RIVER'S EDGE AT SOUTHMONT
EXECUTIVE BOARD MEETING MINUTES

February 20th, 2024 at 6:00 PM
Grace Community Church

Call to Order & Determination of Quorum
The meeting was called to order at 6:00 PM by Ben Jensen, Vice President. Connie Blome, Bruce Kolk and Worthy Cummings, Board members, were also present. RaeAnne Hadley from Design HOA also attended. 14 homeowners were also in attendance. With all Board members present and more than 20% members in attendance, the quorum requirement was met.

Approval of Prior Meeting Minutes
The minutes of the last Executive Board meeting were distributed to the Board prior to the meeting. Reading the minutes was waived. Worthy moved to approve the meeting minutes. Bruce seconded, and all were in favor. The motion passed unanimously.

Financial Reports
Balance Sheet and Profit & Loss
The financial reports were distributed to Board members prior to the meeting. Ben moved to accept the financial reports as presented. Worthy seconded, and all were in favor. The motion passed unanimously.

Old Business

a) **Property Sale Proposal**

New Business

a) **Historical lack of maintenance and fire mitigation on open space. Trimming, removal of dead/damaged trees, shrubs, and grasses. Insurance related risks. Costs related to difficulties accessing the property with the necessary equipment and lack of volunteers.**

The Board discussed the vote for selling the land east of the Escape did not pass. 30 members were for the sale, 17 members voted no, and 6 members did not vote at all. Worthy discussed that during the property sale proposal, the board uncovered duties and responsibilities for The Escape area that have been missed. Worthy discussed bringing it to the community's attention and getting input on how the HOA should move forward with mitigating the area. Worthy explained that questions that were brought up during the last meeting led the board to investigate them for answers. Worthy got in touch with the West Region Wildlife Council, and they have a site visit program. They will come out and evaluate the property and provide recommendations for mitigation for wildfire risks. They will not be able to come out to do an inspection until April. Once they have their assessment, it will be provided to the members. The board discussed that maintenance and risks cover the entire Escape area, and that the number of volunteers has been made up of very few. Connie discussed Marvin Ryan's maintenance on the property up until he sold the last lot and the Escape was a selling point to buyers.

Worthy discussed the concerns about a fire risk with insurance, that if the HOA does have a claim, there is risk that the HOA would lose coverage afterwards and the HOA is required by law to maintain insurance on the property. RaeAnne talked with Billie at State Farm regarding the insurance policy, risks, and coverage. A member asked how much insurance coverage the HOA has and RaeAnne clarified there is a one-million-dollar policy per claim or two-million-dollar aggregate per policy term. Any damages above the limits are the HOA's responsibility. RaeAnne also discussed that State Farm has a team who does surveys on covered properties. If a survey is done on the area, the survey team can demand that the property be cleaned up to their requirements within a specified amount of time. There is no scheduling or warning when these surveys are requested. RaeAnne explained that with the insurance risk, she reached out to several vendors to get bids on mitigating the property. Due to the lack of access, vendor quotes ranged from $50,000 to $100,000, which would require a special assessment of $1,000 to $2,000 per lot owner to clean up the area. These were estimates provided on the aerial images of the area and explanation of how

to access the land. No vendor was willing to commit to a bid in writing until they were able to come and inspect the property in person.

Connie explained that Dave and Jimmy had been over on the property. Dave explained he had crossed the river, and it didn't appear to be excessively overgrown. Connie reached out to Colorado State Fire Servicing through their Community Wildfire Protection Plan and is waiting for a response. She explained they have grants they give out every year. Connie explained the area is a riparian area and volunteered to contact the homeowner north of the Escape to see if members could gain access to clean up the area and Ed on the east side.

Worthy discussed that the seller, revealed as the Vail family, is keeping their offer on the table if the HOA changes their minds. A member asked if the HOA has easement access from the east side of the river. Worthy explained that because there had never been an easement, the homeowners were not required to grant access per Colorado laws.

Another member stated his concern that even if the initial money was spent to clean up the area, the HOA would still have to pay thousands of dollars every year to maintain the area that 99% of homeowners don't have access to. Connie explained that two members who have physically been on that land stated there were not as many willows and the biggest clean up would be the downed trees. A member asked if the HOA could turn that area into a wildlife preserve area. Ben explained that he had checked into it when they were first approached to sell the land. The area is too small and will not qualify for a conservation of any kind.

Worthy explained that the Vails have no intention of building for ten years or more and giving their current home to their now seven-year-old son. A member asked how much the offer was for the land. Worthy explained the offer was for $315,000 and the Vails would assume costs and risks. Worthy discussed the UVS easement would be transferred to the Vails and may possibly require a buyout from UVS. Worthy explained the Vail's and UVS have a few options to modify the lease or can just leave it as is, but any changes wanted would require REAS consent. The possible buyout of UVS is only 1 of several options that require REAS consent.

A member asked that with the new information and more coming in if the previous vote could be set aside and a new vote be presented to the HOA. Connie suggested waiting until surveys come in with recommendations on what needs to be done to the property. The Board discussed setting aside the previous vote. Worthy motioned to set aside the previous vote and hold a new vote with a May 1st deadline. Bruce second the motion. 5 members were opposed, the rest were in favor and the motion passed. A member asked if all this information was going to be put in writing so that members could review it.

Worthy discussed that he had the letter from the Vails that agreed to allow members in the river and would be willing to scan the letter and present it to members. Worthy explained that as the information comes in, the Board will be presenting it to the community. A member discussed that the vote had been premature, and many voted with not all the information available. Worthy apologized that the Board didn't have all the information at the time. Ben explained that the Board wasn't aware of the information at the time, and it was brought to the Board's attention when they were investigating questions. Worthy explained that the Board will present both the pros and the cons to the community. The Board agreed that the date will be flexible as more information comes in. The Board agreed that another meeting may be required to go over all the information and will keep members informed. A member thanked the Board for doing the research, being objective and serving the community.

The Board would like to clarify that the information provided, other than the estimate from vendors, insurance information and being unable to turn the proposed land into a preserve, is speculative and they are waiting for experts in the area to inspect the property and give their professional opinions. While the Board is split on the decision to sell the land or not, they would like to assure the community that all information, both for and against the sale, will be presented to the members before a second vote is requested.

Executive Session
There was no executive session.

Next Meeting Date
The next meeting date was not discussed at this time.

Adjourn The meeting was adjourned at 6:56 PM by Ben Jensen.

Approved by the Board of Directors on July 15, 2024.