

RIVER VALLEY RANCH

RVRMA EXECUTIVE BOARD MONTHLY MEETING

**Wednesday, April 23, 2020, 5:30 p.m.
The Ranch House Meeting Room**

Executive Board of Directors

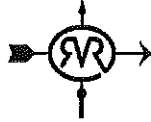
Yvonne Perry, President
Gary Lesser, Vice President
Todd Richmond, Treasurer
Ben Johnston, Secretary
Cathy Cooney, Director
Gary Harada, Director
RJ Spurrier, Director

Management Attendees

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

Homeowner Attendees

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- I. Call to Order- Establish Quorum**
 - II. Introduction**
 - III. Approval of the Consent Agenda**
 - Approval of Consent Agenda
 - IV. Approval of the Minutes**
 - Approval of meeting minutes of the regular Board meeting, held on February 19 , 2020
 - Acknowledgement and approval of cancellation of March 18, 2020 Board Meeting due to Covid 19 closure
 - V. Public Comment**
 - VI. Announcements**
 - April 27- Governing Documents Committee Meeting
 - May 15- Deer Fencing Removal Deadline
 - VII. Management Reports**
 - Ranch House Report-Kendra Ford
 - Operational Report- Sterling Page
 - Finance Report- James Maguire



RIVER VALLEY RANCH

VIII. Committee Reports

- Playground
- Governing Documents

IX. Old Business

- Trash transition

X. New Business

- Capital Budget
- SBA Payroll Protection Loan

XI. Adjourn

XII. Executive Session

RVRMA EXECUTIVE BOARD
Record of Proceedings
Regular Monthly Meeting
Wednesday, February 19, 2020 5:30 pm
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, February 19, 2020 at 444 River Valley Ranch Drive, Carbondale, Colorado, CO 81623 with the following people present:

Executive Board of Directors

Yvonne Perry, President
Todd Richmond, Treasurer
Ben Johnston, Secretary
Gary Lesser, Vice President
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

Leslie Marcus
Lani Kitching

Call to Order

RVR Executive Board President Yvonne Perry called the meeting to order at 5:40 pm. A quorum was established.

Approval of Minutes and Consent Agenda

MOTION: Director Gary Harada and Secretary Ben Johnston moved and seconded to approve the agenda and the adoption of the Board Meeting minutes, and the Annual Meeting Minutes of December 18, 2019. The Motion passed unanimously.

Public Comment

Homeowner Richard Sills sent in a comment and question via email:

“In the minutes of the February 19th Board Meeting the following comment was shared as a part of the Governing Documents Committee section. "Ben Johnston noted that there is difficulty having a committee with some members who are away more than they are here and therefore need to call in for meetings (more than 25% of the time) and he advised being more aware of candidates availability for other committees in the future.”

More than 30% of RVR residents (according to local realtor's / property managers) are part time and it's important that this constituency is fully represented in any committee. By their very nature, part

time residents (such as myself) can't commit to participate in committee's onsite 100% or even 75% of the time, especially in winter when travel can be difficult and driving conditions dangerous. Committee members should, of course, commit to full involvement, but where necessary, participation via a Tele or Video Conference should not discount a person's candidacy.

Can the Board assure RVR Members that all current and future committees will fully represent the diversity of the community, including Part Time Residents?"

Yvonne Perry read a response from the Board :

The RVR Board appreciates Richard's interest on this issue and wants to assure him we are committed to inclusive Committee participation. If I may speak for the Board, we encourage everyone who wishes to participate in RVR governance to come forward. While a commitment to full involvement in a committee's work is a valid and important consideration for participation in any committee, the RVR Board strongly believes in having a diverse representation on all committees.

Leslie Marcus commented as an owner and committee member she feels it can pose some challenges when committee members cannot be present and do not show up. Her intention is not to exclude anyone and she noted there are other opportunities and avenues for all community members to express their voice on issues, but it does create a burden on committees to be able to get things done when all members are not regularly present.

