

Draft Minutes of the  
Ranch at Roaring Fork Homeowners Association

**BOARD OF DIRECTORS MEETING**

**March 7, 2011**

Board members present were Paul Schlauch, Christie Jensen, Chris Coyle, Dan Ellis, and Vanessa Anthes.. Also attending the meeting were Ranch Manager, Steve Coley and Administrative Assistant Michele Willey and Joanne & Ed Anderson, Tom & Nancy Vail, Mardie Schlauch, Stephanie McConaughy, Sue Coyle, Rick Carsten, Polly Tucker, Chris Chacos, Gwen Ballard, Jan Kosglow, Richard Sierzant, and Rod Hahn.

Schlauch called the meeting to order at 4:00.

**Minutes**

- Approve draft minutes from February 7, 2011. Coyle moved to approve the minutes, which Anthes seconded. Approved unanimously.

**Homeowner Issues**

- Homeowner letters and comments

Richard Sierzant stated that he has taken down diseased Aspen trees on his property, and wants his neighbors to do the same. Coley had contacted neighbors Kelly and Heller previously. According to Mr. Sierzant, his neighbors have not responded aggressively enough to keep the disease from spreading. Jensen said that she will go over and look at the trees, then ask the neighbors to take them down if needed. The board will follow up on this item at the next meeting.

**Old Business**

Board Priorities reports – Schlauch said he had received a draft of revised articles and bylaws from HindmanSanchez earlier in the day and would distribute them to the Board and have them posted to the website. Schlauch said that the law firm had not been asked to work on revision of the Declaration pending a decision by the membership of the Association on the manner in which they wished to pay for the operation and maintenance of the Ranch's recreational amenities. He said would develop a survey with projected costs to be sent out to homeowners for their opinion on this issue.

Jensen asked how many fishing badges should be issued to properties owned by LLCs, partnerships and other business entities. There was a discussion among Board members regarding the need to understand and define the meanings of “owners” and “guests” as those terms are used in the Declaration. The Board determined that it was appropriate to obtain an opinion of the Association’s legal counsel on these issues. Coyle asked Schlauch to prepare a statement of the issues and distribute it to the other members of the Board for comment before sending it to the attorneys. Schlauch agreed to do so.

As a part of the ongoing “user pays” versus “everyone pays” discussion, concerns have been raised concerning the expense of feeding and caring for horses boarding at the Ranch. Chris Coyle advised that under the “everyone pays” system all expenses for the pastures and other equine facilities will be carried by the Association, except for the cost of the staff feeding and opening the water for the horses. There will be a \$60 per month fee per horse for this staff time. Horse owners will buy the hay and provide veterinarian care.

Golf Advisory Committee - Fritz Anthes had advised the Board that he believed that the demands of his business would prevent him from acting as chair of the Golf Advisory Committee. Coyle moved to appoint Gwen Ballard to replace Fritz Anthes as chair of the committee. Seconded by Ellis. Approved unanimously.

Review Rainbow Court, Wolff easements, Kassco update – Coyle will check on this and advise the Board at the next meeting.

2006 ACOE Permit – Claffey letter – The Army Corp of Engineers office received the letter from Mike Claffey explaining the deviation from the 2006 permit application, and his plans for a monitoring report. There has been no response from the Corps indicating whether they will accept the deviation from the plan.

Logging burned trees – Open Space Advisory Committee recommended the dead burned trees be left standing for the time being until it obtains updated information and recommendations from those experts who previously studied the problem. The Board accepted this recommendation.

Carpet bid for golf shop – bid is \$1,757 plus tax from CarpetOne. The installation will be a commercial grade carpet. CarpetOne was the intermediate estimate of three submitted, but the grade preferred by

the golf course manager. Coyle moved to accept the bid from CarpetOne. Anthes seconded. Passed unanimously.

