

Approved 07/21/15

BATTLEMENT MESA SERVICE ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
JUNE 16, 2015

Present:	Sara McCurdy Laurel Koning John Shepherd Denise Gallegos Ken Wyman Bernita Grove Greg Davidson Eric Short Bob Arrington	President, First Eagle's Point Vice President, Battlement Creek Village Sec/Treasurer, Canyon View Village Declarant, Battlement Mesa Partners Director, Mesa Ridge Townhomes Director, Monument Creek Village Director, Tamarisk Meadows Director, Tamarisk Village Director, Willow Creek Village
Excused Board Members:	Eric Schmela George Smith Joel Toomey Brad Hoy	Declarant, Battlement Mesa Partners Director, Fairway Villas Director, Stone Ridge Village Director, Valley View Village
Also Present:	Steve Rippy Amie Martin	Association Manager Association Administrative Assistance
Community Members Present:	Keith Sheppelman Garry Evenson Sandy Getter Jane Rivet	Dave Devanney Vic Beckler Jay Haygood

OWNER'S OPEN FORUM

Director Koning stated that association manager, Steve Rippy, passed his hoa manager's test on the first attempt. Director Koning stated that, according to the newspaper, 1 out of 4 people taking the test are failing.

Dave Devanney stated that there will be a bicycle event this Saturday, June 20th, from the Grand Valley Recreation Center to the Garfield County Library.

Janet Rivet thanked the Board of Directors for their assistance with getting Mesa Ridge Townhomes information back on the BMSA website. Ms. Rivet pointed out that there are typos on their page and that Mesa Ridge is not in alphabetical order under the village section.

CALL TO ORDER

Director McCurdy presided and called the meeting to order at 9:15 am.

EXCUSE BOARD MEMBERS

Director McCurdy excused absent Board members Eric Schmela, Joel Toomey, George Smith and Brad Hoy.

DISCLOSURE OF CONFLICTS

Director McCurdy disclosed that she is a Board member for the Battlement Mesa Metropolitan District.

Director Short disclosed that a company he owns is under contract with the BMSA to provide landscape services.

Director Davidson disclosed that a company he owns is under contract with the BMSA to provide weed mitigation services.

STUART MCARTHUR-TOWN OF PARACHUTE COMPREHENSIVE PLAN UPDATE

Stuart McArthur reported that the Town of Parachute received a matching grant from DOLA for \$62,500 to prepare a comprehensive plan for the Town of Parachute. Mr. McArthur reported that there are incentives for businesses that are in the enterprise zone. The business area of Battlement Mesa is not in the enterprise zone. Mr. McArthur is working with DOLA and AGNC to get all of Battlement Mesa included in the enterprise zone.

APPROVAL OF MINUTES

A motion was made by Director Arrington and seconded by Director Shepherd to approve the May 19, 2015 minutes with corrections. The motion carried unanimously.

FINANCIAL REPORTS

A motion was made by Director Grove and seconded by Director Arrington to approve the May 2015 financial statements; subject to audit. The motion carried unanimously.

COMMITTEE REPORTS

Finance Committee: See attached report.

Architectural/Covenant Committee: See attached architectural report.

Oil & Gas Committee: No report.

Chuck Hall, chairman of the Oil & Gas Committee, reported that URSA gave a presentation to the geology in the Pieance Basin on June 15, 2015.

Mr. Hall reported that URSA has recently submitted their special use permit to Garfield County concerning the development of well pads B & D within the boundaries of the Battlement Mesa PUD. Once the permit has been approved for completeness by County staff an opportunity to comment on the submittal will be available to all parties and the public prior to the public hearings.

Director Arrington stated that no one from the oil & gas committee was at the Garfield County meeting regarding the injection wells that are going in just outside the PUD. Director Arrington stated that the oil & gas committee needs to be involved in these meetings.

Sandy Getter asked if the committee meets regularly.

Mr. Hall stated that the committee meets when there is a need but does not meet when there is nothing new to discuss.

Ms. Getter stated that the BMSA charter states that the committee meets monthly or more as determined by the committee. Ms. Getter stated that the oil & gas committee needs to be more involved in what is going on.

Director Arrington stated that he is concerned about the designs of the water and gas lines that will be installed to support the oil & gas pads as well as the locations of these lines.

Jay Haygood stated that the pugmill that was planned to be built on the Metcalf property, just outside the PUD, was not built because the BCC got involved.

Don Gray stated that he believed that BMSA should ask the County Commissioners to deny the special use permit because new directional drilling techniques will allow URSA access to the gas patches from outside the PUD.

Director McCurdy stated that one the URSA submittal is available for public review and comment the Oil & Gas Committee and BMSA Board of Directors will be able to make comments but until that time there is nothing for them to review and make comment on.