RJ Spurrier also expressed that his experience on committees he has dealt with issues and projects which would have been impractical and complicated to try to manage with someone remotely just because of the nature of it. He suggested the Board be pragmatic and he supported the goal of broad diverse participation. He further noted that the committees are comprised of volunteers giving their time and everyone involved should be respectful and careful about dragging down a large group of people to accommodate a few who cannot be there consistently.

Management Reports

RANCH HOUSE REPORT: Kendra Ford

The Town of Carbondale has rolled out the sign up for the trash management in RVR that will go into effect April 1. There has been a great deal of communication about this in our weekly newsletters as well as flyers around the Ranch House for the past month. The deadline to designate trash can preferences through the Town's website was February 15. Anyone who did not choose a specific type of trash can size will be receiving the medium trash can and the medium recycling. We know there are still quite a few questions about what this transition will look like, so we have created an RVR specific FAQ and have sent that out in the newsletter as well as separate email blast.

Our artist of the month at the Ranch House are some of our very own RVR kiddos! We have about nine young artists so far and their work is fabulous!

The Ranch House is particularly quiet this time of year which allows us time to get caught up as well as prepare for our busy season around the corner. Thankfully I do not have any significant happenings to report since my last report three weeks ago.

We have not filled the Saturday and Sunday afternoon/evening coverage with any one specific to replace Anna Zekendorf and our regular front desk staff is stepping up to take those shifts until the timing is right for a new hire.

Human Resources

We have had an all staff meeting to review the most current Employee Handbook, deal with 2020 paperwork for payroll and update everyone on the new health insurance policy and coverage. We are scheduling a CPR Course for all Ranch House and Maintenance staff and this will be taking place in the next month at the Ranch House.

Events

We are always wanting to find ways to take care of our younger RVR community and plan events for the kids, however, we do find that they are often not as needed as we may think. There have been a variety of kid events in the past year that just do not get the turnout we expect. The upcoming Valentines for Kids night is a perfect example. Jules planned an eventful evening for kids so parents could bring them to the Ranch House to be entertained while they go out for Valentines and we only received two RSVPs, so the event was cancelled. We would love the opportunity to do more for the young RVR community and are open to suggestions and ideas.

Design Review Committee Report for February 2020

There are currently 16 houses under construction, 3 in the permitting process and 8 new homes in review and we have had 3 pre-design meetings.

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

Lot: Y-12

Review Type: 3rd Preliminary

Lots: J-09

Review Type: Final

Lot: AA-4

Review Type: Final

Lot: D-09

Review Type: Initial and Second Preliminary

Lot Z-11

Review Type: Final

Kendra noted that for the first time in her DRC experience, the agendas are filling up far in advance so applicants can anticipate being at least a month out from when they call to request a DRC meeting. Even with all the current building happening there is steady stream of new applicants for this spring.

There was discussion around whether to have longer meetings to accommodate the number of applicants. Kendra and Sterling explained what they see as the benefits for the applicants and the DRC Team to limit the amount of reviews in a day. There is a trend towards more contemporary interpretations of the DRC Guidelines and “ranch house vocabulary” and these designs require a great deal of discussion and review. The common elements such as percentage of materials and types of materials are still being held to the DRC standard. The discussion also included whether at this stage of buildout if it makes sense to update the DRC guidelines.

OPERATIONAL REPORT: Sterling Page

Governance

- Transition of data and operations from our existing software (CSI) to a new system is progressing and should be complete by the end of March.
- Verbal and written notices were given to an owner on Patterson whose tenants continue to violate the parking covenants.
- Verbal and written notices were given to a builder on Perry Ridge to correct overnight parking violations.
- The Town of Carbondale asked that no vehicles park adjacent to islands on Perry Ridge and Crystal Canyon Roads to ensure that emergency vehicles can maintain access. This message was forwarded to the builders in these areas who have been compliant.

Facilities

- The lap pool was closed for only one day and we will have to reschedule a cleaning day. The daytime temps were too low to use the cleaning chemicals.
- We are looking into changing our internet, telephone and cable provider to Comcast/Xfinity. This is anticipated to save \$400 per month. It will also improve our internet speed from 10 mbps to over 100 mbps.
- Maintenance staff spent two days in the attic vacuuming up the dryer lint that has accumulated over the past 20 years. They removed 12 50-gallon trash bags of lint. Bids for the vent extension are being accepted at this time.

