



## RIVER VALLEY RANCH

### 2012 RVRMA COMMUNITY GATHERING MEETING MINUTES

Wednesday, July 25, 2012, 6:30pm

The Ranch House Great Room

#### Executive Board of Directors

Jim Noyes, President  
Peter Frey, Vice-President  
Bill Grant, Treasurer  
Lani Kitching, Director-at-Large  
Frank McSwain, Director-at-Large  
Amy Harvey, Director-at-Large  
Robert Schoofs, Director-at-Large

#### RVR Staff

Ian Hause - Community Manager  
Suzie Matthews - Controller  
Erin Mattice – Hospitality and Member Services  
Rich Myers – Master Irrigation Tech  
Pamela Britton – DRC Administrator  
Alli Zeigel – Pool Supervisor  
Cristina Sirianni – Director of Tennis

#### Welcome and State of the Union

RVRMA Executive Board President, Jim Noyes, welcomed everyone to the 2012 “Summer Séance” Community Gathering and provided the following “State of the Union” address:

Welcome and thanks for coming! I’ll read these remarks so they can go on the website. We have some guest speakers here who have exciting things to talk about, so I’ll be brief.

2012 is going to be a good year for RVR! Real Estate sales are perking up and Brian Leasure is going to tell you more about that. The new owners of RVR Golf are here to share their impressive plans for revitalizing the golf operations...and very importantly for those that don’t play golf but do wine & dine...the restaurant!

The Great Irrigation Water Impasse is behind us...after a stalemate that had been going on since 2005. The new agreement is fair, reasonable and actually understandable. Thanks to Ian Hause, Kathryn Rooney and Suzi Mathews for their work on that previously immovable object.

The 2012 budget is intact. While it’s unlikely that we’ll be able to have a fourth consecutive year in 2013 with no dues increase, we’re confident that it will be reasonable.

We set a new Town of Carbondale record a few weeks ago, earning 20 speeding tickets in 2 hours! I encourage everyone to keep up the good work because this “wealth transfer” at \$78/ticket or more will surely help the Town’s finances!

I haven’t seen any bears this year, but they’re all over Aspen! Most of us are obeying the town’s ordinance, and common sense, by not putting our trash out the night before pickup. While I know we all bristle at government interfering with our constitutional right to be foolish, every time I read about yet another bear event in Aspen or Basalt or Glenwood Springs, I’m grateful for the vigilance.

Dog poop is being scooped....most of the time. Leash laws are being adhered to....most of the time. Deer fencing is down and out of sight...most of the time. Dead trees have been removed and “new, improved” ones planted. The long list of deferred maintenance and capital spending has been reduced to a manageable level. Some of this is very visible but much of it neither visible nor interesting...just vital.



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The Tennis program under the direction of Cristina Sirianni and her assistant Sean Chatellard is being praised by many as “Best Ever”. Your Board continues to do what a Board is supposed to do....prioritize, discuss, disagree without being disagreeable, add expertise where appropriate and make good decisions quickly so that our staff can execute.

Many thanks to Bill Grant, our longest-serving Board member now going on 5 years; to Peter Frey who just re-upped for a second 3-year term; to Lani Kitching who has agreed to take over the Vice-President role; and to Frank McSwain and Amy Harvey who, like all of us, give their time freely....and for free...for the sole purpose of spending our money wisely and making RVR the best community it can be.

I'd also like to give a shout-out to Ted Stude who served on the Board for over 3 years. Ted's engineering and financial planning background was very helpful in dealing with the many Ranch House upgrades, landscaping and money issues. We didn't always agree but we didn't let that get in the way of progress. Thanks Ted!

Bob Schoofs is our newest Board member. Bob and Mary came here last fall from Cheese Head City, WI. Both of them are accountants so you can only imagine what pillow talk is about! After a bit of arm twisting and a promise that I'd shovel his driveway when he wasn't around, Bob agreed to join the Board giving us some additional strength in the all-important accounting and financial management areas. Bob had some campaign materials that went unneeded, so we're giving him a chance say a few words here. Bob...

