

RVRMA EXECUTIVE BOARD
Record of Proceedings
Regular Monthly Meeting
Wednesday, Sept. 25, 2019, 5:30 p.m.
The Ranch House Meeting Room

A regular meeting of the Executive Board Members of the River Valley Ranch Master Association, in the county of Garfield, State of Colorado was held on Wednesday, Sept. 25, 2019 at 444 River Valley Ranch Drive, Carbondale, Colorado, CO 81623 with the following people present:

Executive Board of Directors

Yvonne Perry, President
Gary Lesser, Vice President
Ben Johnston, Secretary
Gary Harada, Director-at-Large
Cathy Cooney, Director-at-Large
RJ Spurrier, Director-at-Large

Management Representatives

Sterling Page, General Manager
Kendra Ford, Community Services Manager
James Maguire, Accountant

Homeowner Attendees

Patti Crockett

Call to Order

RVR Executive Board President Yvonne Perry called the meeting to order at 5:30 p.m. A quorum was established.

Approval of Minutes and Consent Agenda

MOTION: Directors Gary Harada and Cathy Cooney moved and seconded to approve the agenda and the adoption of the Board Meeting minutes of August 21, 2019. The motion passed unanimously.

Public Comment

Ranch House Presentations

There was discussion around whether those who provide professional services should be allowed to do presentations at the Ranch House. Cathy Cooney expressed she is not totally comfortable with having people coming in to promote their business. There were thoughts from the Board members around limiting presenters to only those who are homeowners.

MOTION: Director Cathy Cooney moved that the Board adopt a policy around who gets to do presentations at the Ranch House for our members and that would include that they would need to be an RVR resident and only open to attendees who are residents.

Ben Johnston noted that part of the policy language can be that RVR has absolute discretion to accept or deny presenters. However, he questioned whether we should really limit it to just owners. RJ Spurrier commented that judgment and discretion is what the Board seems to be interested in with this policy. He suggested a general policy that says if someone is interested in doing a presentation, then they can lay out it to staff and management who decide if it is a reasonable request or deny it if it doesn't meet with the community standards for whatever reason. He did not see a need to come up with a specific set of rules for every scenario. It seems the most important element is to make it clear we have the right to approve what we want or not.

In summary, Yvonne stated there is not going to be a vote on the Motion. The Board for now will leave it at the discretion of management and staff. However, the Board did request there be a disclaimer involved with any presentation, saying that RVR does not endorse the presenter or his views.

Guest Policy

Cathy Cooney requested there be a consistent policy around who gets charged for using the Ranch House as a guest. She gave examples of some of the weekly gatherings that take place at the Ranch House (i.e. Mahjong) where there are non-RVR homeowners who are not paying to use it. RJ suggested that an owner's living room is a great option for an activity with non-homeowners instead of the Ranch House living room. There was also a great deal of discussion around what the parameters should be around both the use of the Great Room and the use of the Conference Room as it relates to non-members being involved on any level, whether it is a non-profit, a bible study or a for-profit meeting. The reasoning centers around the fact that any guest at the Ranch House on some level creates work for the staff and they use our resources. Gary Lesser expressed that what he feels it all comes down to is a discussion around who the facilities are staffed and maintained for. We need to consider; do we want to maintain it primarily for people who own property in RVR? He believes we have gone overboard by creating different groups who can come to the Ranch House regardless of ownership (tennis, water aerobics, seasons etc.). He suggested at some point there needs to be a conversation around whether the community and the Board want everything to be primarily for the owners or to open it up to the greater community. RJ expressed he feels it is appropriate any non-members using the Ranch House be charged regardless of the use.

The Board is in favor of anyone who comes into the Ranch House having to pay a guest fee, regardless of what they are here for or how long they are here for. This would apply across the board, including **any** guest who comes in to use the building for any purpose.

The Board decided to come up with a concise policy around this and vote on it at the October meeting. They asked management to propose with suggested guidelines. Sterling suggested to the Board that when considering these policies, it should be done from a perspective of total build out perspective, since at 85 percent, we are almost there.