Grounds

- Our maintenance crews have done a lot of snow shoveling and ice removal in the last few weeks. Along with snow removal comes repairs to our equipment and the guys have done a good job. The Town of Carbondale has changed its snow removal staffing and we have the same street and maintenance crew designated to our community. They have made a noticeable difference on the streets and sidewalks this winter.

Irrigation

- All the Cla-Valves have been cleaned and repaired for the upcoming water season.
- Raw water usage for the 2017, 2018, 2019 irrigation seasons in gallons:

	2017	2018	2019
Residential	109,629,133	98,988,567	100,526,666
Golf	127,769,230	145,526,356	129,957,999
TOTAL	237,398,363	244,514,923	227,484,665

- The community responded to the 2018 drought water restrictions by reducing use by 10 percent. Usage in 2019 inched up 1.5 percent, attributable to new homes coming on-line. As remaining homes are completed, we may need to discuss a water usage program to fill the demand in areas that are underserved by the existing infrastructure.

Operations

- Old Town
Snow events February 5 and 7
- The Settlement
Snow events February 5, 6, 7, 8^{and}, 9.
- The 24, Boundary and Crystal Bluffs have no report.

FINANCIAL REPORT: James Maguire

The audit has been completed. The results of audit will be provided in three deliverables: a management letter (audit controls), an overall audit report and Board governance letter (discusses broad issues regarding audit process). Our auditor will also file our 2019 tax return. There will be a Board discussion around the audit once the reports are completed.

James highlighted that in January we were within two percent of our budget for expenses and the income was within three percent.

He noted on the balance sheet there had been three homeowners on the A/R <GL: what's the AR report?> report, and this number went up to about 40 homeowners because of transition to new dues. He has been making calls and getting this sorted out with those homeowners.

VII. Committee Reports

- **Landscape Committee**
Nothing to report
- **Golf Committee**
Nothing to Report
- **IT Committee**
Nothing to report

- **Governing Documents Committee**

The Governing Documents Committee most recently met on Monday the 18th. For the second time since it began meeting, there was public comment. The owners who showed up to comment were concerned with the section of the covenants that take liability away from the golfers when RVR properties are damaged by golf balls. The governing documents state the homeowner assumes the risk when building a house on golf course.

One of the hot button issues being reviewed by the committee is rentals. Jessica Hennessey compiled data on rentals for the Committee. Currently, there are 50 leases on file that represent about 38 different addresses. Fifteen of those leases are for short-term (30 day or less) rentals and those represent 5 addresses. Of the 35 long-term leases (most are for a year or more) 31 have Ranch House memberships that were transferred to them. The community will be surveyed on a variety of issues when it comes to possibly amending the covenants. However, Gary Lesser was curious to hear from the Board now on their overall opinion of this issue.

Sterling noted there are a significant number of ADU's which are intended to be rentals, so the data needs to be looked at with this in mind.

RJ is fully supportive of the long-term rentals and does not see a reason for having a limit on the number allowed, however, short-term rentals could impact neighbors, and this is where he thinks focus should be.

Yvonne suggested the short-term rentals are just managed when complaints are made as a result of the tenants' behaviors or actions. She requested a survey be taken of community on this issue.

- **Playground Committee**

Leslie Marcus explained once weather conditions permit the RVR crew will begin installation of playground equipment at Triangle Park and the Town of Carbondale has offered some ancillary support in the process. She also mentioned that RVR recognized about \$4,000 in cost/tax savings in the purchase of the playground equipment by working with the Town.

Based on the comments from the Board's last meeting it has been decided to replace the structure by the toddler pool and to change the surface from sand to a rubber matting.

She also noted the survey results for Orchard Park have been published and the Committee will move forward with a fundraiser. She is trying to figure out an approach for tax-deductible gifting.

