

FAIRWAY VILLAS CAC NEWSLETTER

FEBRUARY 2022



CAC MEMBERS

Al Morie
Bruce Shibles
Scott Farron
Richard Gaito
Murray Hawthorne
Amani Ali
Becky Schreiner

Next Community Meeting
Saturday 03/12/22 10:00 am
In-person and via Zoom

LINKS:

CAC Website
<https://www.fvcac>

On the main page click on the
“More” tab to find:

- CAC Meeting Minutes
- YMCA Weekly Newsletters
- SDM Info
- Archived Documents

YMCA TRANSITION

MAINTENANCE MANAGER

Jesse Rascon started effective Monday, February 7, 2022. Jesse will be responsible for both the Clubhouse and Lodge buildings, working a 30-hour week. If you see him, please welcome him.

CHART OF ACCOUNT CODES

The Metro District accounting firm, CLA, has refined the chart of accounts. This will improve the monthly financial reports and provide better details for tracking expenses.

BILLING SYSTEM

With the new billing system, the SDM will be doing a concurrent review process with the CAC and the Finance Committee. This is a huge improvement to be involved on the front end to review invoices versus two months after the fact. This will spin into monthly reports on budget & expenses providing more real-time data from the SDM. In the past the last financial report received was August of 2021. This is a remarkable system and more details on how it works will be provided once they are completed.

ASSET LIST

An asset list for both the Clubhouse and Lodge has been started and will be maintained by the SDM. This will track planned maintenance requirements and work orders. The new SDM has really taken the bull by the horns to compile this list. This is a remarkable system, and more details will be provided when completed.

LANDSCAPING & MAINTENANCE

The SDM has done a Request for Proposal (RFP) for Landscaping, Maintenance & Snow Removal. This is for the bungalows and sub-districts common areas. The SDM will be comparing the RFP's to the existing contracts using the same scope of service. The current contracts will be up for renewal in the spring.

EBERT BOARD MEETING

FINANCIALS

The ‘Strategic Fiscal Policy Committee’ has been renamed ‘Financial Operations Committee’. The committee consists of Bruce, Kel, Al, Bill, Jeff, and Murry. All of whom have an insatiable appetite for research and finding critical information.

LEGAL

The legal services of RWO (Kimberly Bruetsch) have been terminated. CEGR is the new legal firm hired and have a better understanding of district matters.

ELECTIONS

Election resolution forms were updated with the new election's official. Self-nomination forms can be found on the Ebert website. Anyone interested in serving needed to submit the self-nomination form by the end of the day on February 25th. All five positions were open (three 3-year positions and two 1-year positions). The election official followed the state requirements for election notifications.

COMMITTEE CHARTER

The charter has been updated now that Keith Mays is taking care of the Ebert web page. Because of his efforts, the communications have improved, and the website is much more user-friendly.

EBERT MAP

Work on the Ebert map has been in the works for 2 years and is almost complete except for one outstanding piece.

FINANCIAL OPERATIONS

We have been pushing for better communications and cooperation between TCMD and EMD. A committee was formed and meets every six weeks. It allows EMD to review proposed spending and the ability to approve or disapprove.

TAX REDUCTIONS

The recent property tax reductions were a result of the Financial Operations Committee. They were able to find a surplus in the Debt Services Fund that was not justified and as a result, it was applied to homeowner taxes. Taxes may go up a bit next year to correct over-collection, but not by much.

TCMD UPDATE

TCMD's last meeting was mostly administrative for approving invoices to be paid. Two YMCA contracts were signed and approved, one for FV's Lifestyle Director, to run through the end of the calendar year. The other contract was for the YMCA billing services vendor for the Bungalows monthly billings.

Oakwood purchased property north of GVR, west of Tower, and north of the school. It will be lower-income housing and part of the American Dream collection. It was added to be under Sub-district 5.

The TCMD Board clarified the process for revisions to the Resident Handbook. The YMCA has some suggestions for changes to the FV Rules and Regulations and the CAC is collecting suggestions from the residents. Once all the suggestions have been provided, they will be submitted to the TCMD lawyers and Board for review.

There are openings to represent Fairway Villas (one each for Subdistrict 1 and Subdistrict 4) on the Ebert and Town Center Joint Landscape Committee. If interested, contact Jerry Jacobs at Timberline District Consulting.

The next Board meeting has not been scheduled but should be sometime in early March or April.

RESIDENT HANDBOOK

REVISION SUGGESTIONS RECEIVED TO DATE

1. BYOB policy for all club events
2. Exceptions for activities planned by FV community groups outside normally published underage guest usage hours.
3. Shift pool usage hours from 3-6 to 4-7 for under-aged guests accompanied by a resident.
4. Exceptions for the public attending special events such as for Craft Fairs, Blood Drives, and Neighborhood Watch meetings.
5. Allow Clubhouse and Lodge to be rented out to residents for Bridal/Wedding showers, Weddings, etc.

To request additional changes to the Resident Handbook, go to: <https://www.fvcac.com/contact>

A Pros and Cons list will be created once all revision requests have been received. The SDM will also weigh in on the administrative impact and hardships the revision may pose. A survey will be sent to all residents to vote and provide input and opinions.

