

Minutes Orchard Villa Townhomes Homeowners Association

Board of Directors

March 29, 2008 - 2 p.m. Grand Center

Board members present were Marc Thomas, Mike Stringham, Connie Baty, and Chris Ensworth. Kendra Perkins was absent.

Homeowners in attendance: Herb and Barbara Crossan, Sue Noah, J.D. Wilson, Vicki Fugit, Audie Harper, Charley and Diane Mackey.

Marc Thomas moved to approve the minutes of the February 23, 2008 meeting continued on March 5, II, 19, 25, 2008. Connie Baty seconded the motion. All board members voted in favor.

Treasurer Connie Baty reported the Association had a balance of \$64,953 on hand in the checking account and in certificates of deposit. She said the Association had received \$29,167.30 in income from assessments for January and February 2008 and paid \$8,799.18 in bills.

Chris Ensworth moved that bills be approved for Pet-Pick-Up bags, stamps and rental of the Grand Center. Marc Thomas seconded the motion. It passed unanimously. The Board unanimously approved Chris Ensworth getting an additional 25 swimming pool keys duplicated, to have spares on hand.

Chris Ensworth noted it appeared there had been a data entry error made in the Association's year-end financial statement and the first quarter assessments for 2008 had been keyed into 2007 revenues. She said the report showed the Association with \$158,073 in revenue and \$36,789 in profit for 2007. She said that was not possible because the total assessment revenue for the Association in 2007 was in the neighborhood of \$122,000. She asked Connie Baty to check with the accountant and determine if the Association needed to send in a corrected tax report.

Mike Stringham gave a brief explanation of a Reserve Study and the need to conduct a financial analysis to determine how much the Association needs to set aside in assessments for a savings plan to pay for future major repairs. He said 20-30 states now require some form of Reserve Study for Homeowner's Associations.

Mike Stringham said he favored purchasing software, which would allow the Board to update the savings plan annually, due to changes in maintenance priorities and inflation. He said the software would cost about \$500. Chris Ensworth said for the same price range the Association could submit their data to a Reserve Study firm and have them do the financial analysis ..

Marc Thomas said he needed more information on the software and would like to research it on a website, as well as a sample report before he made a decision. The board decided to table any action on a financial analysis until the next meeting.

Mike Stringham reported the handyman Mike DeClerq had contacted Desert Splash about a new sign and testing kit for the swimming pool. Chris Ellsworth said the Board needed a copy of Mr. DeClerq's state pool operator's license. She also stated the board should write a job description for Mr. DeClerq, so he would know what his responsibilities were for operating the swimming pool this summer. She agreed to contact Desert Splash and determine if they were available for back up on a day-to-day basis.

Marc Thomas reported he had received a bid from Nelson's Heating & Cooling for start-up and shut down on the swamp coolers. He said the bid was for \$5,600, 11 percent higher than last year's bid of \$5,040. He said the bid put the Association between a rock and hard place, since only \$4,000 had been budgeted. He noted Nelson's billed \$3,900 last year, which was lower than their bid Diane Mackey said years ago the Association arranged for the contractor to perform the start-up and shut down, but the cost was billed back to individual homeowners on their assessments. Chris Ensworth said she favored charging the service back to homeowners, since swamp coolers and air conditioners are the responsibility of homeowners and it just adds confusion between the homeowner and the Association about who is responsible for what items. Sue Noah noted the Association originally started hiring a

**Page 2 - Orchard Villa Townhomes Homeowners Association Board of Directors
Meeting - March 29, 2008**

contractor to limit liability and damage to roofs. Marc Thomas suggested there was not enough time to get feedback from homeowners on making the change, but it could be discussed during budget planning and at the annual meeting. Chris Ensworth made a motion that the issue of levying the charge for swamp cooler start-up and shut down to homeowners be tabled and discussed in the budget planning process and at the annual meeting. The Association accepted the bid from Nelson's Heating & Cooling and instructed that Marc Thomas proceed with scheduling the swamp cooler start-up. Connie Baty seconded the motion. All board members voted in favor of the motion.