Leslie requested a separate page on the RVR website regarding the playground projects and more information. She also mentioned a separate Gmail account has been set up to handle communications for all things playground-related so the RVR staff is not burdened with questions and input.

The Town of Carbondale has offered support for demolition and installation to the RVR staff as in-kind support for the Orchard Park project.

Within the next month RJ and Leslie plan to present an analysis and a working budget for Orchard Park and improvements to the Ranch House equipment.

Currently there is not a platform to donate money. The funding and payment option details are still being worked through. However, as soon as that is available the information will be circulated to the Community.

VIII. Old Business

- Plan for educating community on water usage

It was noted in Sterling's report that when we had less rain in 2018 the community managed to stay green using less water. The Board would like to educate the community and play an active role in decreasing water usage.

Sterling explained they monitor our head gate and adjust it, so we don't have tailing <what's tailing?>. The water we have does not cover the ground in the amount of time we have in the 12 hours of water time. RVR has a challenging water schedule because the golf course gets the nighttime watering.

It was realized the Board needs more time to gain a better understanding of the variables involved and the competing issues and if we want to reduce our water usage. The Board needs to learn what type of controls work and what doesn't work and what is related to infrastructure limitations. Sterling noted the one limitation we can do something about is the pump over by Crystal Canyon, which needs to be a larger pump . We need the golf course to pay for this pump because this is one thing that bogs us down. This would boost the pressures and availability of water.

Lani Kitching commented there will be planning for water conservation for the larger municipality as well. She explained the larger issue is the water supply. if Lake Powell is full, we are okay, but if Lake Powell gets down to dead pool, the water will be shut off for all of us. The 1922 compact mandates that the Colorado River Basin supply all the south west United States as well as northern Mexico so every drop we can save here to make sure we are whole and there is not a compact call is the larger goal.

This is just the start of a conversation and a subject that we need to continue to learn about.

- Trash Transition

The deadline for signing up for a specific trash container size was February 15. One-third of the community selected a specific size, so the other 2/3 will get the default medium trash and recycling can.

There was discussion around how to best communicate with the Community about the trash can swap out as well as a regular reminder on recycling weeks until everyone gets used to the schedule.

Yvonne acknowledged James' work on the Frequently Asked Questions specific to RVR as well as Jessica and Kendra's efforts in getting them out to the Community.

An outstanding question to be answered is, can you have is the same size you are going to continue with, if you need to leave it out or just hang on to it?

Sterling also commented about the blatant disregard in the parking lot with people driving in or out the wrong direction and the need to come up with a remedy for this issue.

Adjourn

The meeting was adjourned at 7:10 pm.

Executive Session

Personnel

Legal discussion around water issues

RANCH HOUSE REPORT - April 2020

Despite the physical closure of the Ranch House in March, our staff continues to work for our community in many ways behind the scenes. We are hosting weekly staff video conference meetings so we can maintain our team and continue to think of ways to keep the RVR Community connected and engaged in new ways during this unusual time and how we hope to best support our members when we are able to welcome them back to the social center of the Ranch House.

We are encouraging our owners to share their stories of kindness and compassion during this time of uncertainty that they have either witnessed or have experienced directly. It would be so lovely to have an accounting of random acts of kindness happening in our beautiful community because we know they are happening!

There is an RVR Rainbow Project going on where we are encouraging everyone to do some version of a rainbow in their window or somewhere on their house to show a solidarity in our Community of hope and kindness during this time of crisis.

Fitness

We are thrilled that many of our regular fitness instructors have moved to offering virtual classes through Zoom or other similar platforms. All the virtual fitness offerings are listed on our Fitness Calendar on the website with the links needed to access each of them. This is an excellent way to still participate in your favorite classes and keep fit during this time at home!

Prior to the closure we had sent out a fitness survey and we plan to send that around again with a new perspective of ours and yours and once we have a better idea of what the fitness programming could look like for the Ranch House in the coming months.