*(Director-at-Large, Robert Schoofs introduced himself and his wife Mary and expressed appreciation for living at RVR. Bob spent time with Community Manager, Ian Hause and Controller Suzie Matthews prior to moving here to see if RVR was the kind of stable community he and Mary wanted to live in, e.g: did we have reserves, good cash reporting, auditing, etc.*

*Bob said, “It was great to work with Ian and Suzie; I felt comfortable with them. I also felt that I would like to make a contribution to RVR and will in this role as a member of the RVRMA Board. If you need anything....call Jim!”)*

It used to be that serving on an HOA Board was a “fate worse than death”. Thanks to my fellow Board members for disproving that myth! It's actually a pleasure to work with volunteers like this. Before we move on to our other speakers, I want to give special “props” to our staff leadership team. No brilliant strategy, no good intentions, no “Mission, Vision, Values” statement mean a thing if you don't have people who can execute.

With the exception of Rich Myers, who has been here since they were growing alfalfa...and Pam Britton, an RVR homeowner, the rest of team has been here for a very short period of time...but in that short period of time they have demonstrated that they are responsive, hospitable, communicative, innovative, self-motivated and very much up to the many tasks they take on. While each has their own specialties, they understand that great performance only comes from teamwork.

Because this leadership team is the key to everything good that happens at RVR, I'd like to single out each one of them for appreciation.



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Rich Myers....Mr. Lone Wolf! Rich was part of the original construction of the very complex, multi-million dollar irrigation system we share with Golf and he has been taking care of it ever since.

We were just recently dealing with “the worst drought since The Great Depression” but Rich and his guys were still keeping us green. We now might be looking at Noah’s Ark coming over McClure Pass! It may all look easy, but it isn’t. Thank you, Rich!

Pam Britton....While Pam is the volunteer Chair of our first-ever Tennis Committee....a Committee that should take great satisfaction in its recruiting efforts...she is also an invaluable resource in DRC Administration, Board meeting documentation and general off-the-bench “6th woman” assistance. Thanks, Pam!

Cristina Sirianni and Sean Chatellard....new kids on the block....only at RVR a few months. We live in a town that is half Mexican and we have an Italian Director of Tennis and a French assistant pro. How special is that?!?!? Nice to see Italy and France working together on something!! It doesn’t get much better than “Best Ever” and while we’re very impressed with what you’ve done with the tennis program, we’re equally pleased that you have woven yourselves into the RVR tapestry. Graci....merci beaucoup...gracias....thanks!

Erin Mattice....Erin is the Wizard of the Ranch House. We share her with SkiCo in the winter where she is a highly sought after ski instructor at Aspen Highlands, but then put her to work fulltime where she hires and trains a very seasonal staff to deal with all the Member Services and Hospitality issues....the newsletter, the pool, the Juice Bar, the Front Desk, wine tasting, winter lecture series and other special programs and activities...and even the occasional confrontation with an RVR ogre. She does it all magnificently with a sense of calm and purpose. Keep up the great work, Erin! Thank you!

Suzie Mathews...Let’s hear it for Billing & Collections! Let’s hear it for Financial Statements! Let’s hear it for Budgets! While not glamorous, or even fun, doing all this accounting stuff right is incredibly important! I sleep well because I know we’re in good hands. For mirth and merriment, Suzi is also our point-person on IT and HR. She’s also in charge of the Fitness Class programs....and once-again we have a “Best Ever”. I can now touch my toes and I owe it all to RVR Yoga. Caution! Suzi also runs some of her own Fitness classes. Unless you are a Navy SEAL, you might want to think about buffing up a bit before jumping into those. Trust me!! One thing you’ll never hear from Suzi is “not my job”...she does whatever it takes. Thanks, Suzie!

Ian Hause....Ian has been here for only 15 months and in that short time has improved everything....and I mean everything! He conducts the orchestra....plays first violin when he has to...and picks up the trash if someone forgets that. While his skill set includes every facet of managing a small village, he understands that getting the jobs done well and consistently means attracting, motivating and retaining an A-Team.

In the “for profit” world, we always said: *“You judge executives by those they surround themselves with.”* Ian has surrounded himself with a great team! He is smart, works hard and gets things done. Ian, you’re a pleasure to work with and a real asset to RVR. Thanks for being here!

Folks, there’s an even bigger team of worker-bees out there who are also doing a great job...Front Desk, Juice Bar, Pool, Housekeeping and the field crew. These are all the people that make RVR the special community that it is!



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If there are questions for me or other Board members, let's hold them to the general Q&A we will have at the end so we can move on to our guests.

But first, Ian Hause, our Community Manager.....

### Community Manager Report

RVR Community Manager Ian Hause presented the following Community Manager report:

Thank you Jim and thank you to all who have joined us this evening. I would like to thank the Executive Board and all the Committee Members for their direction and guidance. Welcome to all the new RVR Owners. Welcome to Dale Rands and the new golf course ownership and operations team.

