

# Park East Subdivision Homeowners Association

## RECORD OF PROCEEDINGS

**THURSDAY, FEBRUARY 4, 2010, 7:00 P.M.**

**U.S. BANK, 1901 GRAND AVENUE  
GLENWOOD SPRINGS, COLORADO**

**ANNUAL MEETING OF MEMBERS**

The 2009 Annual meeting of members of Park East Subdivision Homeowners Association, Inc. (the "Association") of Garfield County, Colorado was called and held on February 4, 2010, in accordance with the applicable statutes of the State of Colorado, with the following persons present and acting:

### ATTENDANCE:

#### **Directors**

Nancy Boyer, President  
Libby Bohanon, Vice-President  
Paul Turley, Secretary  
Katie Voller, Treasurer

#### **Owners present**

Sam Wright	Tatyana Eubank
Chris Romeyn	Chad Jenrich
Marc Isgrig	Robert Schuckman
Carlos and Maria Ulloa	Brian Kurtz
Joaquin Olivas	Lash and Marlis Laursoo
Steve Novy	

#### **Owners represented by Proxy were:**

Gerald Boston	Robert Chatmas
Laurie Strong	Brad and Becky Thayer
Mark and Christine Butler	Steve and Jeanne Beckley
Curt and Mariette Purdy	Cindy Brewer
Ken and Stephanie Keister	Alice Gustafson
Karen Stowe	Martine Col
Kelly and Marcus Taylor	James and Sandy Douglas
Donald Helmich	Greg and Tonya Maynard
Mary L. Wallace	Alicia Wanner
Chris and Kathryn Laven	

ALSO PRESENT WAS: Keith Edquist, of Edquist Management and Real Estate, LLC, Association Manager

### CALL TO ORDER/ NOTICE AND QUORUM

President Boyer called the meeting to order at 7:10 p.m. She introduced Board members Katie Voller, Paul Turley, Libby Bohanon and Manager Keith Edquist, and then the owners present introduced themselves around the room. Nancy Boyer then noted that Director Jason Hadsock had resigned from the Board.

This complete, Manager Edquist informed those present that a quorum had not been established between owners present and those present by proxy. Mr. Edquist said that proper Notice of the Annual Meeting had been mailed to all owners, and that the business of budget approval and election of Directors could still go forward.

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## CONSIDERATION

The minutes from the December 18, 2008 Annual Meeting were presented for consideration and approval. It was moved, seconded, and all were in favor of approving the minutes as presented.

## MANAGEMENT REPORT

Mr. Edquist began by saying that the operations budget for 2010 was reduced, going down from 2009--\$725.77 to 2010--\$681.17, or \$44.58. He said that this figure did not include trash or sewer lift expenses, which are assessed only to owners who use those services. Nor did it include water expenses, which are billed according to the irrigated landscape area, and thus are different, for each lot.

Mr. Edquist presented an overview of the 2009 income and expenses for Park East, noting that unpaid assessments this year reduced income by nearly \$9,000.00. Expense was under budget overall at the time of the meeting, by almost \$5,000.00. This was largely due to withheld payments to the Roaring Fork Conservancy, as the Board attempted to reduce this annual expense. Legal expense was also \$1800 under budget, while overall landscape maintenance expense was over by \$5352. He noted that the proposed budget and supporting assumptions had been mailed to all owners with Notice of the annual meeting.

The reduced income and actual expense resulted in an approximate shortfall of \$4000 for fiscal year 2009 in Park East. These funds are expected to come from reserve contributions and the reserve account. The final numbers for 2009 are subject to revision, should any assessments be collected, or should the Roaring Fork Conservancy expense need to be paid. Mr. Edquist said that the Park East Association reserves are building more slowly, due to continued expense in the maintenance of the raw water irrigation system.

Keith said there would be opportunity to discuss the City of Glenwood's closure of the raw water lift station later in the meeting, after the proposed budget had been approved, and new Directors elected to the Board. Director Turley explained that the City intended to supply the present raw water users with potable water for use in irrigation in 2010, and not to pump water from the river for irrigation use. The City has asked Park East owners to transition to potable water use for irrigation, by sourcing water for their landscape from their homes, metered and billed as with other domestic water use. Paul said the Park East Board had asked the City to pump only potable water through the Park East system this coming summer. This will reduce maintenance costs in clearing fouled sprinkler heads.

