

Cerise Ranch Property Owners Association

RECORD OF PROCEEDINGS

Tuesday, June 10 2008, 7:00 P.M.,
Clubhouse, 0159 Cerise Ranch Road
Carbondale, Colorado

MEETING OF DIRECTORS

A meeting of the Directors of The Cerise Ranch Property Owners Association (the "Association") of Garfield County, Colorado was held on June 10, 2008, with the following persons present and acting:

- Eric Schmela, Association President
- Todd Gressett, Vice President
- Kristen Boothe, Secretary, Director
- Brenda Broxton, Treasurer
- Charles Capobianco - Director
- Keith Edquist, Association Manager

Present for Owner's open forum were: Eric Schoon, Charles and Martha Capobianco, Dan Sadowski, Kim Welsh, Mike Hoffman, Chris and April Calabro, Gerry Hazelbaker, Kirk and Susie Wheatley.

Meeting topics: Upper Ditch use and users, Non-compliance letters and fines, West End Ditch Company. Entrance lighting and common area maintenance, reserve study update and insurance update, safety issues on roadways, and pool toys.

Owner's Open Forum

Several owners attended in regard to use and maintenance questions concerning the upper ditch. There was a long discussion in regard to who should maintain the ditch, users or the HOA. Eric Schmela led the discussion in this matter, fielding comments from the owners attending. There were no decisions reached at this meeting, but the ditch users acknowledge the importance of maintenance, while the HOA Board needs to be certain that the proper easements over the lots and building envelopes exists, and that the ditch is in workable condition. In many places it seems as if the piped ditch may be outside the ditch easement. It is also open on some lots along its length, and currently was leaking slightly from one such open section.

While several owners felt the HOA should maintain the ditch, the Board was cautious in accepting any responsibility until the matters of its placement within the easement are clarified, and likely would require owners to secure easements if the existing ditch is on portions of their lots or building envelopes. There is also a

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significant issue as regards debris flow potential coming from drainages and lots above Larkspur Drive. When and if these should fill open ditch sections with debris, it is not clear at present where responsibility for cleanup costs would fall. From an HOA standpoint, it would be better if the entire length of the ditch were piped. At the same time, lot owners in some cases prefer the open ditch on their property and the attendant trees that are supported by ditch water. The Board will need to discuss this matter, gather information, and try to coordinate an effort to establish maintenance responsibility for the ditch. At this time, President Schmela had to leave the meeting.

There was a subsidiary discussion in regard to the need to maintain some back pressure on the piped ditch in order to fill irrigation tanks on lots 48 and 49. At present this is accomplished by a 5-6 foot tall standpipe on lot 1 at the Harris and Reed Ditch. It was determined that the concerned parties, Sadowski, Capobianco, Welsh, along with landscaper Tom Hazard and Manager Edquist would determine how to maintain the needed pressure and work toward a mutually agreeable solution. 1

Consideration

The minutes of the meeting of March 6, 2008 were reviewed and unanimously approved without changes or corrections.

Management Report

Manager Edquist gave a brief update to the Board on the new insurance policies, saying he had received a pro-ration check in this day's mail from the old Directors and Officers policy. He also said the engineers from Borne Engineering had been at Cerise Ranch to review the facilities and property on site. He and Vice President Gressett walked some of the property with them on February 22, including looking for drainage swales and debris flow mitigation on lots 40,41,42 and 43. None were found although incomplete debris flow channels were seen between the lots. Keith was asked to get an update on progress from Borne Engineering and to ask them when Cerise may expect their report.

Manager Edquist said that he had obtained two strongly divergent bids for asphalt crack sealing work to be done on the roadways. This is a necessary maintenance procedure for asphalt. There may be some benefit to doing this in colder weather, when the asphalt will have contracted to open existing cracks wider. There was no determination made as to this work at the meeting, Mr. Edquist stating that it was not a budgeted expense, and that perhaps it were better done this fall when the engineering study is in hand and finances more clear.

Mr. Edquist said about \$1100 has been spent so far on entry sign cleaning, staining, painting and lighting. There are additional lights needed to up-light the trees near the entry. The plant beds have been tilled and fertilized, and the shrubs

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and perennials planted. Keith said the annual flowers would be planted in the next weeks, but that there were no present plans for flower bed or other improvements at the roundabouts. He said the same designer who had done the entry bed arrangements felt there was no focus to either roundabout. This is something the landscape committee should look at further, depending on funds available.

