Richard & Leslie Pera
114-A	Marlin Maddy	146-R	Roy Herring	176-A	Charles Michelson
120-R	Ann Brewster	150-R	Loren & Karen Steinbrink	180-R	Rick & Shirley Jennewine
122-R	Paula Zoller				

LANDSCAPING

Mr. Jennewine presented the following report beginning with updates from last year's 2007 annual meeting.

- The process followed since that time was to appoint a Landscape Committee, establish objectives, determine the best landscape designers, commission a conceptual master plan, obtain competitive bids, and hire a landscape contractor.
- The objectives approved by the Board were extremely important as they drove the design development and included the following:
 1. Enhance overall appearance
 2. Conceal all utility boxes (impacted by code, cannot plant within 3' of these)
 3. Provide privacy – between patios, buildings, patios and bikeway, and the north side of Bald Eagle Road & Building N12.
 4. Consider cost and maintenance
 5. Add color via perennials, ornamental shrubs, wildflowers, and save as many already on the property as possible.
 6. Preserve priority views.
 7. Address water run-off areas that can't be mowed, including streetscape areas, trees, shrubs, and cobble in ditches.

Mr. Glasco explained the process of designing the plan, working within the established objectives and budgetary constraints. The implementation of the plan, beginning with irrigation, also has to be field modified to fit the concept to the reality on the ground as much as possible.

Mr. Jennewine continued by acknowledging that many owners have become upset, in part due to the fact that not everyone can be pleased, as there are many different ideas when it comes to landscaping. This has been complicated by some inaccurate facts that have been disseminated to the membership. Such information includes:

- Secret meetings – *Although Colorado statutes do not require committee meetings to be open, any owner could have attended, and the landscape meeting notices and minutes have been posted on the website.*
- Poor communications – *The Board feels that the newsletters to the owners have provided proper communication.*
- Self-Selected Committee – *The Board appointed the Committee.*
- No competition for contract – *The contract was put out to competitive bids, and details, measurements, material comparisons, etc. were all taken into account.*

- Not implementing the plan presented at Annual Meeting – *The plan as presented at the 2007 annual meeting is being implemented, but it will take at least a couple of years to mature.*
- You are going to get what you see at 112-114 Robin – *The 112 – 114 Robin install was not final, but an initial install so that the Committee could look at it and confirm or direct changes. Several things were not satisfactory and are being modified; such as, pea gravel is not going to be used and large boulders are now going to be added throughout the property. Shrubs and ground cover in the rock area, as well as the color from the perennial beds, will certainly mean that there will be green in the formal areas. The variety of color and texture of the shrubs alone will soften the rock. The rock being used is indigenous, and the soil in the river valley of Silverthorne is a cobble field. The use of such completely native material and hardscape in landscape design is harmonious with the natural environment.*

Due to the numbers of owners present, each was allowed three minutes to address the Board. Prior to the owner comments, it was noted that all members of the Board and committees are volunteers who have spent many hours talking to homeowners and answering questions. All were asked to address their comments with respect and appreciation of the volunteer efforts. Questions and responses included the following:

- The trees and shrubs appear small, and considering the slow and short growing season, was any consideration made to installing larger trees and shrubs from the outset? *It is an industry standard to plant the largest size shrub commercially available, which is a 5-gallon pot. The tree sizes in the proposal were approved and have been purchased; the evergreens are already on site.*
- Will cobble areas be weed proof? *The cobble area product is heat pressed and not woven which will not allow weeds to grow through it. Weeds may grow at the edges or through the overlap so limited hand weeding or spot spraying with herbicide will be necessary after the first two years. The material has a life expectancy of 40 years.*
- What are the plans for benches in the pocket parks? *There are three previously used benches available.*
- Why so much rock when it is not in reality maintenance free? *NL feels the amount of rock on the project is appropriate in relation to the plantings but agreed there appears to be a lot of rock because of the size of the property.*
- Won't the trench around the beds at the front entries allow irrigation water to penetrate under the asphalt? *Trenches have been cut to place the cobble down below the asphalt level so that snowplowing will not dislodge the cobble. The cobble will hold water but will act as a percolator of water through the rock.*
- The Bylaws state all committee meetings must be open. At the January 3, 2008 meeting, only two units were represented and why weren't the minutes posted sooner than they were? *The landscape committee meetings are open and the meeting notices have been posted on the website. The minutes are produced as soon as possible following any meeting and are posted on the website when completed.*
- How will access to the ponds be provided from the back of the units? *There are currently no plans for paths but the naturalized grasses should support foot traffic.*
- What were the requirements to be on the Landscape Committee? Who on the Landscape Committee has the expertise to evaluate how NL is charging for their work? *Appointments to the Landscape Committee were sanctioned by vote of the Board; committee members were chosen who would be team players and have the best interest of the entire community at heart. The Committee, as well as the Board, utilizes the experience and background of the experts to make final decisions and approve charges.*
- A copy of the landscape contract and specifications should be provided, and what was the original amount of the contract? How much have costs increased to date and what for? *A copy of the contract will be offered for review; the contract price has not increased but there are pending change orders.*
- Why was mulch, mentioned in the January 3rd minutes, removed from the plan? *The Board will reconsider mulch vs. pea gravel.*
- Has consideration been made regarding potential snowplow damages in the winter, particularly to the sprinkler system components? *Snow removal efforts were considered. Damaged grass tends to take longer to recover but rock materials are easier to recover and repair.*

