

RECORD OF PROCEEDINGS

Wednesday, December 2, 2009, 6:00 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 December 2, 2009, with the following persons present and acting:

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

Meeting topics: Budget, Notice, Proxy mailing, Dakota/Highline ditch issue, Clubhouse Maintenance, Basalt Water Conservation District expense update, aging reports and collections, POA financial status, Annual Meeting agenda and speakers.

Owner's Open Forum

Owner Roget Kuhn came in regard to the Board's earlier decision that no action by the POA was required in regard to the ditch location vs. easement location on Lot 16. He said he wanted to understand the Board's position. It was stated that Mr. Kuhn purchased the property in its present condition, that his title work addressed "pre-existing conditions" and that the culvert under the paved Larkspur Drive existed at his purchase date. Mr. Kuhn acknowledged he 'did not see it was there' on purchase.

Manager Edquist said that ultimately the issue was that the drainage and maintenance easement shown on the plat is between lots 15 and 16, while the actual drainage itself exists largely between lots 16 and 17. It may prove difficult in the future to access the area for drainage maintenance without the corresponding easement in place.

Consideration

The minutes of the prior meeting of November 4th were presented for approval, and approved as submitted. As a point of clarification, the Board affirmed that late charges on lot 7 could be dropped, as discussed in the November meeting, if the large area of weeds

on the west side of the property were removed by the owner.

New Business

Manager Edquist said the proposed budget, proxy, and notice were mailed to all owners in regard to the Annual Meeting to be held December 9th. He said he had 3 proxies in hand, and that a quorum consisted of 20 percent of all owners. Therefore a quorum can be expected at the meeting. He said also that the proposed budget is approved unless rejected by 60 percent of the ownership at the meeting.

He gave a brief report on having met Sopris Engineering at the Dakota location, and said Sopris was researching the original excavation with the original engineers and the original excavator. Director Calabro provided a hard copy of the agreement with Sopris, stating she had a signed copy at home. The Board agreed to pay to Sopris the \$1000 retainer asked for in the agreement.

Manager Edquist said he had completed all of the requested maintenance to the Clubhouse with the exception of the carpet cleaning. The Board directed that the carpet be cleaned prior to the annual meeting. Mr. Edquist thanked Director Roberts for her recent cleaning of the Clubhouse. The Board discussed carbon monoxide detectors for the Clubhouse, and wanted an estimate for installation of a combined CO2/Smoke alarm for the exercise room. Also discussed was a simple plug in detector for this room. Last, Keith noted that the expense for Clubhouse cleaning ran to \$2225 for the months of June to September, against the budgeted \$1200. He said it will be necessary to find a vendor far less expensive for 2010.

Old Business

Mr. Edquist stated that he had not made contact with the Dakota Townhome Association in regard "no trespassing" signage erected on Cerise owner Broxton's property. Director Borchelt said he would make this contact, as he knew the individual to call. Keith said he had spoken to CDOT in regard to Cerise Ranch Road highway signage on 82, and was told that such was not possible at this time. The Board discussed placing a sign at the entry this coming spring, style to match existing for other roadways.

Director Marrs reported on the changes made to the contract between CRPOA and the Basalt Water Conservancy District (BWCD). He said this was basically complete, and will result in reduced expense to the POA on an annual basis. The amount is subject to change each year as the community is built out, as vacant lots are treated differently as opposed to developed ones. Cerise will retain 22.8 acre feet of water under the revised contract, at an

expected 2010 cost of \$3206. The Board thanked Dave for his hard work on this difficult matter.

Financial Reports

The Board reviewed the financial reports, Mr. Edquist pointing out that the operations expenses will likely come in under budget, but that uncollected assessment income will result in a 2009 operational shortfall. At the time of this meeting, that was projected at \$12,420, but note was made that all expenses are not yet in, and all assessments not yet collected. Keith said shortfalls typically, by Board action, are met by use of reserve funds.

In regard to collections, Mr. Edquist noting that he had sent Notice of Default messages to two owners in arrears with assessments. The Board also discussed moving forward with a lien on Lot 59, as a verbal agreement for payments was not fulfilled. Keith said he would have a new statement produced to use in association with filing this lien.

There was brief discussion of the landscape contract proposed by Tom Hazard. Note was made that a new contract has not been signed. There was discussion of having others perform the mowing and/or weed control aspects of the contract. Not decision in regard to this contract was made at this time.

Plan for Annual Meeting

The principal business of the Annual Meeting will be to elect new directors to the Board, and to approve the proposed 2010 budget, previously mailed to all owners.

President Capobianco will run the meeting and review the proposed budget, including the need for a new approach to weed control on private lots.

Director Marrs will address Design Review matters, including some community non-compliance matters in regard to lighting, screening and property maintenance.

There being no further business to come before the meeting, the meeting was adjourned at 8:20 pm.

Respectfully submitted

Keith Edquist, EMRE LLC, Association Manager

CERISE RANCH PROPERTY OWNERS ASSOCIATION, INC.
Charles Capobianco, President

Cerise Ranch Property Owners Association

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DATE 12/07/09