

ARROWHEAD IMPROVEMENTS ASSOCIATION
BOARD MEETING
SEPTEMBER 20, 2008

The September meeting of the AIA Board of Directors was called to order at 2 pm on Saturday, September 20, 2008, at the Arrowhead Inn with Bruce Saunders presiding. The following board members were present: Bruce Saunders, Rich Ostrom, Paul McDermott, Randy Touslee, Sondra Clifton, and Ralph Armbruster. Kathy Leary was away on vacation. Approximately 40 association members attended the meeting.

Order of Business:

1. Prior to the start of business, Gerri Wigent made the announcement of this year's John Krall Award. Winner's are Glenn and Caroline Isbell, with the formal ceremony to be held at a future community dinner.
2. Approval of minutes: Randy asked for any comments or corrections of the August board meeting minutes. None received, he moved for approval, Rich seconded, and the motion passed.
3. Financial report: Paul reviewed the financial statement for August. There are no significant changes from previous months to report. The association is pretty much on target for the majority of the budget areas, with the exception of previously discussed increased costs associated with the heavy snowfall such as fuel and employee benefits. As the end of the year approaches, accounts will be balanced out- surpluses moved to cover under budgeted amounts. Paul moved that the August financials be approved as presented, Ralph seconded, and the motion passed. The 2009 budget process is underway, with a goal of presenting at the October meeting. The Association keeps the required six month operating reserves in several laddered CD's, with the last Wells Fargo CD maturing this month. Paul moved that the treasurer and office manager be given discretion to move that money into the institution with the best terms, Randy seconded and the motion passed. The majority of AIA money is at Alpine Bank in Montrose, which is ranked very high nationally for financial security.
4. Committee Reports:
 - a. Roads and Equipment: Ralph reported that Tim Caton is on the job as our new consultant for road and equipment improvement. He has been working with Will on assessing and implementing some changes- building up our tool inventory, refurbishing the grader, and working on the roads, with recent attention focused on Crest and Ute.
 - b. Design Review: Rich reported that there has been one shed plan reviewed. The DRC has spent many hours reviewing and doing research on pending issues.
 - c. Fire Protection District: Bob Rosenbaum was asked to give a report. The initial budget is about done and will be available for public review at the firehouse. The next FPD board meeting will be Oct 17, where they will take public input on the budget- oral or written. Expectation is to finalize the budget at the November 21 meeting and send to the Gunnison County Commissioners and State agencies by mid December.
 - d. Forest Mitigation: While he had the floor, Bob reported that this year's mitigation is complete. A commercial Kodiak cutter did a great job of dealing with some areas of deadfall above the Alpine. Next year's matching grant has been approved for \$26,000, which should just about finish mitigation of very hazardous areas on our periphery.

- e. Long Range Planning: As part of a continuing need to plan for the future of AIA, Ralph, as the Board person responsible, asked Karla Vavrick to form a planning committee. The committee has formed, met, and assigned areas of responsibility to research and gather data. Water development, management options, road and infrastructure, Hazel Lake, and possibility of forming a Metro district are some of the areas they may look into. Community input will be sought.
 - f. Covenant review: Rich reported that the committee is hard at work reviewing AIA covenants, identifying areas that need to be updated and/or revised. Next meeting is scheduled for Oct 1 with a goal of presenting proposed revisions at the Oct Board meeting.
 - g. Security: Leonard reported that a new vehicle sticker and registration program is getting underway. Continue to use your existing sticker, but please contact Security for the new data worksheet that records pertinent info of your vehicles. A database will be created for the use of the patrolmen.
 - h. Fire department: Kevin Stilley was asked to give a report. He recognized Dee Sedgewick for all of the landscape work he has and continues to do around the firehouse. There will be plaque in the garden area and \$200 will be budgeted for annual projects. He was also given a photo album which details the progress of Dee's work. Three AED's are being placed at different locations, contained in heated cabinets. The three locations are the intersection of Deer Trail and Crest, the pump house, and by the Beach's house on Ridge. AED training was held after the meeting. All interested residents should ask for training. The final thing mentioned was that a buyer for the ladder truck may have been via EBay.
5. Water Company Update: Bruce reported that both the amended First Right of Refusal and the guarantee of water for Hazel Lake have been signed by Don Squirrel. The Evergreen Lake access easement has been drafted by water company lawyers and presented to the board for review.
 6. Arrowhead Lake Recreation Easement: The board will respond to the request for abandonment with a counter proposal to include adding the property owner as additional insured on AIA insurance, identify and mark the access route and the parking area, provide signage stating that the easement exists, and remove barriers to access. We have no intention of relinquishing the easement.
 7. Parking Lot Bathroom and Trailer Dumpsite: Ralph clarified what the revised and the approved plan will be. The cost estimates for building on the upper area were very expensive. At Pete Nyokus's suggestion and in consultation with the equipment operators, everything was moved back to the area east of the equipment building. A unisex, full featured and heated bathroom with external door will be built in the southeast corner of the building (vicinity of trash compactor which will be moved further back). The septic system construction is already underway at a considerable savings. The bathroom has been designed and will go out for bids soon. All intentions are to have the facility open for business in time for winter use.
 8. AIA Management Study: Paul reported on the Board's current ideas for improving management of AIA assets. A secondary benefit of paying managers would be lighten the workload of the volunteer board members and possibly encourage more people to volunteer to serve on the board. There is insufficient money in the current budget to hire a full time, full featured manager. Current thinking goes toward changing our stipend positions to employee status which provides them and the association with the usual insurance and tax benefits of employees. Current stipend positions are managers of Design Review, Security, Forest Mitigation, Office, and Communication. A new position might be created to oversee Roads and Facilities. Salaries would

be commensurate with responsibilities assigned and budget constraints. The Board welcomes your ideas and comments.

9. Public discussion: A long public discussion was initiated by a question about the status of approval of a systems built home. This is typically and erroneously labeled as the “double wide”. The Design Review Committee has been spending a lot of time investigating this issue and no decision has been made. The Board’s position is that we need a legal reading on what we can and cannot do with regard to existing covenants and Colorado statutes. The next issue of Smoke Signals will contain a further explanation of what is proposed.
10. Web Site: The Board desires and has initiated discussion with the web site provider about improving the currency, content, and technical capabilities of the Arrowhead web site.
11. Announcements: There are 48 members of the newly formed Arrowhead Snowmobile Club. The contractor is on tap to groom the up country trail four times.

No further business to discuss, Bruce asked for a motion to adjourn at 4:00 pm. Ralph so moved, Paul seconded and the motion carried. The next board meeting will be October 18 at 2pm, to be held at Arrowhead Inn.

August Board Meeting Addendum

President Leary called a special meeting of the Board of Directors on August 23, 2008, after meeting the five day notification requirement. All members were present at Ralph's house at 2pm with the exception of Bruce Saunders, who called in via speaker phone. The purpose of the meeting was to discuss the previous decision concerning delay of construction of the parking lot bathroom. After discussion of end of year budget projections and mandatory operations reserves, it was felt that the community expected the facility to be built this year and that we have adequate funds to proceed. A contract for construction of the septic system has been awarded to Pete Nauykos and work should begin soon. Engineered plans have been completed for the building and are available for prospective bidders. Several contractors have expressed interest in the project. The next step is for RFP response and evaluation, with a desired completion date of September 15. The board has the expectation that all work can be completed this fall.

Ralph moved that the board approve the above described concept of action, with a goal of completing construction of the complete bathroom and trailer dump site using current available funds. Paul seconded. All present voted in the affirmative. Kathy moved to adjourn the meeting at 1630, Sondra seconded and the motion passed.