- Will there be a raking of the topsoil in the pocket parks before grasses are added? *Topsoil will be raked before seeding or sod installation.*
- Does the plan include any protection of the wetlands? Specifically, will shrubs or something be planted to barricade the wetlands area at the south end of the north pond? *The Board will investigate protection of the wetlands at the south end of the north pond.*
- Won't it be as much of a maintenance issue to keep the gravel, rocks, and boulders organized as it would be to irrigate and maintain sod in the entrances? *There are no barriers between the different rock types but they won't intermingle enough to create a distraction; this intermingling is reflective of what happens in nature.*
- What is being considered for screening between unit patios and the bike path? *Plantings along the bike path is included in the plan and the Town has agreed to cost share this project.*
- How much grass is considered for the front yards? *There is no grass planned for front yards.*

Appreciation was expressed to the owners for their interest and sensitivity to the landscaping issues. All concerns were heard and modifications will be considered as much as possible within the parameters of the approved master landscape plan and budget constraints.

Following a five-minute break, the Board reconvened at 4:20 p.m. to address the remaining business agenda items.

LANDSCAPING CHANGE ORDERS

Seven change orders were presented for consideration, including a proposal for the future expansion of the irrigation system.

Change Order #1 & Change Order #2 – These were emergency change orders involving irrigation issues; the work has been completed on a Time & Materials basis.

RESOLUTION: Upon motion made by Ms. Lowery, seconded by Mr. Pansing, and unanimously carried, approval of Change Orders # 1 and 2 was ratified.

Change Order #3 – This change order involved taping wires to the mainline on the irrigation system.

RESOLUTION: Upon motion made by Mr. Pansing, seconded by Mr. Lowry, and unanimously carried, approval of Change Order #3 was ratified.

Change Order #4 – This change order is for sub excavation, which was not included in the contract. The area was supposed to be left open by RE, but they could not do for liability reasons. The excavation is necessary and is estimated at \$25,000, but will be billed only at Time & Materials.

RESOLUTION: Upon motion made by Mr. Knudson, seconded by Mr. Pansing, and carried with one nay by Mr. Kieber, Change Order #4 was approved.

Change Order #5 – This change order increases the number of perennials on Robin Drive.

RESOLUTION: Upon motion made by Mr. Pansing, seconded by Ms. Lowry, and carried unanimously, Change Order #5 was approved.

Change Order #6 – This change order is to repair the leak underneath Bald Eagle on the south side. The Public Works Department for the Town accepted the original installation of a sleeve directly under asphalt but it was not installed 30 inches deep originally. This repair estimate is \$750.00 for a simple repair of the irrigation main line; if the sleeve has collapsed, it will have to be rebid. It is not known whether Angler Mountain will be putting in a new entrance and irrigation system of the median but the doing the repair now will help irrigation on the west island and around the entrance sign.

RESOLUTION: Upon motion made by Mr. Pansing, seconded by Mr. Kieber, and unanimously carried, Change Order #6 was approved.

Change Order #7 – This change order is for approximately \$20,000 for the installation of boulders around the property.

RESOLUTION: Upon motion made by Mr. Kieber to table and seconded by Ms. Lowery, discussion followed regarding the need to know if placement of the boulders is essential to proceeding with other work; the motion to table this change order was then unanimously approved.

A new proposal was considered to install additional wiring to support an extra irrigation line to both sides of Allegra at the north end for \$850 for future signage at that entrance to the property. It was noted this work would be less expensive if done now instead of later but it died for lack of a motion.

APPROVAL OF MINUTES

RESOLUTION: Upon motion made by Mr. Pansing, seconded by Ms. Lowery, and unanimously carried, the minutes of the annual meeting held August 13, 2005, were approved as prepared.

FINANCIAL MATTERS

- Per the financial statements as of May 31, 2008, assets totaled \$611,803.41 and liabilities totaled \$179,944.33, leaving a net equity of \$593,809.08
- The year to date operating account shows a loss of \$36,302.50, which is a deficit of over \$50,000.00 when compared to the budgeted gain of \$20,477.50.
- Since interest rates have dropped on the money market accounts, Mr. Snyder has negotiated rates for CDs and recommends working with WPM and putting in increments up to \$150,000 in CDs.
- Budget proposal – The financial committee, comprised of Directors Kieber, Steinbrink and Lowery, worked on both the operating budget proposal and the Major Maintenance Chart. The MMC is a twenty-year plan, which is still a work in progress. Estimates for the asphalt re-install are still needed because an overlay cannot be done due to drainage issues.
- The committee ran various budgets and dues increase scenarios; it was noted there has not been a dues increase since April 2002.