Review FAC recommendations – Fishing badges will go on sale this month. Schlauch stated that he thought the Ranch should stay with the 2010 badge price levels for the 2011 season, and review the rest of the FAC recommendations at a later date. Jensen questioned if the Ranch could make additional revenue by selling more daily guest fishing badges. Coyle would like to see a proposal for printing fishing badges from the golf shop. Sierzant commented that in his opinion, the Ranch should retire the fishing stream note and the Ranch could realize a \$12,000 savings per year. Coyle said that when the debt is paid off the charge for fishing badges goes away unless there is a change in the Declaration. Jensen asked if the board could choose to pay off the debt Coyle said that that is a discussion for another day. Coyle said that we are obliged to charge as we have been charging until that debt is retired. Motion made by Coyle to maintain the fishing badge fee structure at the same level as 2010. Seconded by Ellis. Motion passed 3-0, with Schlauch and Jensen abstaining.

### **New Business**

- Horse barn submission by Equine Advisory Committee –Coyle said that the Ranch’s equine facilities are just not what they should be. The Ranch could attract boarders and, perhaps more horses from within the community, if the horse facilities were upgraded.. Ellis asked how many horses the proposed barn would service and if the 12’ x 48’ size would be appropriate for current and future needs. Anthes would like to see the final barn proposal include the cost of grading and concrete pad. Sue Coyle said that one of the stalls could be used as a tack room. Mrs. Coyle stated that everyone appreciates improvements on the ranch even though they may not use them because it is an overall improvement to the Ranch. Schlauch said that he would like to see the Ranch have a first-rate equine amenity. Tucker said that if the Ranch offered boarding for five guest horses it would create a better usage of the pastures. The Board then discussed how the Association might pay for a barn. Members of the EAC present at the meeting suggested that the Board consider the proposal it previously had submitted for boarding a limited number of horses as a means of funding the barn. Potential boarders would go through a screening process and trial period, and would have to be sponsored by a Ranch homeowner. Anthes asked if there would be additional traffic both to access the back of the. Tucker said that there should actually be less because the horse owners now use their cars as a tack room. She thought if there was a barn, most people would walk out to tack their horses. Coyle advised that Colorado has a significant body of statutory law limiting liability for accidents related to equine activities. Schlauch suggested that any boarder should also need to provide a certificate of insurance and sign a release form. Ballard raised a question regarding whether or not membership approval for a barn was necessary due to the expense of this proposed

capital project. Schlauch stated that in his view if there was not a special assessment for a barn, it would not have to be approved by the membership. There was also discussion as to revenue from boarders being devoted to covering the cost of the barn construction and whether or not they could continue to keep horses after the facility has been paid for. McConaughy commented that there should be a limit on the total number of horses allowed on the Ranch, and this should be included in a proposal from the Equine Advisory Committee.

Based on the information presented, the Board favored allowing up to five boarders to generate the revenue to create a new barn. However, no final action was taken on the EAC proposal at the meeting. The Board will look for a final proposal from the Equine Committee for the new barn and boarding outside horses at the next meeting answering all of the questions raised and then vote on the proposals.

Review horse boarding fees - \$60 per month per horse for the feeding season (based on a herd of 10 horses). Motion to approve by Jensen, seconded by Coyle. Passed unanimously.

- Elect Vice President, Board of Directors – Schlauch made a motion that the Board elect Coyle to the position of Vice President. Seconded by Ellis. Passed unanimously. There was discussion as to Ryan Grobler's leave of absence, and whether he should be granted further time or asked to resign. Schlauch will talk to Grobler. Coyle stated that all vacancies should be filled. Gwen Ballard agreed to accept a Board position until the next annual meeting if there was a vacancy.