Announcements

- Sept 26, 5:30pm: Financial talk with Matt Owings
- Oct. 6, 4 to 7pm: Chili Cook off/meet artist
- Oct 7: New artist Rebecca Nickoley
- Oct 24: Halloween Craft for kids during fall break
- Oct 31, 5 to 7:30pm: trick or treat at Ranch House
- Oct TBD: art open
- Nov 7: New owner's meet and greet with Sterling and Kendra
- Nov (tbd): Lisa Voegle travel presentation
- Nov 23: Thanksgiving kid craft with Pam porter
- Dec 7, 6 to 9 pm: Annual Holiday Party
- Dec 14: Kid craft w/ Pam porter 10 to 11:30 am and Kids' Holiday party to follow 12 to 1:30 pm

Ranch House - Operational - and Finance Reports

RANCH HOUSE REPORT – KENDRA

We are now officially into our “fall season” at the Ranch House. Until last week the pool was still maintained and available for owners to use during Ranch House hours without lifeguards on duty. We just officially completely closed the pool last Thursday. The Ranch House evening hours are set at 8 pm for both weekday and weekends. The weekend closing hours will change to 7 pm at daylight saving time. starting on Saturday Nov. 2. We will be messaging and reminding in advance. There was an adjustment to Labor Day this year with shortened Ranch House holiday hours from 8 am to 4 pm. This was the first time for this, and the community was very supportive and flexible; we anticipate doing the same next year.

Sterling and Kendra will be hosting a Happy Hour Conversation in early November, focusing on new homeowners who have moved to RVR since the start of 2019. With an average of at least seven closings a month, we know there are a lot of new owners to meet and likely many questions to answer.

The plan is to move the annual meeting from mid-December to early January and free up the already full schedules of our owners during the festive holiday time.

Communications

The new RVR website will be rolled out in the next few weeks. We are excited about the beautiful new format, ease of navigation and accessibility of information and resources. A significant change will be

the new member login process in the “Members Only” section. We will be sending out information on the steps to follow to get an account set up.

The packets of information that are handed out to new owners will now have a copy of the Enforcement Policy and Fine Schedule, so new members of our community will be aware of these processes and procedures we have been messaging the community about the past six months.

Human Resources

Many have noticed a shift in front desk staffing after our full summer season. Becky Denning has dialed back her morning front desk shifts from five days to three days. Once our summer staff went back to their other commitments, we had some openings in our afternoon shifts as well. As a result, we were fortunate to find two fabulous new ladies whom many have already been meeting at the Front Desk. Elena Perez is here on Monday and Tuesday afternoons and Julie McClain is the alternating morning person with Becky and is with us on Wednesday and Fridays. Both Elena and Julie spent significant time training with Becky, Jessica and Jules -- and recently started their regular coverage. We are thrilled to have them as part of our RVR Team.

Design Review Committee Report for August 2018

The DRC continues to be full speed ahead. We currently have 18 projects under construction and eight new projects under review. (**Activity Comparison:** August of 2018 six projects were under construction and seven under review)

Since our August Board meeting the following have been in front of DRC:

Lot: D-20

Review Type: Preliminary

Lot: GG-1

Review Type: Revisions

Lot: S-20

Review Type: Final

Lot : U-9

Review Type: Landscape Revisions

Lot: AA-12

Review Type: Addition and Remodel

Lot: GG-3

Review Type: Final

Lot: KK-11

Review Type: Preliminary

Lot: L-2

Review Type: Second Preliminary

Lot: K-08

Review Type: Landscape Revisions

(Activity Comparison: at last year's BOD we had two minor submittals to report – a landscape revision and a fence application).

In reference to Kendra's report, Yvonne noted the goal is to have the annual meeting moved from the middle of December to after the first of the year. The Annual Meeting is always right before Christmas when there is so much going on. Ben reminded us there only must be one Annual Meeting each fiscal year. There was discussion around whether the Annual Community Meeting in the summer qualified as an official Annual Meeting and we could pass on having one this December. The winter schedule is such that there is the Annual RVR Holiday Party and then a week later the Annual Meeting. The likely outcome will be that this year's Annual meeting will be conducted at the regular December Board meeting and moving forward the summer meeting in July 2020 will be conducted as the new official Annual Meeting and after that there will no longer be one necessary in December. Ben noted that purpose of the annual meeting is essentially that the members may transact any other business as may properly come before them at the annual meeting.