Communications

We have always had a variety of ways to communicate with our owners both electronically (newsletter, email blast and website) and physically whether it is signs around the Ranch House and mailroom or in the in person reminders and announcements you receive from our staff when you visit the Ranch House. During this time of isolation, it is essential to know the website is constantly being updated with announcements, calendar items and reminders and an excellent reference for day to day questions and contact information. The Friday newsletter is our primary means for keeping our owners informed on everything in our Community and essential information related to our local and surrounding towns.

We listened to our Owners' feedback and request and have worked with Footsteps Marketing to adjust the search options for the Member Directory accessed through the website. You can now search by last name, street name or spouse.

DRC

We currently have 17 homes under construction (13 of them ongoing for some time and 4 which have recently broken ground). There are 6 homes pending permits, 5 current new applications. New home projects seem to be scheduled at each DRC meeting and a few of the recently approved homes will be breaking ground in next few months.

The DRC activity since the last BOD meeting:

Lot: Z-27

Review Type: 2nd Preliminary

Lot: Y-12

Review Type: Final

Lot: D-09

Review Type: Final

Lot: EE-12

Review: Final

Lot: Boundary #3

Review: 1st and 2nd Preliminary

Lot : Y-1

Review: 1st Preliminary

Lot: Z-12

Review: 1st Preliminary

Lot: D-12

Review: Final

Lot: GG-1

Review: Landscape Revisions



RIVER VALLEY RANCH

Monthly Report to the Board of Directors

April 22, 2020

Governance

- It was decided to continue our contract service with our current software company CSI for another year. Too many unknowns at this time to make a good decision regarding change in the club function software.
- Carbondale Police were notified of what appeared to be an abandoned vehicle on Holland Thompson Dr. The vehicle was tagged by PD and the owner remedied the problem.
- Due to National, State, County and Town Mandates the Ranch House facilities were closed until cleared by them to open sometime in the future. We will complete a full plan to address our operation of facilities before we re-open to community members and guests.
- A conditional water right on the Low Line ditch was abandoned by the Town of Carbondale, RVR Golf and the RVR HOA with the advice of legal counsel from all participants.

Facilities

- Our maintenance and front desk staff were all given a paid week off. Governor Polis' office listed several job types as essential and the maintenance service staff were included as part of these groups and allowed to continue work.
- Front desk staff were given administrative assignments to do from home and were compensated for the shifts they regularly work.
- The building itself has been cleaned from the floor to the top of the trusses.
 - All wood surfaces have been cleaned with Old English.
 - Both locker rooms have been sanitized from the floor to top of lockers.
 - The grout in the showers and steam room have been re-done.
 - The floors in the Yoga room were cleaned to remove scuffs.
 - All of the fitness equipment has been cleaned and sanitized.
 - All of the equipment in the weight room was moved and the carpets cleaned.
 - All of the weights and tread mills have been cleaned and sanitized.
 - The hard wood floors have been cleaned and polished.
- Our commercial dryer has been venting into the attic for 20 years. The attic was cleaned by maintenance staff and Pacific Sheet Metal extended the vent to the exterior of the building. This now meets code and remedies a fire hazard in the attic.



RIVER VALLEY RANCH

- The hard surface tennis courts were open for a few days and then closed and locked by the Town Parks and Rec Dept.
- Power washing and re-staining of the exterior of the Ranch House is under contract with Mid-Valley Painting. This company has done the painting and staining in the Old Town and Settlement neighborhoods for the last 3 years.

Grounds

- The first row of parking next to the Ranch House has been re-stripped to be angle parking. We will lose one parking space but should ease the challenge of wrong way drivers on the RVR Nascar circuit. Too many bottle necks and near misses.
- Our seasonal maintenance crews have removed the timber parking barrier into triangle park and replaced it with boulders. This is a capital expense project that came in under budget.
- The same crew has been busy installing the new playground equipment in triangle park and should be completed in the first week of May.
- Soil Aeration of all common areas and yards maintained by RVR is in process. This will be done again in the fall to help reduce runoff of irrigation in the summer and capture moisture throughout the fall and winter seasons.
- We have had to double the amount of doggie pot pick ups as the canines have taken their humans out of the house more.