- Condo flood and plumbing repair - Girardot/Gerber – George Shaver performed the demo on the Girardot unit for the purpose of exposing the framing to check for mold and to examine the piping. It was determined that the Girardot plumbing will be moved to an inside wall. Coley has requested that a shut-off be installed in the Girardot unit. The insurance deductible is \$10,000, and the cost of the repairs to the Gerber condo and improvements to the Girardot condo are not much greater than that. Anthes requested that the Ranch look into possible liability/negligence on behalf of Girardot to assist in covering the costs. Motion made by Coyle to approve the bid submitted by Shaver. Seconded by Anthes. Passed unanimously.

- Burn pile. Rick Carsten – Presented his opinion that the burn pile is in a bad location in that it is hard to control because there is not any water immediately available. The pile gets too large, and people are not following the signs and dumping more than just branches, which cause staff to have

to sort the material. Sierzant stated that commercial lawn care businesses owned by Ranch residents are dumping in the back of the Ranch. The Open Space Advisory Committee is going to investigate alternative locations for the burn pile that is closer to a water source. The Board instructed Coley to inform the resident commercial landscapers that dumping on Ranch property is prohibited

- Golf Advisory Committee recommendations: It was proposed that high season public users be charged a \$20 per round course fee with all other pricing to remain at 2010 levels. Motion to accept the above Golf Course fees made by Coyle, seconded by Ellis. Passed unanimously. It was suggested a list of homeowners in arrears needs to be provided to the golf course before the start of the season. Members in arrears will not be permitted to play the golf course without paying a greens fee.

#### Manager's report

- Ranch registered agent - change has been made with the Secretary of State changing the Registered Agent from CPMG to the Ranch at Roaring Fork office.
- Ranch registered with state real estate office
- Well house repairs – Repairs are ongoing. Coley was directed to notify all homeowners of the potential that their water service could be interrupted.
- WWTP repairs – Mixer is failing and will be removed next week.
- GIS licensing – contract has been signed and sent to Iron Rose with a check. .
- Priorities for March  
Wrangler

Close 2006 COE permit

Capital purchases made with BOD approval – nothing purchased yet.

**Financials** - - Eric Weaver of Robertson Marchetti called in to discuss the January financials. He advised the balance sheet program is working well but he would like to condense it a bit more. Summary of budget and operating fund expenditures. The budget and forecast changes are about the same but we will adjust things as we see as the year goes. Insurance is higher than anticipated, and wants the breakout for each area (Condo, Golf, WWTP, etc) from the Insurance agent. Payroll is over budget but overall is doing well and revenues are on track. Fishing badge revenues should pick up with the months as March, April and May see many renewals. Eric questioned why there were no revenues for Equestrian and the RV lot, and was informed that these issues are being resolved and would be at a different rate than originally budgeted. Schlauch requested that an accounts receivable report be provided to the Board each meeting. There was discussion to possibly move the regular Board of Directors meeting to later in the month so that the financial reports would be current. A discussion of charging fees for utilization of the RV Lot was deferred to the April Board meeting

- January financial review, HOA dues in arrears were discussed.
  
- Foreclosure sales scheduled – two properties at the public trustee, Ryan Grobler and Randy Reynolds
  
- New signatures on ranch checking account – Coyle and Jensen, Alpine Bank.
  
- Update on accounting transition – We are visiting on Wednesday with a representative from Robertson & Marchetti to iron out a few issues.

Confirm next meeting date –

- April 8, 2011 at 2:00 pm

Motion to adjourn the meeting by Coyle, seconded by Jensen and passed unanimously. The meeting was adjourned at 7:03 pm.

Draft Minutes

**BOARD OF DIRECTORS MEETING**

**February 7, 2011**

**Regular Session will start at 4 pm**

Board members present were Paul Schlauch, Chris Coyle, Christie Jensen, Dennis Reynolds and Ranch Manager, Steve Coley. Also attending the meeting were Dan Ellis, Richard Sierzant, Ed Anderson, and Michele Willey.

Paul Schlauch called the meeting to order at 4:02 pm.

