

Red Cedar Canyon Townhouse Association
Executive Board Meeting: RE: Review of Finances, Misc.
Wednesday, February 19, 2020, 11 am
Dave Preller's Home

The executive meeting minutes are subject to review and approval by the board of directors (BOD) at the next meeting.

The executive BOD meeting of the RCC Townhome Association (RCCTH) was held to review finances and miscellaneous pending issues. The meeting was officially called to order at 11 am by President Dave Preller (DP;); board members present: Ronald Urhammer (RU,) Treasurer and Karen Mackesey (KM,) Secretary; absent: Gretchen Trebnick (GT,) Member-at-Large and Nadine Sands (NS,) Vice President. Miranda James (MJ,) Cities Management (CM,) was present.

The following agenda items were reviewed and discussed:

1. Finances

- a. The board agreed to pay the Zappa invoice for excavation and repair of the water pipe break at unit 263 on WCD. The bill was approximately \$4,695 and has not yet been expensed on the financial report. It will be charged back to the General Maintenance Account.
- b. RU stated the water/irrigation expense is charged quarterly; January's charges of \$2,000 includes fire hydrant.
- c. RU asked MJ to investigate a January Grounds and Landscaping charge. The invoice, #4819, was for \$666.06 from Willow River (WR.) It was for work done in July 2019. It is not yet paid as she is waiting for a WR explanation of services performed.
- d. Next item regarding finances was the reversal of the \$17,150 roof repair charge to the General Maintenance Account. This amount was reallocated to the 2019 Reserve Fund for coverage.
- e. The BOD discussed the charge of \$3,095.44 billed to General Administrative Expense. MJ explained this was the commission fee to CM for overseeing the roof coordination. (Later in the Executive Meeting Minutes, the commission for project management and lining up contractors will be discussed and further explained; see item #2.)
- f. DP questioned corrections made from one year to the next. According to MJ, CM makes adjustments to statements if and when corrections are needed. For example, if services were completed in 2019 but the bill was received and paid in 2020, the 2019 statements would be corrected to reflect the transaction. The same goes for errors. When errors are highlighted and corrected, they are recorded in the year of service.

2. Explanation of CM Commission on a Project

A commission is paid to CM when they oversee projects regardless if the vendor/contractor is outside of Cities Management Maintenance (CMM) or if CMM performs the work themselves. When CMM bids projects, the commission to CM is already 'bundled' or 'rolled into' the overall cost of the project. On the other hand, if an outside contractor bids on a project, and the BOD requests MJ of CM to handle the paperwork, coordination and other related tasks, RCCTHs will be billed an additional 10 percent of the contractor's bid. This is for overseeing the project and it shows up under the General Administrative Account.

Likewise, if CMM does not offer the service we are requesting, for example tree planting, they do not charge a commission to oversee (the administrative functions) the project. Other examples would be lawn and snow services, tree trimming, etc. Generally, if it is not a maintenance workorder/task, they do not handle it, and thus, do not charge a commission.

Red Cedar Canyon Townhouse Association
Executive Board Meeting: RE: Review of Finances, Misc.
Wednesday, February 19, 2020, 11 am
Dave Preller's Home

Lane patching is a maintenance task, so if we were not to use CMM, and we wanted MJ of CM to handle it, RCCTHs would be charged an additional 10 percent on top of the asphalt patching total. RCCTHs has a yearly maintenance project/task of cleaning gutters. CMM offers this service, so if we did not select CMM, but we choose to have CM oversee it, we would be assessed a 10 percent fee. If we choose CMM to gutter clean, their bid would include the assessed fee and MJ would automatically oversee the project details.

Lastly, commission is not charged when the BOD oversees the project themselves; an example is the new lane signage which was installed late last year. In this case, GT was the point of contact (POC) and provided communication to the homeowners and was the liaison between the different entities for project completion. (As a side note, these outside contractors must have copies of insurance and other documentation prior to the project start in order for CM to render payment.)

3. Upcoming Projects

Mulch Project - Currently, WR submitted a bid to place additional mulch for 37 RCCTH units (roughly 1/3 of the properties.) The bid of \$11,000 includes removing existing bed edges as well as weeding and disposing of the debris. This bid is for 100 cubic yards of premium cedar mulch at a depth of 2 inches. The BOD is currently contemplating how to reduce this large expense and is brainstorming alternatives to lessen the financial burden.

MJ is going to request an additional bid from WR and two other contractors on a rock alternative to the mulch. Granted, there would be an initial cost of the rock and the occasional back fill of additional coverage, but we are seeking out alternatives to avoid the large, yearly outlay of \$11,000.

Tree Line Project – This project enhances the corner of WCD and DWC with additional tree coverage. The BOD approved the project and funding for it. MJ will contact WR to inform them of the approved project and communicate to them that DP is the POC for project.

Asphalt Project – MJ will obtain bids from at least three different contractors for the asphalt project. This project will require the vendor to install a cement strip down the middle of the lanes to prevent asphalt deterioration, will replace the garage to driveway “apron” (due to the code change and collapse of the driveway in this area and will repave or overlay the entire lane surface.

The BOD will meet to further discuss requirements and timing.

4. Miscellaneous Items

Ice Dams – With the melting and freezing temperatures this year, ice dams have been an issue. We agreed it is imperative to communicate to homeowners before winter, methods to help alleviate ice dams. Those include removing snow from the roof (ice rake,) ample and properly placed insulation, etc. There are professional ice dam removal contractors that are available but at the expense of the property owner.

Rubbish Expenses – Rubbish/garbage/recycling has increased. The recycling container pick up is increasing by \$0.76 per pick up and the ‘normal’ household garbage is increasing by \$0.24 per pick up.

Red Cedar Canyon Townhouse Association
Executive Board Meeting: RE: Review of Finances, Misc.
Wednesday, February 19, 2020, 11 am
Dave Preller's Home

In a typical month, recycling will increase by \$1.52 and normal garbage will increase by \$0.96. The total increase per household will be \$2.48. This does not reflect any fuel increase which is unknown at this time. The first quarterly bill will be in March. The Association's rubbish will increase a minimum of \$1344 this year.

Water/Irrigation Expenses – Thus far, water from the city has not yet increased. However, the BOD noted there is a high probability an increase is imminent and suggested removing budgeted money from the rubbish account to the water account which is more in line with the actual.

KM made a motion to adjourn meeting. DP seconded motion. DP adjourned meeting at 12:54 pm.

Respectively submitted,

Karen M. Mackesey
Red Cedar Canyon Townhomes, Secretary