Mike Stringham reported that his initial discussions with contractors on correcting the drainage problem between Buildings 13 & 14 led to an initial estimate of \$30-\$40,000 to correct it. He said he wasn't sure if the pipe from the first cistern to the second was broken or even at the right elevation. Audie Harper suggested that the Board check with the County Engineer and determine if there wasn't an easement for drainage to the irrigation ditch north of Downard's property. He said it was the Association's responsibility to manage the water running off our property. Charley Mackey volunteered to assist Mike Stringham in researching drainage easements at the city and county.

J.D. Wilson asked the Board if the pop machine at the swimming pool had made money or cost money. Marc Thomas said the Association broke even on the pop machine last year because Sandy Norton purchased the left over cola. Mike Stringham said the pop machine had not been as big a fundraiser as the Board had hoped. The Board agreed to place the issue of the pop machine on the next Board agenda and give homeowners an opportunity to discuss if the pop machine should be retained or removed.

J.D. Wilson has volunteered to grade and level the RV Parking lot the week of April 14, 2008 .. The board will purchase a truckload of road base gravel for \$200. The Board thanked Mr. Wilson for his volunteer help.

Marc Thomas reported he had made additions to the Association's website including: a new grounds keeping page; board contact information; periodic events calendar; Board meeting agenda; the spring newsletter; minutes of the Board's meetings; and the year end financial statement. He said he had gone as far as he could on the free software, but wanted to wait to see how the association's budget looked before considering more software.

Chris Ensworth expressed concern about the cost of aerating, fertilizing and grub control for the lawn, which added \$4,200 per year to lawn maintenance. A general discussion ensued about how often the treatments need to be applied. It was agreed Connie Baty would check with the extension service to determine what are the correct procedures.

Also Chris Ensworth said according to the bid from Relph and Sons it appeared it would cost the Association an estimated \$4,200 for sprinkler maintenance and \$1,800 in sprinkler parts for the year and \$1,180 to start up the sprinkler system and shut it down. These funds are not reflected in the budget. She noted the rate of \$35 per hour for sprinkler repair was nearly twice what the association paid before. Mike Stringham said the lawn contractor hates dealing with the sprinklers. Marc Thomas moved that Vicki Fugit contact Terri Ann Tibbetts and have her contact Chris Ensworth and see if she was available for sprinkler maintenance and at what rate. Connie Baty seconded the motion and it passed unanimously.

Marc Thomas opened a bid from Western Workman to repair and stain the Association fence line on the east side entrance of 500 West, the northeast fence line parallel to W. Hale Ave, the North Hale fence line to 400 North and the fence between building 16 & 17. The bid was for \$12,605 or \$5.08 per linear foot. Chris Ensworth commented the bid was very competitive. She noted the Board had already contracted with Mike DeClerq to repair 57 feet of blown down fence in the common area for \$970 or \$17 per linear foot; and in 2006 paid Kairos Handyman Services \$3,136 or \$38.24 per linear foot to repair 82 feet of blown down fence.

**Page 3 - Orchard Villa Townhomes Homeowners Association
Board of Directors- Meeting - March 29, 2008**

Sue Noah asked how many contractors had been contacted about the repair. Chris Ensworth said she had called both contractors listed in the Moab phone book. One came on site, but decided the project would take too much of his time. The second never returned the call and is working out of town. She called three Grand Junction contractors; Western Workman came on site and submitted a bid. A second Grand Junction Contractor will only submit a bid if they come to Moab for a job. The third contractor never returned the call.

Marc Thomas moved to accept Western Workman's bid contingent on the company producing its license and proof of insurance and Chris Ensworth checking the company's references and inspecting a couple of their projects. If all contingencies are met the bid is accepted. Mike Stringham seconded the motion and the board passed it unanimously.

Mike Stringham said the Board wants input from homeowners and is establishing several committees to address different Association issues and hopes everyone will participate. The four committees are Appearance and Maintenance; Community; Financial and Legal; and Business. If you are interested in participating on one of the committees contact Mike Stringham, a board member or email the Board at its website.

There will be no Board meeting in April due to the lack of a quorum. The Board will hold its next meeting Thursday, May 8, at 6 p.m. The meeting was adjourned at 4 p.m.

Approved __ Unapproved __ Approved with Changes __