Another item which has been brought up from Kendra's report is related to the DRC report and the information provided in it. A homeowner recently requested there be more details provided in the DRC report around each project, such as the owner's name and address. The Board discussed this and decided that naming owners in the report is not necessary; however, they did request that from now on the address be provided because the lot number is a difficult reference for most of us.

OPERATIONAL REPORT-STERLING

Governance

- Covenants, By-Laws, Resolutions and Policies.
 - James Maguire has agreed to continue working as RVR's accountant.
 - The IT committee -- Laura Hanssen, RJ Spurrier and Hugh Sontag met with James, Kendra, Jessica and Sterling to review the direction for the coming change to QuickBooks as the master software and data collection point for the Association.
 - The non-compliant shed along the 17th fairway has been removed by the owner as requested by the Board.
 - The non-compliant wood stove installation has been remedied by the owner complying with the Town of Carbondale Ordinances and the RVRMA Revised and Restated Declarations.

Facilities

- Ranch House
 - Our HVAC system was repaired under warranty and is working well.
 - A leak was detected in the water supply system causing the water to be shut off during the repair.
 - The Master Association will provide dumpsters for the use of the community for the disposal of leaves beginning in mid-October. We will also provide a dumpster for tree limbs and brush debris. Both will be located at the Ranch House.
- Pools & Tennis
 - The pool has remained open later into the summer season to take advantage of the good weather. It was closed on Sept. 19 at 9:19:19 am.
 - Tennis has been busy this fall as the weather has been excellent.

Grounds

- Common Areas
 - Removal of the cottonwood trees in the Lakes area and Orchard Park is complete. Plans are being developed to replant the areas with a more suitable arrangement of trees and shrubs to enhance the experience for members of the community visiting these areas. Plantings should begin with the completion of sprinkler blow-out.

Irrigation

- Monthly Water Usage

	August 2019		August 2018	
○ Total Used	60,406,917	100.0%	39,070,601	100.0%
○ Golf Usage	33,059,384	54.75%	24,784,801	63.44%
○ RVRMA Usage	27,347,533	45.27%	14,285,800	36.56%
- Main Line and Cla-Valves
 - The decision to change to battery-operated clocks is still under review. We may be able to save up to \$300 per month by dropping the electric metered service. We currently use power through 25 meters that barely register any energy usage. Most of the bill is taxes and fees.

Operations

- Old Town
 - Mid Valley Painting has two homes to complete in October to fulfill their contract. The homes look great and I have had only good feedback.
- The Settlement
 - Nothing to report
- Boundary

- A 20-foot irrigation easement was originally drawn in the Crystal River. The developer has agreed to have it redrawn in the actual location and install the irrigation service line to lot 10 and 11.
- The 24
 - Nothing to report
- Crystal Bluffs
 - Nothing to report

Yvonne requested that Community be notified a few weeks in advance of when dumpsters are going to be out in parking lot. Sterling explained that there will be two this year: one for limbs and one for leaves. The timing of when they will be at the Ranch House will be based on when leaves start to fall, and the dumpsters will stay until they are either full or the snow starts.

Yvonne also requested that the homeowners who were impacted by the cottonwood tree removal are invited to participate the discussion about the replacement plan. Sterling already has the meeting concept planned and will absolutely include the owners in that area when this discussion gets scheduled.

FINANCIAL REPORT -JAMES MAGUIRE

1. For the month of August, actual income exceeded budgeted income by \$12K due almost exclusively to an increase in DRC fees. As for year-to-date, we are within only a one percent variance of budgeted vs actual income. We budgeted \$1.68M and received \$1.71M.

Total expenses (COGS + expenses) came in \$43K under budget for August and \$134K for year-to-date. The main variances continue to be in Wages (\$24K), Golf Legal Expenses (\$29K), Tree Maintenance (\$13K) and Other Admin Expense (\$28K).

One factor contributing to the Wage difference is replacing an employee cleaner with an outsourced contractor cleaner. That's why Cleaning Labor is \$24K over budget.