Irrigation

- Happy to announce the hiring of Travis Green as our new Irrigation and Grounds Supervisor. Travis has many years of experience and is very familiar with Irrigation, turf, trees and horticulture here in the Roaring Fork Valley.
- Crews are busy repairing a list of things that were discovered broken during blow out last fall.
- The raw water start-up began April 13th. Rich Myers is here to oversee this process until May 22 and then every other week throughout the summer until blowout in October.
- Door hangers will be placed on each residence to let them know that the water is on to their particular home.
- We anticipate a water Q & A day on when the water is all up to pressure for the Old Town Neighborhood. This will allow homeowners / tenants to get to know the system in their yard, both theirs and ours. We will be replacing components on our system with RVR labelled sprinklers to help them identify the different systems.

Operations

- Old Town - No report
- The Settlement- No report
- The 24, Boundary and Crystal Bluffs have no report.

Financial Report

March 2020

Prepared by James Maguire

1. Considering the unprecedented situation we are experiencing and the closure of the Ranch House, the financial position of RVRMA has so far weathered the storm, at least through March. Though our income is \$18K below budget for the year to date, we are also \$22K below budget in expenses. Our year to date net income vs budget is within \$4,000.

In March, we budgeted \$203K of income and received \$191K, a difference of \$12K. We budgeted \$162K of expenses and spent \$145K, a difference of \$17K.

I've included several charts in the financial reports to help summarize the numbers and provide an easy visualization.

The areas with the largest loss of income include tennis memberships (\$5K), DRC fees (\$4K), and guess passes (\$2K). The loss of tennis income will likely become more dramatic in April, as we budgeted \$34K for the month. There will be some reduction in tennis expenses to help offset that number though.

As the future of the Ranch House comes into focus over the next couple weeks, I will put together financial projections that take into consideration the loss of income and expenses.

2. Last week, we applied for the SBA Payroll Protection Loan to help cover any loss of income. If the funds are received, they will go specifically to cover payroll costs. The loan is forgivable if at least 75% of the funds cover payroll and we maintain our employees over the next 8 weeks. However, it is uncertain that HOA's can qualify for the loan. We will keep you updated.
3. We spent \$5K of reserve funds in March. Approximately \$4K was spent on the tree project at Perry Ridge and Bowles. Another \$1K was spent on the shop replacement project.
4. Regarding dues collection, we have a 1 new homeowner who is over 60 days past due. After several attempts to the contact them, I have not received any return communication. I will keep following up and turn to our collection policy and legal council if necessary.

We only had about 3 homeowners contact us to request info on assistance due to the state of the economy and/or loss of employment. Only one of those homeowners has not paid dues. However, they are selling their house and I will collect everything through the title company.

5. The audit is complete. We are still waiting on the results which will include 3 reports: an audit report, management letter (internal controls) and board governance letter (discusses broad issues regarding audit process). Our auditor will also be completing our 2019 tax return. We hope to see everything finalized by the end of April, but with the lockdown it may take longer.

Committee Reports -April 2020

Playground Committee

Triangle Park - Install has started and should be finished up within the next couple of weeks. Thanks to Sterling for he and his team's great work on this project, and for the Board's support in getting this done.

Orchard Park - We've shifted the project timeline by a month due to Covid but anticipate moving forward soon. We have a few solid quotes from 2 vendors that we will narrow down. We have engaged a landscape architect to help with planning for adding accessible paths to the playground area and tree installation as well as looking at options for adding beds and potentially a shade structure. Leslie will present to the Carbondale Historical Foundation BOD next week to potentially partner with them for tax-deductible gifts to the park. We anticipate fundraising to begin in May. Sterling has mentioned that an August install could happen, so we are working to adjust the scheduled accordingly.

Ranch House - We will present an option for this space to the Board within the month.

Governing Documents Committee

Committee will meet (virtually) on Monday, April 27. At the meeting, we expect to complete our final review of the identified items from the Covenants that need discussion. Following that effort, a subset of the committee, no more than four members, will begin meeting to draft a report of recommendations to the Board. That report will be reviewed by the entire committee before it is submitted to the Board. Once the report is accepted by the Board, the committee will suspend its work.