The 2012 operation is well underway. We are operating per plan and within budget.

In 2011, in addition to our normal operations, we focused on landscaping and deferred maintenance at the Ranch House. In 2012 we have turned our attention to Ranch House improvements including new pool and mechanical control systems, front desk and cabinet additions, a soft serve and frozen yogurt machine, steam room repairs and upgrades to our IT systems and processes to name a few.

The mechanical control system has allowed us to increase building comfort, services, programming, functions and events while keeping our utility costs below what they were in 2011 which was a 20% reduction from the previous year.

Landscape maintenance and improvements continue. Rich Myers and his crew grow the grass and Four Seasons mow the grass.

Aspen Tree Service continues to provide tree health and fertility services to approximately 3500 trees in our community forest. ATS has replaced 10 trees at the north entry and will be planting additional trees along Crystal Bridge and Crystal Canyon Drive in the next week or so.

Prima Plant Care continues to perform noxious weed control services throughout the Community. Floral Gardens does the flowers and we got the rest.

We have worked with the ownership of the Boundary and the Enclave at Bowles Gulch to improve the appearance of those areas to the rest of community.

Along the lines of beautification, our crews are currently replacing the old developer installed water, sewer and irrigation service locates with a standardized, low impact appearance.

I could not be happier with the team, the Front Desk welcomes, the Juice Bar serves, the maintenance and field crews deliver. The management team makes this happen. This is where the rubber meets the road and this road travels very, very well.

Thanks to these folks, it is truly a pleasure to succeed with such a wonderful, fun and motivated team.



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The Ranch House is happening. I literally get stopped on the street and am told how happening it is. The Taste of Americana Jubilee was a homerun, for those of you who could not make it, just wait until next year as we will only get better.

The 2012 RVR Tennis Classic was a blast and brought the rain, just like it did last year, and our field crews greatly appreciate that.

Summer Camp is not even close to over with more dive-in movies, another fishing derby at the Crystal Bridge Pond, wine tastings, as well as fitness and nutrition presentations. Of course normal swim, tennis, fitness and hospitality programming will continue.

Next winter will bring a ramped up lecture series with some surprise very notable presenters on tap to share their stories with Members and Guests.

As Jim mentioned we are now operating under the new irrigation water agreement with the Golf Owner. It turns out that the Agreement and field operations actually function very well together. We reconciled 2011 successfully, kept the 2012 water bills where we projected they would be and are excited about our going forward relationship with the new golf owner.

In the homebuilding arena, things are going up. With one new home recently completed, 3 others under construction and 3 more in the Design Review pipeline, we are thrilled. There are now 333 homes built at RVR with 223 lots yet to build. Brian Leisure will address what I believe to be a direction of recovery in the real estate market, especially at River Valley Ranch.

My door is always open, I am often elsewhere at RVR, but please do not hesitate to contact me with any thoughts, comment or questions.

Lastly, I would like to thank all RVR Owners for their encouragement and participation. I sincerely thank you very, very much. See you around the Ranch House!

Thanks very much, Ian! Again, we will open it up to more Q & A after our guests are through.

First, we want to hear from our very own neighbor and friend, Brian Leasure. Someone please cover Christina's ears as we don't want her to hear this. Brian was the Tennis Pro at Maroon Creek Club 15 years ago where he got to know Gerald Hines who was the developer of RVR and 50% partner in RVR Golf. Gerald convinced Brian that he had a much bigger future in real estate sales and got Brian on board here in 1998. When the development was conveyed to the HOA, Brian bought The Thompson Barn and has been running his own real estate sales firm since then. While he still looks like a young kid, he is RVR's Historian and a wealth of information. Brian.....

### **Brian Leasure**

It is great to be here...Janis and I hope you will all join us on Friday at our Annual Open House event at the Sales Barn.



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I am happy to say that the fundamentals for River Valley Ranch home and townhome Real Estate have been improving since 2010. Here are some of the figures:

### **SUPPLY**

- 2010 - Mid 50's homes and townhomes on the market
- 2011 – Mid 30's homes and townhomes on the market
- 2012 – Currently there are net 28 on the market as of July 19.

### **DEMAND per MLS and Assessor**

- 2010 – 10 homes and townhomes sold –
- 2011 – 18 different homes and townhomes sold –
- 2012 – 14 sold or under contract YTD – Average Sold price about \$820,000

The land market has been almost nonexistent since midsummer 2008 until this year. Other than the bulk sale in Block GG of 15 home sites we have had about one true land buyer per year in 2009, 2010, 2011. **Eight home sites sold or went under contract so far in 2012.**

The challenging part is that the Seller's over the past few years are selling at prices they did not believe they would ever have to sell at to move their homes but we see hope for that improving.