## BUDGET DISCUSSION

Sam Wright asked a question in regard to the trash service shown as a line item on the budget. Mr. Edquist explained that the expense was not a part of the common expense charged to all owners, but only to those who utilize the service. President Boyer noted that the \$21 per month expense is far less than an individual owner could obtain for private service. She also noted that 2010 was the last year of a three year contract for the present trash removal services.

At this time there was a motion made to approve the budget as proposed. There was a second, no further discussion, and the motion passed. Directors holding proxies for owners voted those in favor of approval. Owner Robert Schuckman abstained from this vote.

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## OLD BUSINESS

Director Paul Turley led a discussion regarding the Roaring Fork Conservancy and the annual contribution made to this non-profit organization by Park East. The expense is a contractual obligation, but the Park East Board this summer met with Directors of the Conservancy to ask reduction of the expense to Park East. Paul explained that there are expense components for monitoring of the river corridor and conservation easement, education, and maintenance of signage. He said the Park East Board was continuing to negotiate costs with the Conservancy, in particular the maintenance and education components. Paul said the maintenance was to be renegotiable after 5 years and that this was a component of the expense the Board felt should be dropped entirely. Negotiations in regard to this expense were on-going at the time of the meeting tonight.

## NEW BUSINESS

Manager Edquist gave a presentation on the historic costs of raw water in Park East, and average consumption over the last several years. He noted credits from the City of Glenwood against outstanding water bills from 2008 and 2009. The Park East Board had contested billings in 2008, and in 2009 requested the City conduct tests of their metering system to check for accuracy. As a result of this testing, the City had determined that the raw water metering system is inaccurate, and that Park East had been overbilled. A credit from the City of approximately \$40,000 for 2008 and 2009 water bills has been applied. In addition, the City has recognized a need to transition to metered water for landscaping with Park East owners.

The net result of this is a summer irrigation season that will be quite different from previous years. The Board will likely authorize the start up of the Park East system sometime in May. As above, the City has been asked to charge the system with potable water. This, of course, is a two-edged sword, as reduced expense in maintenance clearing of sprinkler heads will be offset by the higher cost of potable water. (proposed 2010 rates are \$1.46 per thousand gallons for raw water, and \$3.11 per thousand gallons for potable).

Mr. Edquist said the Park East Board is encouraging all owners to disconnect from the raw water supply on their lot and to source water for their irrigation systems from metered water within their homes. He said if owners are disconnected from the system by the start of the irrigation system they will pay only for watering of the right of way adjacent to their lot. Those owners not disconnected from the system will pay an assessment for potable water based on the total area of irrigation on their lots. This is expected to be the last year an owner will be able to use water supplied by the common system.

Owners disconnecting from the system will need to install proper backflow prevention devices, have the installation inspected by the City of Glenwood, and will then be eligible for a City stipend to offset their expense in this. The amount of the stipend has not yet been determined. It is expected only to be available until the fall of 2010, so it will be critical for owners to make this transition as soon as possible. From the HOA standpoint, disconnection from the raw water system will need to be verified, and the Board's present intent is to have all users off the system by October of this year.

*There will be additional information provided to owners in regard to this transition project over the next several months as the irrigation season approaches. You are encouraged to contact management for further information.*

*EMRE LLC  
Keith Edquist  
970-928-8428  
kedquist@usa.net*

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## ELECTION OF DIRECTORS

President Boyer stated that the next order of business was the election of directors. Katie Voller's term is ending, and Jason Hadsock had to resign in the first year of his term. Nancy asked for nominations from the floor; there were none forthcoming. At length, owners Chad Jenrich and Brian Kurtz were willing to serve on the Board, and these two were forthwith elected by acclamation. With this, the Board will consist of Chad Jenrich, Libby Bohanon, Nancy Boyer, Brian Kurtz and Paul Turley. The Board will determine its officers and the length of terms each Director will serve at its next meeting.

## ADJOURNMENT

There being no further business to come before the Board or ownership, the meeting was adjourned at approximately 9:15 p.m.

Respectfully submitted,



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Keith M. Edquist  
Edquist Management and Real Estate, LLC  
Secretary to the Meeting

PARK EAST SUBDIVISION HOMEOWNERS  
ASSOCIATION, INC.

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Nancy Boyer –President