Consider vacating director's position to which Willie Worley was elected – If a board member misses three consecutive meeting the Board may vacate the seat and appoint a replacement. Willie Worley has not attended any meetings. Motion to vacate Willie Worley's seat by Coyle. Seconded by Reynolds. Approved unanimously.

Consider appointment of directors to fill vacant positions – Dan Ellis and Vanessa Anthes are coming forward to serve on the Board. Vanessa expressed her desire to fill the position vacated by Gordon Nelson's which has 1.5 years remaining. Dan agreed to fill Worley's term which had 2.5 years remaining. Motion to appoint Dan Ellis to the 2.5 year term and Vanessa Anthes to the 1.5 year term by Reynolds. Seconded by Coyle and approved unanimously.

**Minutes**

- Approve minutes from January 3, 2011 – Reynolds said attachments of letters have to contain what the homeowner said at the meeting instead of sending in a version with changes submitted afterward. Jensen said that the letters should be submitted at the meeting. Coyle said that the letters should be handed in ahead of time so that they could be included in the Board packet. Motion to approve the January 3 minutes by Reynolds. Seconded by Jensen and approved unanimously

- Approve minutes from January 25, 2011 special meeting – Coyle said that he appreciates the effort being made to have good minutes for an official record. Motion to approve the January 25 minutes by Coyle, seconded by Reynolds, approved unanimously

### Homeowner Issues

- Homeowner letters and comments - None

### Old Business

- **Capital items review** (golf and ranch lists provided), purchase recommendations. **Golf Capital requests** –1. Pesticide Storage management. Tom Vail submitted in the Golf Course Budget a request to ventilate the pesticide and chemical storage area. This request was necessitated by a requirement made by the State to cause that area to be properly ventilated. Estimated cost for new electrical and fan installation is \$450 and a fire extinguisher needs to be installed as well (\$100). ) Reynolds said it is a maintenance item and the Board approved the expense. 2. Tom Vail has also indicated that the **Golf Point of Sale System (POS)** needs to be updated so that the golf financials will be compatible to the Ranch’s system. A discussion was then held on this proposal dealing with not only the accounting function but also a play tracking and identification function. Dennis Reynolds stated he thought a photo identification system is overkill. Coyle said a card pass could have a bar code. Jensen said people could pass the card to others and it may make it easier to manage the course with a picture. Coyle said that there is a sign in sheet with addresses. Reynolds said that the problem is more with multiple owner units. Tracking sales with a new POS system is one thing but the costs are too high given the size of the Ranch golf course. . If there is a software package to take pictures for both golf and fishing badges that could possibly be looked at. Declined. Tom Vail has also requested that the **Carpet for the Golf Shop** needs to be replaced. The Board acknowledged that there needs to be a new floor covering, and instructed Coley to obtain bids for the material and installation costs. At this point, the request was declined, subject to further review. 4. **Pond Clean Up**. Tom Vail has also advised the golf course back pond needs to be cleaned out. OSF, the golf course management company, has proposed it would hire temp help to come out and do the cleaning. The Board questioned where the excavated material would be deposited. The Board advised Coley it would like to see bids for the project. OSF will supervise the project whether it is subcontracted or manages its own crew. No action was taken awaiting receipt of bids. 5. **Used Pumps and Controls for Golf Course Irrigation**. The Board has been advised pumps and controls used at a Colorado Springs golf course are currently for sale. The Board decided that a pump company should be engaged to

assess the equipment to determine its remaining useful life, age, number of operating hours, service records and if the equipment is appropriate for our uses. Coyle indicated the Ranch should move sooner rather than later if this equipment is in good shape with the price and value properly aligned.