Here are some Real Estate Trivia questions for you:

- Question: In 2003 what was the highest price home to sell?
- Answer: \$801,000
  
- Question: So far this year, how many sales have been above \$857,000?
- Answer: Seven
  
- Question: Since 2004 what is the number of homes that have sold at or over 1 million?
- Answer: 52 (3 this year)
  
- Question: What is the lowest priced home/townhome on the market in RVR not under contract at this time?
- Answer: \$546,600

We think the trends are promising.

- Pitkin YTD through May sales dollars were down 17%, transactions were down 16%
- Garfield YTD through May sales dollars were up 22%, transactions were up 33.5%

Thank you all!



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### Golf

Thanks, Brian! Our final guests tonight are Dale Rands and his partners, the new owners of RVR Golf. Dale has been a resident of the valley ever since 1979. He is a golfer....a successful entrepreneur...a Key West beachfront hotel and restaurant owner....and he's full of energy, ideas and the capital to put all that to work. Dale...welcome to River Valley Ranch!

I am impressed with the number of people and energy in this room tonight. I have been on four HOA Boards and I understand HOA's, and their expectations. I hope this will allow us to deliver on the expectations you have.

I thank Jim and Ian for welcoming me so warmly when I first met with them 10 days ago. I believe we are going to have a very positive working relationship going forward.

I would like to introduce our team. First, Peggy Dryson who will be the 'behind the scenes' glue that holds everything together and will be the counterpart to Suzie Matthews, your controller. Chris Norvell who many of you may know as the owner of the gourmet food store, Epicurious. Chris will lead the effort to bring back a full blown, top notch restaurant operation. Dave Alvarez and Alden Richards will be co-directors of the golf operation.

We believe we have a highly talented and motivated team and that you will be impressed with the results. We have a lot of great plans for the RVR golf program. I want to say again how much we appreciate the way we have been welcomed into this community. With that, why don't I just open this up for questions.

**Question:** What do you see as the areas that would benefit most from physical improvements to the course?

**Answer:** Our goal is to make this the best course that there is in the area. We will address the tees, greens, some of the roughs and need attention as well. Some of the maintenance equipment is old and we are already looking for new replacement equipment.

**Question:** You have introduced the golf course management. What about maintenance staff? Who will be doing that work?

**Answer:** For the remainder of this season we are sticking with the current crew as possible. Our experienced leadership will address staffing as part of their operational duties going forward.

**Question:** Will the unlimited pass be coming back?

**Answer:** We will have various pass programs and products. There will be an unlimited pass with more benefits than the current one. Haven't priced it yet nor finished adding all the bells and whistles to that pass. Existing passes and credits will be honored.

**Question:** What are the plans for the restaurant?



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**Answer:** The operation will remain status quo until the end of the golf season. We have a budget of several hundred thousand dollars to totally remodel the restaurant and bar over the winter. We haven't gotten into the details fully, but some of the ideas include keeping the deck, but creating a weather-proof dining situation, closing the kitchen, all new furniture and flooring in the dining areas, and most importantly high quality food. We plan to have homeowner specials and events. If you have any ideas, we would love to listen!

**Question:** The number of rounds of golf everywhere has gone down. What are your plans to increase rounds?

**Answer:** We are going into this with our eyes open. We don't need that many more rounds of golf for this operation to be profitable. We don't think we are going to make a fortune tomorrow. We are going to do a lot of hard work. We are going to be moderately priced.

**Question:** Will it be possible to use the golf course during the winter for things like cross-country skiing?

**Answer:** That is certainly something for us to consider. We also plan to offer indoor golf instruction via video this winter.

**Question:** What have you done to retain existing staff?

**Answer:** Some have been invited to come back. We are also seeking individuals who want to make golf a career.

**Question:** Are there any plans to put netting up on the driving range.

**Answer:** We are going to be looking at options and feasibility.

### Adjourn and Refreshments

Jim: Thanks to everyone for attending. I got a call from Aspen Times asking if this golf course purchase really is a good deal. My answer was, "Yes. It is good for the Town of Carbondale, and it is good for RVR. We will give the new owners all the support we can!"

Let's adjourn and enjoy some refreshments....thanks for coming!