Director Koning stated that the Board of Directors needs to hear opinions on all sides of the issue, not just against the drilling. It appears the BCC is pushing the BMSA Board of Directors to do something without further research. Until the plan is submitted to Garfield County the Board and reviewed, the Board of Directors cannot move forward.

Director Arrington stated, by charter, the oil & gas committee has to protect the health, safety and wellbeing of the community.

Director McCurdy stated that the Board of Directors needs to make an educated opinion before moving forward, and with no plan to review, the Board cannot make that educated decision.

Parks/Open Space/Trails Committee: No report

Director Koning stated that the committee is meeting with the architect to work on a master plan for the property at 8935 CR 300.

Director Koning stated that the committee is in need of committee members. Director Koning resigned from the committee last year but nobody has stepped forward to head the committee.

Planning Committee: No report.

Public & Community Relations Committee: No report.

Public Works Committee: No meeting.

Associated Governments of Northwest Colorado: No report.

MANAGER'S REPORT

See attached report.

Mr. Rippy reported that there is a vacancy on the Board of Directors for The Reserve. Mr. Rippy will be working on resolution to hold an election via mail instead of a meeting.

Mr. Rippy reported that locates have been completed on the Spencer Trail. The contractor will begin spraying for weeds and grass next week, weather pending.

Mr. Rippy reported that he had reviewed the BMSA Bylaws concerning the removal of delegates/directors and believes the only way a delegate/director can be removed is by a vote of community member's from the specific villages. Therefore, the excused absence for director's portion of the agenda was unnecessary.

Director Arrington pointed out that the Powers & Duties of the Board of Directors under Article 9 of the Bylaws allows the Board of Directors to declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors. Director Arrington explained the member would still be a delegate of the delegate area but would have no voting rights as a director.

Director McCurdy stated that, as the Board President, she was uncomfortable deciding whether an absence was excused or unexcused without any definition of what is excused or not excused.

Mr. Rippy stated that he had not noticed the Section Arrington cited but had concerns that with previous amendments to the bylaws that automatically appoints an elected delegate to the Board of Directors that the Board would have authority to remove the director. This appears to be a conflict and he would like to get legal advice from the BMSA attorney.

A motion was made by Declarant Gallegos and seconded by Director Grove to remove Excuse Absent Board Members from the BMSA agenda. The motion carried with Director Davidson, Shepherd and Arrington opposed.

DEVELOPER REPORT

Declarant Gallegos reported that BMC is trying to get caught up on mowing of vacant lots.

NEW BUSINESS**Approve 2014 Final Audit**

A motion was made by Director Grove and seconded by Director Koning to approve the 2014 Final Audit. The motion carried unanimously.

OLD BUSINESS**Website Discussion**

The Board agreed to discuss the website at the July meeting.

OTHER BUSINESS

Director Koning stated that the Movies Under the Stars is starting this month and will be showing 4 movies this year throughout the summer.

Adjournment

The meeting adjourned at 11:24 am.

BMSA Financial Committee

June 16, 2015 Report on Financial Documents

For May 2015

Operating Accounts

This report is for the fifth month of our financial year. The bottom line for the fifth month continues being positive. Copies of the May 2015 financial documents have been submitted to the Financial Committee and copies have been included in your packets. These have been reviewed and we find them in a complete and accurate but subject to audit.

On the income side, the results continue to be very positive. As noted in the past, Miscellaneous Revenues continue to be higher than budget. These reflect rebates from Holy Cross and other miscellaneous items. The Fines and Attorney fees are significantly under budget amounts which could be consider a positive. The other Income items are consistent with our budgeted estimates.

On the expense side, the actuals are significantly lower than budgeted amounts with the Street Light Electricity Legal Services, and Irrigation Water under budgeted amounts along with a few others..

Again the Street Light Electricity reflects the change out to LEDs.

Those accounts exceeding budget by significant amounts are Community Relations (The Annual Meeting expense), Bank Charges, and Utility Locates (again a reminder that the Association is now legally responsible for all Utility Locates). In spite of these items, the bottom line is very positive by some \$78,417.

On the Balance Sheet, the Accounts Receivable is appears high but is a reflection of anticipated assessment not yet due. Other assets accounts appear in good shape..

Reserve Accounts

We also reviewed the Reserve Accounts invested with Edward Jones. They continue to earn small amounts but are consistent with the State Laws of investing in secure accounts. The fund side is pending the transfer from Operating to the Reserve.

Audit 2014

Our retained auditors, McMahan and Associates, LLC of Avon, CO have provided their Preliminary Audit for 2014. The Preliminary Draft found our accounting to be in compliance with accepted accounting standards and they found no irregularities and made no recommendation in either accounting or management performance. The Financial Committee recommends acceptance of their report.