As for Tree Maintenance, the costs to replace the trees around the lake have been charged to the Reserve Fund. Cost-to-date for that project is \$9,200.

2. Regarding Accounts Receivable, all homeowners have paid their dues, although we have some who have small balances still due. Nothing to be concerned about. I am in communication with them and working with them to get these small balances paid.
3. Other than the tree project around the lakes, we did not spend any other reserve funds in August.

4. Our tax return is being processed by Gary Porter CPA, as reported previously. The last update I received was that it will take a couple more weeks to finalize. We will also receive a recommendation regarding filing an 1120-H going forward.
5. We have started the discussion of having an audit or review done. We will look more into this and let you know what our options are, including costs.

The Board had discussion around having an audit and Sterling noted it is in the budget and on the financial agenda to have it done this year, however from a timing standpoint it might happen next spring, because of the challenges of scheduling the auditor. James suggested it be done during the first quarter; he'll find out if that timing next year is possible.

James explained an audit has several purposes: to review of our accounting processes, and to make sure the financial statements reflect general accounting principles.

The overall sentiment from the Board and Management is that it's fiscally responsible to have an audit done. There was discussion and questions from the Board members around the need and frequency of an audit. Yvonne suggested that after this first audit is complete, it will be time to have a conversation about what we learned from the audit; then we can decide about how often to have them done.

James mentioned the trash company would like to stop allowing RVR to have vacation holds prior to the trash service switching over to the Town of Carbondale. The Board did not agree to this and want the vacation hold to be allowed until the RVR contract is up next spring .

VI. Old Business

- Golf Update

The DHM Open Space Report went out by email to all property owners Monday September 9. There was an email provided for questions and to date we have not received any. There seems to be little concern or interest from the community around golf right now. It is unclear if this because of the distance from when the initial concern set in or if there is a perception the golf issue has gone away. The next step for the Golf Committee is to review financial parameters of the Billy Casper Golf report and the DHM Open Space Report, side by side, and then decide from there how to share those findings with the homeowners.

- Governing Documents Committee

Ben Johnston explained that the Governing Documents Committee has met twice, and it is a good group that is engaged in the process. One of the immediate concerns of the group is what is the scope

and direction from the Board, so they have put together a charter (*see attached*) and are asking the Board to adopt it.

MOTION: *Director Cathy Cooney and Secretary Ben Johnston moved and seconded a motion to adopt the Governing Documents Committee Charter as written.*

The Committee will be keeping in mind that the Covenants are what takes the vote of the community to change, while other documents can be changed by the Board. So, the plan is to go to the community this fall with a survey that asks their concerns about all the documents and then suggest to the Board any changes that they think are appropriate, with a focus on the Covenants.

Since the Governing Documents Committee is an advisory committee, they will keep the Board advised of what issues come up and make recommendations of next steps.

Ben noted the members of the committee are interested in understanding what hot buttons and common problems come up for management daily. They would like for Sterling and Kendra to attend a meeting and give them an idea of this.

Gary Lesser mentioned that Hugh Sontag from the IT Committee is going to help the members of the governing documents committee with centralized document management where they can edit, comment and notate collaboratively. Hugh will be demonstrating this at the Committee's next meeting on Sept. 30.

Yvonne expressed her gratitude for the committee members and the tremendous amount of work and commitment involved.

- Playground Equipment for Parks

Yvonne explained that at the last Board meeting, Leslie Marcus asked about the playground equipment at Orchard Park. Leslie has since met with RJ and Sterling and the Town of Carbondale Parks and Recreation Department. RJ noted in the next two weeks he and Leslie will have preliminary meetings with three different playground vendors.

RJ explained that they now have a sense of the Town's perspective based on the introductory meeting. The Town's big concern is Triangle Park. The town has expressed they are on the edge of feeling the need to close it down. They are unhappy with how RVR is maintaining it and the Town clearly has no interest in contributing any finances to it. Basically, it seemed if RVR gets Triangle Park in order, the Town will let RVR do whatever they want with Orchard Park. The impression RJ and Leslie got from the Town was Carbondale's interest in helping is zero. If RVR wants to solicit funds, the Town will have nothing to do with it. RVR's responsibility to the Town parks in RVR was clarified.