**6. Ranch Capital Requests.**

1. Truck and trailer – to replace one worn out truck and a trailer so that Ranch equipment can be hauled to work sites. Approved expenditure of \$26,000 for both.
2. Brush Hog. The existing ranch one is worn out, and is needed as staff is doing more work because of the fire. Coyle questioned if the Ranch should purchase or rent a heavier one for the amount of work that is anticipated. Coley responded that staff does trail clearing and mowing the grasses with a pull-behind model, which is what has been requested. Sierzant said that renting isn't even worth considering with the acreage we have. The Board asked for alternatives and prices.
3. Irrigation Pumps. There were two used up this year, and staff would like to have two more so that they don't have to be moved as often. Included with the purchase are more hoses and guns for a total cost of \$800 per station. Approved.
4. Hotsy pressure washer. To keep the ranch equipment clean. Electric version approved at \$2,300.
5. Fertilizing the fields. Schlauch said that when the Open Space group has concluded its work, the Board will consider its recommendations, and provide funding for approved projects.
6. GeoSpatial Logic contract – The Board had previously approved the amount pending approval of documentation. When the transaction is completed, the Ranch will be able to utilize the furnished data to more effectively map the Ranch, monitor the changes over the years and address them as required. The Board determined this expense should be covered as General Fund expenditure. Coyle made a motion to license the data set owned by Iron Rose Ranch for \$ 5,000 and \$1,000 to be paid to GeoSpatial Logic to assemble the data and input all of the information from the public domain. Seconded by Reynolds. Unanimously approved.

- Logging the burned trees, Open Space Committee has this scheduled for discussion on Tuesday, February 8
- Board Priorities reports
  - Accounting system (Reynolds) – Robertson & Marchetti are uploading the 12/31/10 balances shortly. The changes in the system will allow the financial information for the Ranch to be easily accessible and comprehensible as it is entered and without the delay the Ranch has encountered in the past. The implementation of the Payroll program is coming together. Also, the first draft of financial statements driven by the new system will be available in the next few weeks. Motion to make Ranch Manager, Steve Coley, the registered agent with the State of Colorado by Reynolds. Seconded by Coyle. Unanimously approved.
  - Revision of Articles and Bylaws (Schlauch) – HindmanSanchez is working on a draft proposal to revise the Ranch Declarations and the current estimate for that expense is \$5,000. Coyle said a simpler method may be to adopt the State of Colorado's HOA regulations which supersede our governing documents. These regulations are commonly known as CCIOA – The Colorado Common Interest Ownership Act.

- Open space planning (Jensen) – Ms. Jensen advised that the Open Space Committee was to meet Tuesday at 10:00 am. As a part of that meeting, she advised the committee would go out on the property to view the condition of the burned trees to determine what trees need to be eliminated and what trees should be kept.
- Capital Repair and Improvements and Financing Plans (Coley) – No updates right now.

## **New Business**

- Equine Advisory Committee recommendations to the Board of Directors – 1. Create a dry lot by adding a fence near the big arena (drawing provided). . Staff can build it of posts, smooth wire with a top hot wire. It will be built in the spring for \$300. Approved. 2. Pasture Maintenance in the playground pasture. Herbicide application. Alfalfa and clover make the horses sick in the spring so there will be an herbicide application to control the broad leaf species. \$5,000 from Open Space funds. One time application in July with horses restricted until it would be safe to re-enter. Approved. 3. Permanent water source. Ice is a problem for the horses to get to drinking water. Coley has found a fountain with valve below the frost line which could be tied into the ranch domestic water pipeline. \$350 plus excavation and plumbing \$150. This is a clean system and would tie into the main waterline. Approved. Review horse boarding fees - \$165 is the current rate and the Ranch has determined that this charge constitutes an impermissible fee for utilization of the common area. The Board determined that the only permissible charge to horse owners is that directly attributable to feeding and providing water for the horses by the Ranch Staff. It determined that horse owners should pay for any expense that has to do with the care and maintenance of their horses, only. Coley was tasked with making the determination as to the expense of the Ranch Staff's providing this service. When this cost has been quantified, it will be provided to the Equine Advisory Committee to assist it in making the determination as to whether the Ranch Staff shall continue to provide the above services or to make other arrangements for the feeding and care of the horses Motion to approve the return of checks for boarding fees for the year 2011 made by Schlauch. Seconded by Jensen. Unanimously approved.
- FAC Report, recommendations for stocking – FAC requested the Board to authorize the expenditure of \$2,500 to purchase fish for stocking this spring. The question was raised as to whether or not there was a recommendation from the FAC on this issue. Sierzant advised there is confusion in the FAC group in regard to how this expenditure was to be funded but, regardless, it would like to see the stocking go forward. A Motion was made by Reynolds to fund \$2,500 to be used to purchase fish for stocking. Seconded by Jensen. Unanimously approved. Sierzant also stated the FAC with spring just around the