Director Capobianco asked about lighting for the area of the post office boxes. Mr. Edquist believed there was electrical service available nearby, and that lighting would be possible for this area. In this regard Mr. Edquist said he needed to check with Holy Cross electric, to determine the locations for which monthly bills are generated.

He also spoke briefly about weed control efforts, again through Kim Bock of Prima Plant Care Services. The present plan for weed control is to have Kim spray the common areas for thistle and other noxious growth, along with spraying weeds along the roadside and paths. Prior to spraying on the private lots, Mr. Edquist will notify owners and provide them the opportunity to perform noxious weed control in advance of Kim's spraying, should they wish to do so. If not, Prima Plant Care will spray for weeds on lots and owners will be billed for the service.

Old Business

Manager Edquist then asked the Board to review the situation existing on each lot as of June 2, in view of letters of Non-Compliance sent to 5 owners. Those letters indicated \$25 per day fines would begin starting on May 31. Mr. Edquist had pictures of each of the lots both before and after any efforts made to comply with the Board's request for cleanup/remediation. The results of the letters and Board direction were as follows:

- Ian Walker, Lot 22, cleaned up fill piles but will need to revegetate and/or pay for weed control on the lot. Still tarp and tires on the lot which must be removed. Either come in for submission for Design Review or revegetate area.
- Richard Stumpf, Lot 38, removed trailer from lot, but pile of building materials remains, though it is covered now by a brown tarp. Continue fines.
- Ken Baldwin, Lot 27, removed all the stored materials and trailers, left 4 or 5 piles of fill dirt untouched. Either come in for submission for Design Review or revegetate area.
- Brenda Broxton, Lot 26, asked and received additional time to remove storage tank from the lot, date of June 14th given. (Tank removed June 14th).
- Holmbeck, Lot 40, no response by the time of the meeting. Continue fines.

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New Business

Vice President Todd Gressett discussed a proposed “West End Ditch Company” for residents of Sunflower Loop, specifically lots 59-53 as presented in this meeting. This company would bring irrigation water from the Harris and Reed Ditch via a pump to the lots above. Mr. Gressett stated he had obtained conceptual approval from all the lot owners involved in this, and asked the Board’s approval to move forward. The plan would be to obtain a ditch easement over portions of association common space on lots 57 and 58, with a pump location on lot 58.

Mr. Gressett represented there would be no cost to the POA, and that all expenses in regard to securing the easement, operation and maintenance of the pump and ditch easement created would be borne by the owners benefiting from the irrigation water. He said it would be necessary to survey the easement, finalize it legally and amend the Cerise Ranch phase I plat. He asked for the Board’s endorsement to move forward with this project, and said he saw no hurdles to accomplishing this.

Director Boothe left the meeting at the beginning of this presentation, and therefore, since Mr. Gressett recused himself from voting on the matter, there was not a quorum of the Board to act on this request. Manager Edquist suggested Mr. Gressett make an email request for approval of this matter to the Directors, rather than waiting a month for the next Board meeting. This would provide a written record of the vote. Mr. Gressett said he would do so.

Mr. Edquist brought forth a request by Robin and Steven Humble for pool toys to be purchase for use at the Clubhouse pool. The Board discussed this, and came to the conclusion that any money directed to the pool should first go to replacements or additions to the umbrellas and chairs. They were concerned about clutter, breakability, maintenance and liability issues. They felt it would be fine for individuals to purchase such items for use while they were using the facilities, but that they should not stay at the pool or Clubhouse.

There was another discussion regarding safety matters on the roadways, brought about by an owners son’s speeding on a motorbike last week. Mr. Gressett called management, and Mr. Edquist contacted the father and the incident was stopped, but not before several potentially dangerous laps were made. Manager Edquist said that the Board has the authority to publish rules and regulations regarding the use of the roadways, and that should they do so, they need to be published and made known to the ownership, then impartially enforced. He said the enforcement was the difficult part, and that if there were an existing authority with that power, that authority (sheriff, Division of Wildlife officer, etc.) should be contacted. There was no resolution of this matter by the Board at this meeting.

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The date of the next Board meeting was not discussed, but should be Wednesday July 3, 2008

There being no further business to come before the meeting, the meeting was adjourned at 9:20 pm.

Respectfully submitted

Keith Edquist, EMRE LLC, Association Manager

CERISE RANCH PROPERTY OWNERS ASSOCIATION, INC.

Eric Schmela–President
