

Eaton Pagosa Estates Home Owners' Association
MEETING MINUTES
Board Meeting: 2:00 PM Thursday, October 25, 2018
President Scahill's home
Pagosa Springs CO, 81147

Joyce Scahill - President, Present
Dave Chadsey - Vice President, Present
Janna Lilly - Secretary, Present
Glenn Woodruff - Treasure, Present
Desi Dundics - Member at Large by phone, Present

Visitors/Observers: John Scahill

ITEM I. CALL TO ORDER/ROLL CALL

The meeting was called to order by President Joyce Scahill at 2:04pm. Secretary Janna Lilly recorded the minutes. A quorum of board members being present, the meeting proceeded with business.

ITEM II.HOMEOWNER COMMENTS – LIMIT 3 MINUTES

There were no homeowner comments.

ITEM III. IMMEDIATE ACTION ITEMS

A. Approval of Minutes from 8/20/2018 Board Meeting

The board meeting minutes from 8/20/2018 were approved as written.

B. Vote on crack filling and road sealing contractor

Scahill addressed the short-term and long-term road needs highlighting the need for a comprehensive, long-range plan and associated budget for our roads.

She reported on the current status of road. This summer shoulder work was completed. The road is approximately 25 years old and is in fairly good shape given its age, however cracks need to be filled and the road needs to be resealed. Scahill shared the results of three crack filling/road sealing bids and the board discussed pros and cons of each.

Lilly moved, and it was seconded to award the contact to CM Asphalt to fill cracks and reseal the road for \$35,100. The motion carried unanimously.

Scahill also reported on the need to ensure funds are available for not only a regular schedule of maintenance, but for the inevitable need to have the road resurfaced in the future. It was estimated that the road could need a two-inch overlay of asphalt within 10

years. Another subdivision with almost the same amount of road paid approximately \$375,000 a month ago to have a two-inch overlay applied to their road. Treasurer Glenn Woodruff reported there is approximately \$160,000 available for road maintenance which will cover the costs of the CM Asphalt contract, however current POA annual fees combined with current reserve funds will be insufficient to fund the two-inch overlay in 10 years with an estimated 30% increase from the \$375,000 for material costs.

Scahill reported the results of her research regarding how other neighborhoods here and in Durango manage their roads along with the associated costs and POA fees. The research yielded recommendations to fill cracks annually and reseal the roads about every four years. The board agreed to try a regimen of filling cracks three out of every four years and only sealing the roads every fourth year.

Scahill reported that Eaton has the lowest POA fees compared to three similar POAs, primarily due to our smaller road fund contribution. The board agreed on the importance of a well-maintained road in order to keep home values up and expressed the desire to avoid significant assessment fees if possible.

The board discussed a variety of ways to raise additional funds for future road needs. After a substantial discussion, all board members agreed that EPE's annual contributions to the road fund have been far from adequate resulting in the need to increase dues to help ensure the longevity of our road. The board also discussed the desire that raising the annual dues could help avoid a major assessment in the future.

Vice President Chadsey moved and it was seconded that Eaton POA will raise the annual fees over the next two years to \$850.00 in July 2019 and \$1000 in July 2020 because the current road reserves are insufficient for the future, imminent road maintenance needs. The motion carried unanimously.

The board agreed that a more detailed road fund budget analysis may be needed to determine if the recommended dues increase would be enough or if additional dues increases would be needed in the future.

A. Vote on Financial Institutions

B. Results of association feed-back letter – President Report

Scahill reported that all feedback received from the property owners were supportive of the board exploring additional financial institutions for investment accounts. The board reviewed Scahill's research on a variety of financial institutions. Woodruff will explore additional financial options for the best available return rate.

A. Update on annual dues – Treasurer Report

Woodruff reported all annual dues have been paid but one.

B. Financial assessment – Treasurer Report

Woodruff reviewed the current account balances. The board decided that the checkbook will be used for the operating funds only after July 1, 2019. The savings will be referred to as maintenance fund per Article 2, Section 14 to be used for road maintenance.

ITEM IV. OTHER BUSINESS

A. Board members to proof updated CC&R's and Bylaws

Scahill reported she had not received the update from the attorney. CC&Rs and bylaws will be reviewed at a later date.

B. Contract with new weed sprayer

Scahill reported the POA has entered into a contract with Ethan Proud of Archuleta County Weed & Pest to perform weed spraying.

C. Dock repair status – Member At Large Desi Dundics recommended this item be deferred to a later date when the lake's water level is sufficient to determine any repair needs.

ITEM V.COMMENTS, ANNOUNCEMENTS, HOMEOWNER CONCERNS

A. Items to be added to next meeting

There were no items specifically identified to be added to next meeting.

Comments were made regarding waste management. At Your Disposal has sold and the fees have increase slightly. The board discussed the maintaining At Your Disposal as the recommended waste management company for the neighborhood. While each property owner chooses his own waste management company, the board has historically negotiated a slightly lower rate with At Your Disposal for property owners in order to reduce the number of large trucks and traffic on the road.

Dave Chadsey, speaking as a homeowner, asked if the ARC approval process was recently followed for neighbors making landscaping changes. John Scahill affirmatively reported that the approval process was followed.

ITEM VI. ADJOURNMENT

Next meeting date: No future meeting date was identified.

Woodruff moved, and it was seconded to adjourn the meeting. The motion carried unanimously. The meeting was adjourned at 4:48pm.