

APPROVED

11-20-18



BATTLEMENT MESA SERVICE ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
October 16, 2018

Present:

Laurel Koning	President, Battlement Creek Village
Bob Arrington	Vice President, Willow Creek Village
John Shepherd	Sec/Treasurer, Canyon View Village
John Keller	Director, The Reserve
Al Reuter	Director, Eagle's Point
Brad Gates	Director, Fairways
John Constine	Director, Mesa Ridge Townhomes
Eric Schmela	Declarant, Battlement Mesa Partners
Dianna Arnett	Director, Tamarisk Meadows
Dale Johnson	Director, Princeton Management Properties

Absent Board Members:

Amy Provstgaard	Director, Tamarisk Village
Joel Toomey	Director, Stone Ridge Village
Brad Hoy	Director, Valley View Village
Robert Gross	Director, RHP Properties

Also Present:

Steve Rippy	Association Manager
Sherry Loschke	Administrative Assistant

Community Members Present: Chuck Hall and Keith Sheppelman

OWNERS OPEN FORUM- None

CALL TO ORDER- Director Koning called the meeting to order at 9:03 A.M. Director Koning mentioned to the Board that Dale Johnson will be taking Bert Hyman's place on the Board because Dale is the local Manager of the apartments.

DISCLOSURE OF CONFLICT- None

KIRBY WYNN- GARFIELD COUNTY OIL & GAS LIAISON- Phase I activities: URSA has finished drilling and completing all 52 wells planned for the BMC-B and BMC-D well pads. By early November the wells should be in the low-activity, long-term production phase. As expected with lesser oil and gas activity, during September and early October there were few odor-related complaints received by Mr. Wynn's office related to the oil and gas activity in or near the Battlement Mesa PUD. The situation continues to be monitored closely by Mr. Wynn's office, URSA and state regulators.

County and State Permit Review: The Board of County Commissioners approved the applications along with an extensive list of Conditions of Approval to mitigate and minimize impacts to surrounding residents and land uses. The Colorado Oil and Gas Conservation Commission (COGCC) have approved the BMC L well pad and the BMC F water treatment facility. The BMC A well pad applications, including associated natural gas wells and an injection well are under review.

SEPTEMBER 18, 2018 MEETING MINUTES- A motion was made by Director Constine and seconded by Director Gates to approve the September 18, 2018 regular meeting minutes as presented. The motion carried unanimously.

FINANCIAL REPORTS- A motion was made by Director Arrington and seconded by Eric Schmela to accept the Financial Reports subject to audit. The motion carried unanimously

COMMITTEE REPORTS

Finance Committee- See attached written report.

Architectural Committee- See attached written report. Mr. Keith Sheppelman reported that there 11 houses being built in the Battlement Mesa Community. Two are completed; one will be completed next week.

Covenant Control Committee- See attached written reports.

Oil & Gas Committee- No written report.

Chuck Hall, Chairman for the Oil & Gas Committee, reported that URSA made a presentation to the Garfield County Commissioners that Phase 1 well pads, B and D, located in the Battlement Mesa PUD are now in production. URSA also reported that no concerns have been detected by the ongoing water sampling around the B Pad development, and that in compliance with the regulations future water sampling will be reduced to an annual water sampling report. URSA further reported that per previous odor complaints at the D Pad the COGCC completed two inspections at the D Pad to review the odor complaints. The water containment tanks were cleaned and scrubbed and the odor issue has been resolved. The D Pad will have additional truck traffic because of hauling water from that pad. It was also noted that any concerns URSA or Mr. Kirby Wynn can be called at any time.

Phase 2 approval has happened for the L Pad on Spencer and the F Pad for the Water Treatment Facility. The A Pad with the injection well is not yet approved. It was indicated that URSA will not start drilling until the A Pad is approved.

Parks & Open Space & Trails Committee-Mr. Steve Rippey is meeting with Jeremy of Lush Green Landscapes for the construction of the picnic structure at Turkey Trail Park.

Associated Governments of Northwest Colorado- See attached reports.

Energy Advisory Board- Director Arrington reported that he and Director Provstgaard attended the EAB meeting which held an election ballot forum.

MANAGER REPORT- See attached written report.

DEVELOPER REPORT- Declarant Schmela reported that they have finished painting the commercial buildings in the Battlement Mesa Commercial Center. Mr. Schmela reported that a new beauty salon will be opening soon at the east end of the commercial center. He further reported that a contract has been renewed with Clark's Market that will hopefully keep the grocery store in that location for many years.

NEW BUSINESS- Director Shepherd made the motion and it was seconded by Director Keller to approve the 2019 meeting dates for the Battlement Mesa Service Association Board Meetings. The motion passed unanimously.

Board members discussed the necessity to increase the annual assessment rate to cover ongoing operational costs while also maintaining adequate reserve funds. The annual assessment has remained at \$296 for approximately 10 years while the costs to operate have been increasing. The proposed increase would be \$4 annually to \$300. In addition the trash contractor increased the monthly service rate for residents from \$15 per month to \$16 therefore the trash assessment needs to be increased \$1 per month to pay for the additional cost of service. The Board directed Mr. Rippey to add the two increases in the 2019 proposed budget.

OTHER BUSINESS- Motion from Director Shepherd and seconded by Director Keller to accept the 2017 Final Audit. The motion passed unanimously.

UNRESOLVED/WORKING ITEMS

ADJOURNMENT

The meeting adjourned at 10:03 am.

HEARING- It was decided by the Board that Hearing time will be moved to 10:00 A.M. The hearing for 203 Limberpine has been postponed until November 20, 2018. Sherry Loschke will contact the owners of 203 Limberpine and find out what the status is of the tenants.

Director Shepherd also wanted to make sure that we follow up on the parking situation on 24 Larkspur.