Tax Preparation & Filing

After acceptance of the audit, Our Auditors, McMahan and Associates, LLC will prepare our annual Tax Filing. The amount taxable is minimal

BATTLEMENT MESA ARCHITECTURAL / COVENANT COMMITTEE

Meeting minutes May 6, 2015

Present: Thom Hamick, Lecia Hill, and Eric Short

Absent: Keith Sheppleman

Agenda

Meeting minutes from April 15, 2015 approved

No letters sent

Applications:

1. 37 Willow Creek Court, Willow Creek Village
Owner: Fred & Cindi Burdick
Request: Install solar
Completion Date: June 30, 2015
Action: Approved
2. 349 Mineral Springs Court, Tamarisk Meadows
Owner: Nancy Hunter
Request: Plant white ash tree
Completion Date: July 31, 2015
Action: Approved
3. 404 Mineral Springs Circle, Tamarisk Meadows
Owner: Tenna O'Dell
Request: Park in existing gravel area
Completion Date: Already complete
Action: Approved
4. 159 Sagemont Circle, Monument Creek Village
Owner: Bob Saville
Request: Install solar
Completion Date: June 30, 2015
Action: Approved
5. 37 Spruce Court, Monument Creek Village
Owner: Doug & Robin Rosa
Request: Re-roof home
Completion Date: September 30, 2015
Action: Approved
6. 94 Queen City Circle, Tamarisk Village
Owner: Flora Rodriguez
Request: Replace a section of 4' fence with 6' fence

Completion Date: August 30, 2015

Action: Approved

7. 129 Talon Trail, Eagle's Point

Owner: Ernst Schopp

Request: Install 5' cedar fence

Completion Date: July 1, 2015

Action: Approved

8. 19 Willow Creek Court, Willow Creek Village

Owner: Richard & Jean Buchan

Request: Construct pergola over back patio

Completion Date: June 30, 2015

Action: Approved

9. 120 Sagemont Circle, Monument Creek Village

Owner: Mike Botkin

Request: Re- roof house

Completion Date: June 30, 2015

Action: Approved

BATTLEMENT MESA ARCHITECTURAL / COVENANT COMMITTEE

Meeting minutes May 20, 2015

Present: Thom Hamick, Lecia Hill, and Keith Sheppleman

Absent: Eric Short

Agenda

Meeting minutes from May 6, 2015 approved

No letters sent

Discussed with Walter & Marjorie Perrine the painting of their home at 25 Alder Court. We will try to come up with something by the June 17, 2015 meeting.

Applications:

1. 79 Eagle Ridge Drive, Eagle's Point
Owner: Robert McLelland
Request: Colors for exterior of house.
Stucco: Finesse
Stone: Copper Ledge
Roofing: Hickory
Completion Date: October 31, 2016
Action: Approved



BATTLEMENT MESA
Service Association

Manager Report

Date: June 6, 2015

To: Board of Directors, battlement Mesa Service Association

From: Steve Rippy, Association Manager

Fence Staining Project: The contractor will begin power washing the fences on June 22nd. The washing will require about 4 days to complete. Staining will occur at the completion of the washing and will take 4 to 6 days. The areas to be completed are along Battlement Creek Village, Willow Creek Village, and the areas along Saddleback, Tamarisk Village and Tamarisk Meadows.

Light Pole Damage: Last week a light pole was struck and knocked down by a vehicle on Stone Quarry Road near Tamarisk Village. I have contacted the Colorado State Patrol to acquire insurance information from the owner of the vehicle. I will be filing a claim with the owner's insurance provider for replacement of the street light. In the mean time we will begin replacement of the pole.

Right-of-Ways & Open Space: The first mowing of the open spaces is underway as is the second mowing of the right-of-ways.

Excused Absence of Board of Directors: At last month's meeting there was discussion as to whether a Director must be excused by the President for absences at Board of Director meetings. Director Arrington expressed that he believed the bylaws indicated that three unexcused absences could result in the removal of a Board member.

At the Board's direction I have researched the bylaws concerning the removal of board members and find that the only means of removal of a board member (delegate) is by a vote of the members within the delegate's village (delegate area).

Article 5, Section 5.5 of the Amended and Restated Bylaws and Section 7.3 of the First Amendment to the Amended and Restated Bylaws outline the process for removal of a delegate (Director) through the process of a vote of members within the delegate area.

I find no reference in the bylaws or the amendments to the bylaws that give authority to the Board of Directors to remove a director. I also find no reference to three unexcused absences that would result in the removal of a director. Therefore, I see no need for action to approve an unexcused absence of a director by the President or the board. However, it is helpful for Board Members to notify the management office when they are unable to attend in order to determine whether a quorum at the meeting can be attained.

The Colorado Dream

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