RESOLUTION: Upon motion made by Mr. Pansing, seconded by Ms. Lowery, the financial report ending May 31, 2008, was accepted and the budget proposal for 2008-2009 was unanimously approved.

RECONSTRUCTION CONSIDERATIONS

- Drain investigations at 120 Allegra revealed that a pipe was damaged during reconstruction and RE paid for all repairs.
- The furnace roof exhaust vents are too short and RE was asked to extend the twenty-three where there were problems last year by one foot. This issue, which affects the middle units oriented north-south only, is still in negotiations with PIE and RE. There is not a firm bid yet for this work but the verbal estimate is \$700/unit, a total of \$16,000 for all twenty-three.
- Change Order #25 – Snow in the attics – This is a problem in the whole roof system due to a lack of screening to prevent snow intrusion. PIE indicates the repair is an improvement over the existing roof system and, therefore, requires a change order.

RESOLUTION: Upon motion made by Ms. Lowery, seconded by Mr. Pansing, and unanimously carried, the Board resolved that this is not a betterment and PIE and RE should resolve responsibility and affect repairs.

- Sidewalks & Frost Heave – Twenty-three sidewalks did heave, but it is suspected that these problems are a result of the leaking gutter issues. Some locations will require installing a pipe under the sidewalk and directing the water away from the building (for example, at 120 Robin & 150 Robin)
- Asphalt – The Board must meet again with Angler Mountain regarding the area between N-6 & N-7 where the asphalt is alligatored. A bid will also be provided for 154 Allegra and one other location. Coordinating these repairs with Angler Mountain could result in cash back from RE; the reimbursement could then be applied to the outstanding asphalt projects.
- Guttering – A proposal from Turner Morris was reviewed.

RESOLUTION: Upon motion made by Mr. Kieber, seconded by Mr. Pansing, and unanimously carried, the proposal from Turner Morris for gutter repairs was approved.

- Drainage N1-N2 – This project was redesigned to install a drain where water runs off the asphalt into a drywell.
- Pedestal lights on Allegra – RE will not design a new light at no charge; thus, this project is pending a cost estimate to design a light and then install it. The contract included moving the pedestal lights from Robin to Allegra and RE has indicated a cost break will be given on design if the pedestal lights do not have to be moved. There may not be monies to cover new design and installation so this project is tabled until the bid is received.
- Stairs – A bid for stairs down to the bike path is being solicited but there was discussion related to liability and security issues on an HOA installation. This issue will be reconsidered after the bid is received.
- Replat – The wells have been located and easement information was given to surveyor. The replat was submitted to the Town but the Town now has provided three pages of issues related to the replat.
- Bike Path – Construction is scheduled to start at the end of this month on the bike path construction south of Bald Eagle bridge.

OTHER MATTERS

- Compliance Committee Chairman – This position is still vacant; a volunteer will be solicited at the annual meeting.
- Eagles Nest PHA – The Board will not support withdrawal.
- Angler Mountain/Bald Eagle Road Bridge – Tim Crane lost arbitration on this issue but now wants to pursue another tactic. The attorneys are talking to each other about the specifics of the documents. Mr. Pansing will call the PBR attorneys to confirm that the HOA is incurring no costs in this research.
- Radon Request for 130 Robin – The Board reiterated its position that HOA is not telling the owner he cannot install ventilation, but rather the installation on the building exterior is denied. If the owner pursues installing the ventilation in the interior, the HOA would consider approval of the new roof penetration.
- Patio Extension 144 Allegra – Ms. Lowery recused herself from the vote and presented a request to extend the patio to support the future installation of a hot tub (not part of this proposal). RE did come out and make a recommendation. RE said the work would be done per the specifications of engineers during the reconstruction. It was clarified that the replat will include the extension. The Board stressed that the install must meet the required specs.

RESOLUTION: Upon motion made by Mr. Pansing, seconded by Mr. Knudson, the 144 Allegra patio extension is unanimously approved as long as it meets specifications from PIE (which will be provided, \$150.00 plat fee is paid, and the owner accepts responsible for any damages to Common Element.

- Annual Meeting Prep – The Board will meet at 9:00 a.m. prior to the annual at 10:00 a.m. at the Silverthorne Elementary School on August 16. In prior years, the Steinbrink's have sponsored a Bar-B-Q on the same day and personally provided the liquor and meat with owners bringing potluck dishes. However, this year someone is needed to chair a committee to organize the affair and to propose a budget for financing. The location of picnic will remain at the Eagles Nest Community Center.
- Rinnai Warranty service – WPM can no longer provide this service due to the loss of their certified staff member.

ADJOURNMENT

RESOLUTION: Upon motion made and duly seconded, the meeting adjourned at 5:40 p.m.

As an addendum to the minutes, President Steinbrink expressed appreciation for the hours of work on enhancements of the entryway to the property on Bald Eagle Road by owners Bob Kieber, Ann Brewster, and Ann Leavine; the flowers and signage look fabulous!