

SPRING VALLEY GOLF ESTATES

HOA Board of Directors Fourth Quarterly Meeting – November 1, 2018

6:33 Meeting called to order - Rick handed out the agenda.

Attendees – Rick Newcomb, Jim Sarvadi, Walter Hopp and Tammy Thompson. Gary Moss out of town.

VOTED – To approve 2018 First Quarterly Meeting minutes – Approved 4-0

VOTED – To approve 2018 Second Quarterly Meeting minutes – Approved 4-0

Note – 2018 Third Quarterly Meeting was cancelled due to a lack of quorum.

Discussion Items:

- 1) Rick updated the Board on the South pump station including review of cost; prior approved amounts and approved upgrades along with cost over-runs. The total cost to replace the entire pump station was approximately \$95,000. The large black plastic (fry) basket was moved to a concrete pad behind the control panel. This pump station has moved six million gallons of water in less than three months. Denver Industrial Pumps was contacted for possible compensation due to a previously installed flawed rail system. The station is working great and meets or exceeds all expectations. We still owe the installer \$8,000, in next years budget.
- 2) We discussed several items concerning the North pump station. There have been three service calls to repair this station in the last month and a pump replacement in near future is a real concern. The HOA received an estimate from Boulder Ground Water to replace this station at an estimated cost near eighty thousand dollars. The savings over the South station are the pre-purchase of the second fry basket (purchased at \$5k, instead of \$21k, a 75% savings), along with providing electricity for the back-up water pump, instead of a generator. Also, the fact the company just installed the South station and is familiar with installation. The Board also discussed reasons to replace the system now over waiting. Delaying the replacement of the North station could realistically cost the HOA fourteen to eighteen thousand dollars or more over the four to five years required to build reserves up enough, to pay for the replacement without a loan. Rick said First Bank has tentatively approved a loan for the HOA to replace the North station.

The Board voted to approve the replacement of the North pump station, using Boulder Ground Water, at the beginning of Spring, 2019. Approved 4-0.

The Board voted to proceed forward with a loan from First Bank for one hundred thousand dollars, amortized for seven years at 6.5% with a balloon after four years. Approved 4-0.

The Board voted to have the President of the HOA, Rick Newcomb, represent the Board when signing the paperwork with First Bank. Approved 4-0.

The Board voted to move all bank accounts over to First Bank after the loan is approved. Approved 4-0.

- 3) Next Rick discussed the three rail fence hail damage. A claim was filed with State Farm. Flagstaff Management recommended Pretty Fences to do the re-staining. Pretty Fences was asked to provide a bid, which was discussed. The Board voted to approve the bid. Approved 4-0. The Board did want some clarification with the bid, prior to starting the work. A vote was taken to do the re-staining the Spring of 2019 using Pretty Fences. Approved 4-0
- 4) The budget was reviewed, again looking at the projected numbers of using or not using a loan. Waiting four to possibly five years to have enough money to complete the installation did not seem like the best viable option. Therefore the Board agreed to press forward with the loan as voted on above for several reasons. Custom Lawns and Flagstaff contract prices were both kept at the 2018 level. A vote was taken to pay for delivery and installation of one tree on the South side of the Pace St. entrance, we would pay labor only, approximately two hundred dollars, a homeowner will cover the cost of the tree. Approved 4-0. A vote was taken to proceed with replacing two trees previously promised at the Northwest portion of the large park. Approved 4-0. The Board voted to approve the 2019 budget, with a twenty-dollar per quarter increase. Approved 4-0.
*Note the Board feels the increase is very reasonable based the reserve balance and expenditures last year.
- 5) Annual Meeting: Flagstaff working on reserving Alpine Elementary for us Thursday, January 10th

Meeting adjourned - 7:39