When talking to the playground vendors they are going to ask for proposals about Triangle Park and the pool playground equipment. The thought for Orchard Park is to have a community fundraiser to be able to make it a more vibrant play resource. The issue the Board needs to consider is if there is a fundraiser for Orchard Park, is RVR responsible in 25 years for replacing it with comparable equipment at that time.

It was clarified there is reserve funding for Orchard Park, but the upgrades would come from a community fundraiser for more equipment for a broader range of ages. Sterling suggested that at that time the reserve study will be based on the replacement of existing equipment. He also clarified that each park is allocated money separately in the reserve fund.

There was discussion about the prioritizing of Triangle Park and doing a replacement with comparable equipment.

MOTION: *President Yvonne Perry and Director Cathy Cooney moved and seconded a motion to form a Playground Committee with the current members being RJ Spurrier and Leslie Marcus. Others will be added later.*

I. New Business

- DRC Proposed 14th Amendment- Landscape Requirements

Kendra explained this has been a discussion within DRC in the past few years as we now see the impacts of the higher landscape requirements throughout the community over the past 20 years. There are numerous requests that come in from owners to take trees out, so it seemed like it was time to analyze how many are required to put in at the start.

Jen DiCuollo, the Landscape Architect on DRC, has spent a significant amount of time and research coming up with the final recommendation. She used lots of all different sizes and areas in the community as subjects of the study.

The DRC has seen the need for this change and has started to make these adjustments and suggestions to applicants and now this is a way to formalize it.

To put the new formula into perspective, Kendra gave an example of a current lot that is under review with DRC and with the current landscape guidelines this applicant would be required to plant 70 trees. With the new formula the amount goes down to 40 trees. This example is based off one of the larger lots in RVR but reasonably demonstrates the new requirements.

There were questions from the Board about whether the landscape requirements could just be left up to the discretion of the DRC on a case-by-case basis, and if the amendment is more prescriptive than it needs to be. However, it was realized the DRC needs a baseline they can provide to applicants and architects and still could use their discretion with each project.

This Amendment will be applied to existing projects as well, so when trees are removed the calculation will be applied to see if replacement trees are even needed. Ben Johnston suggested that there needs to a minor change to the wording of the 14th Amendment where it states, “Each residence is required to plant a minimum of...” Instead, it should say “each residence is required to plant *and maintain a minimum of ...*.”

MOTION: *President Yvonne Perry and Director Gary Harada moved and seconded a motion to adopt the 14th Amendment as written with the change as recommended by Ben Johnston. The motion passed unanimously.*

There cannot be interior or exterior wood burning devices in RVR. Sterling explained there has been a gap in the language from the PUD that was granted in 1994 , to the language in the RVR covenants and the language that was written into the DRC guidelines. It was not consistent all the way through. The 15th Amendment will have the language from the PUD Ordinance carry all the way through to the DRC guidelines, which will state that no wood burning devices are allowed anywhere in the PUD. The Board discussed the fact that there are existing exterior wood burning fireplaces and firepits and they will be grandfathered in since the language in the DRC guidelines at their time of approval allowed them, although incorrectly. We are essentially clarifying the rules to fit what should have been done all along. The new rules will be enforced moving forward with new homes or new requests.

MOTION: *President Yvonne Perry and Director RJ Spurrier, moved and seconded the motion to adopt the 15th Amendment to the DRC Guidelines.*

- Appointment of Laura Hansen, Tim McFlynn and Sarah Jane Johnson to Old Town Advisory Board

MOTION: *President Yvonne Perry and Secretary Ben Johnston moved and seconded the motion to appoint Luran Hansen, Tim McFlynn and Sarah Jane Johnson as new members of the Old Town Advisory Board.*

- Appointment Steve Wohl to Settlement Advisory Board

MOTION: *President Yvonne Perry and Director RJ Spurrier moved and seconded the motion to appoint Steve Wohl as a new member to the Settlement Advisory Board.*

Adjourn

The meeting was adjourned 7:02 pm

Executive Session