

Cerise Ranch Property Owners Association

RECORD OF PROCEEDINGS

Thursday, July 1, 2009, 7:00 P.M.
Clubhouse, 0157 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 July 1, 2009, with the following persons present and acting:

- Ted Borchelt, Vice President
- April Calabro, Treasurer
- Farrah Roberts, Secretary
- Charles Capobianco Director
- Keith Edquist, Association Manager

Also present was owner: Kevin Tucker

Meeting topics: grading and drainage work, upper ditch system and operation, association financial statements, aging statements, foreclosures and liens, owner survey.

Owner's Open Forum

Owners Perry Seider and Kevin Tucker were present. Mr. Seider introduced himself to the Board and left the meeting. There were no owner comments, but local real estate sales and pricing were discussed at some length. Owner Kevin Tucker stayed until shortly after 9 pm.

Consideration

The combined minutes of the meetings of May 5 and May 19th, May 28 and June 12th, were presented and approved.

Management Report

Manager Edquist said weed control efforts were moving forward on both common space and private lots, but also that wet weather in June had delayed the anticipated schedule by close to a month. Keith said he had spoken with both contractors in regard to the drainage maintenance work on Sunflower and Larkspur. There was divided sentiment as to whether to move forward with this work, which is budgeted this year, or perhaps split the work into two pieces, doing the higher priority culverts and drainage catch basins this year, and the balance in 2010. Ultimately, there was consensus to have the work broken out by

Cerise Ranch Property Owners Association

location by the successful bidder, and to proceed with the whole project unless the savings were significant. This would mean, at minimum, that all the culverts are cleared, and the two largest drainages and their associated catch basins are modified and prepared for storm events.

April Calabro reported that the upper ditch water is turned on and is running about 8 hours per day, and that it still does not seem to be sending enough water to satisfy all users at all times. The temporary system is shut down each afternoon, and its users are on a voluntary schedule for use. The Board wanted to know when the Hoffman home under construction would be landscaped, as this will add to demand on the water.

Mr. Edquist reported that he'd received an invoice for just over \$1000 from the Metro District for water, parts to fix the well(s), and labor. All this is related to pumping water to the storage tank to supply the upper ditch with water. There was discussion in regard to this billing, Mr. Edquist was asked to speak with the District in regard to the billing of the CRPOA for the pump repairs, the District's intent to repair the second pump (if any), why there was no water at the hydrant below the storage tank, and what the level in the storage tank might be.

Manager Edquist said he had received 16 owner's surveys, which he gave to Director Borchelt. Ted will collate survey comments and notify the Board of the results.

Financial Report

The Board reviewed the financial reports as of June 30th, and the aging statement; They would like to see a running total by quarter of receivables, in order to track income and receivables a bit more closely. The Board also asked that future budgets break out expenses by month, so that monthly expenses versus budget comparisons are more easily made.

There is another foreclosure about to occur on Lot 39. Lien forms need to be signed either by the President or Vice President of the Association for three owners and a total of 4 lots in the Association. All were liened in 2008, Lot 39 will be liened for the first time this year. The Board also directed additional liens be filed on owners Gillis, W. Baldwin, and Selucky, for past due assessments.

There was a motion, seconded and carried to appoint Director Charles Capobianco as interim President until the next election of Directors at the 2009 annual meeting. There followed a motion, seconded and carried unanimously, to add owner Dave Marrs to the Executive Board. Mr. Marrs had been contacted and agreed to this appointment prior to this meeting, but was out of town at the time of this meeting. Marrs will serve the unexpired portion of Schmela's term, until December of 2009. Mr. Marrs is also a member of the Design Review Board. Eric

Cerise Ranch Property Owners Association

Schmela also resigned from Design Review. Mr. Edquist said a replacement member was sought and needed for DRB.

Old Business

Keith brought the recent billing for the Clubhouse flood and dryout, along with a check to the vendor. Some Directors feel the costs were excessive; the policy deductible is \$2500, the final bill closer to \$7,000 with all expenses included. Manager Edquist turned over these items to Director Calabro, who was to contact the claims adjustor and vendor in regard to the work.

At this point (9:05 pm) owner Kevin Tucker left the meeting.

There was direction given to management to account for legal expense from the Balcomb and Green firm in regard to the situation in Dakota and the Highline (Upper) Ditch. Mr. Edquist will contact the attorney involved and ask he generate a report regarding what was discussed and what advice was provided.

Vice President Borchelt was to reply to an inquiry from the Dakota homeowner's attorney and state the water at the site is being tested per the recommendation of CRPOA insurer, to determine if it is treated water or groundwater. There was further discussion as to how to deliver more water to the upper ditch headgate in the future.

At this point, the Board met in Executive Session.

Topics discussed were legal in nature and relating to delivery of water to the upper (Highline) ditch in Cerise Ranch.

There being no further business to come before the meeting, the meeting was adjourned at 9:45 pm.

Respectfully submitted

Keith Edquist, EMRE LLC, Association Manager

CERISE RANCH PROPERTY OWNERS ASSOCIATION, INC.

Charles Capobianco, President