corner a consultant needs to be chosen. The members of the committee were also interested in how the cost of the consultant would be funded.

- Golf Advisory Committee appointments – A list of people interested in being on the committee was provided to the Board. A motion was made by Coyle to appoint all those listed to the GAC with Fritz Anthes as the Chairman. Seconded by Reynolds. Unanimous approval.
- Review Rainbow Court, Wolff easements, Kassco update – The law firm of Balcomb and Green has generated easement agreements for all of the properties along Rainbow Court, for which Schlauch said he had language amendments. There was also an easement agreement drawn up to be submitted to Tracy Wolff that would enable Ranch members to access the footbridge at the corner of her property from Ranch open space. There are 4 parcels of Ranch open space that are titled in Kassco Development. Kassco is a defunct Colorado corporation, and has relocated to Idaho. Balcomb & Green is pursuing obtaining a conveyance of title to this property to the Ranch.

### **Manager's report**

- Pump house hit by the backhoe, – The front wall was damaged and will be repaired as soon as the weather warms. A controls technician came to make sure the electrical service was safe and determined that it was. He has agreed to coordinate with the carpenter when work is to commence. The cost of repair is estimated to be less than \$10,000, which is the amount of the insurance deductible
- WWTP equipment problems / replacement – Blower went out and was replaced at a cost of \$1,700 and mixer has failed, which costs \$12,000 new. Kelly Gessele has taken it to a machinist for repair. The cost of that repair is to be \$4,000. Coley was questioned as to the cause of the failures. He advised that he had conducted discussions with Kelly and Mike Gerber, and that it was their opinion the equipment had achieved the end of its predicted life span.
- Condo heat checks – going fine. One condo shut down for the winter. No issues.
- Priorities for February

Wrangler

Payroll, auto-withdrawal, new reports formatted for BOD -

Close 2006 COE permit – A range of \$2,500-\$5,000 will be needed by Mike Claffey to close out the 2006 permit. Coley is to ask for mile markers, and the costs associated to reach them

GIS database uploaded

Capital purchases made with BOD approval -

## **Financial**

January financial review, HOA dues in arrears – The 12/31/10 financials have been received from CPMG, and there is one adjustment. Zen Excavation's bill needs to be moved from Fishing to Open Space. Robertson and Marchetti are in the process of uploading the beginning balances on all of the accounts now that they have received all of the information from CPMG.

Foreclosures / super liens submitted and received – Super lien payment from R. Romanus foreclosure received. Two more properties are moving into foreclosure. Coley was advised to start sending the HOA dues billing to whoever is now in title of the R. Romanus property. New signers needed on ranch checking account – Steve Coley is the only signer on the account at this time. Jensen and Coyle both agreed to become signers on the Ranch checking accounts.

- Update on accounting transition -
  
- CPMG year-end

- Audit posted on website – The audit has been posted behind the password.
- Allos Therapeutics document execution – RBC documents establishing the RRF's ability to sell the stock if signed by all of the Board members

**Confirm next meeting date**

- March 7, 2011

Motion to adjourn by Reynolds. Seconded by Coyle. Unanimously Approved adjourned at 7:00 pm.