The current Residents Handbook can be found on the following websites:

Community Advisory Committee (CAC) <https://www.fvcac.com>

Westwind <https://www.dropbox.com/sh/rigec13a2sk95y2/AADrr268BFUo84O-2yrpS2sYa?dl=0>

SOLAR FEASIBILITY STUDY

The question in the 2021 Capital Projects survey “Undertake a cost/benefit study to install Solar Panels on the Clubhouse and Lodge buildings to offset the large monthly electricity bills” was ranked the 3rd highest priority. The CAC chose to do the research in order to save money. The challenges included, size, cost, ability to capture tax credits, determine potential savings, and how it could be paid for.

SUMMARY OF OPTIONS INVESTIGATED

Options	Location	Cost	Tax Credit	Financing	Yrs	Warranty	Xcel Offset	Community Savings
PPA Agreement	Clubhouse Lodge	1 st Year \$407.00 (90%) 8 th Year \$ 45.00 (10%) Year 2-7 Zero Year 9+. Zero	26%	Pre-paid Lease	8	25 Years	47.5% *	\$366,000 Total Over 25 YRS
C-PACE Program	Clubhouse Lodge	\$ 38.00 per year for 20 Years (amortized)		Long-term	20	25 Years	47.5% *	\$253,000 Total Over 25 YRS Household Property Tax Savings \$2 - \$31/ year (conservative)
Community Solar	Off-site Solar Farm	\$ 0		Subscription		N/A	100%	\$979 initial year up to \$3,787 in year 20. 20 year projected savings \$45,800
Do Nothing		\$ 0					0%	Utility costs will increase.

(*) Clubhouse and Lodge solar panel systems sized on each building to maximize utility expenses would only cover 34.5% of both buildings’ consumption requirements. The pool is a huge component of the consumption requirement for the Clubhouse building. The Lodge solar panels would cover 100% of its consumption requirements. However, new Xcel rules released in the summer of 2021 allow for meter aggregation allowing us to combine solar system metering for both buildings. This allows a system to be installed at the Lodge to provide more production than the building consumes so that the excess from the Lodge can be applied to the Clubhouse, thus increasing overall electrical utility cost offsets for both buildings to approximately 47.5%

PPA LEASE/PURCHASE AGREEMENT is a proposal we received that accomplished several things. It puts the purchase expense into a multi-year program, requiring a 90% system cost payment after the system is installed, with a 10% final lease payment at year 8 into the lease. There would be no payments during years 2 through 7. After the final lease payment, ownership of the system is transferred to the Subdistrict. The structuring of the PPA allows the leaseholder to take advantage of the available tax credits, with the net after-tax credit cost being the basis for the lease. Thus, it allows us to capture the net cost advantage of the after-tax credit.

C-PACE is a program that started in Colorado 6-7 years ago and originally was intended for commercial building owners. It helps to provide capital project funding to improve property energy efficiency. It appears that this vehicle can be used for our Metro District.

In our situation, the idea is that the plan would be used to pay for the PPA Agreement, thus amortizing the cost of the PPA agreement over a longer period of time. The loan is amortized over an agreed period, and the annual payments for the loan are made via a tax lien on the property. Every year a mill levy would be established by the County based upon current assessed property valuations for the Subdistricts. Each year there would be a separate line item on our tax bills. The monies collected would be paid directly by the County to the loan holder in accordance with the terms of the loan agreements. The total annual payment amount would be the same year after year, thus the mill levy would fluctuate each year based upon the assessed valuations.

COMMUNITY SOLAR allows consumers to purchase power at a slightly reduced rate compared to Xcel Energy. Options with this approach include a subscription for 100% of our electrical utility needs in place of us purchasing a solar system, or as an alternative, if an active on-site system cannot meet 100% of our power requirements this can be used as a supplement to make up the difference.

DO NOTHING: This option is pretty self-explanatory.

OTHER ENERGY CONSERVATION EFFORTS

- Change light switches from manual to occupancy sensing and daylight illumination level control.
- Lighting fixture or lamping changes from CFL or HPS to LED
- Weather-stripping for doors.
- Go from single speed to variable speed motors (like pool pumps) with time-controlled capabilities.
- Adjust thermostat schedules.
- Ensure equipment is operating according to manufacturer requirements.
- Review necessity of exhaust fans operating 24 hours per day.
- Implement load control devices that would limit peak KW demand.

Currently, the Clubhouse is on an SG Demand Rate schedule and the Lodge is on a C Rate schedule with Xcel. Xcel rates are based on a tariff of how many kW you use in any 15 minute period. When the Clubhouse was built the Xcel threshold to move from a C to SG rate schedule was 25kW. Recently revised rules have now increased that threshold to 50kW. The Clubhouse's current annual monthly average demand load is 52kW which puts it in the higher SG demand rate. So, if we can put some load control devices in place, we could revert to a C rate schedule.

The CAC is looking into a couple of programs for existing building energy audits that would incorporate the items listed above, and perhaps capture others that a formal audit would explore.

ACTIVE SOLAR SYSTEM

The current PPA cost proposal for the system would be \$167,500.00 and payback would be a little over 9 years. We would own it at year 8 after that last PPA payment is made. The cost of production averaged over the 25-year warranty period would be 6 cents / kWh vs. the approximately 12 cents / kWh we pay now. Lifetime expectancy is 40 years + with a 25-year warranty. At the 40-year life mark, the system would have an 80% output compared to the original installation. We are including in the proposal insurance coverage for the inverters that typically only last 12-15 years, so those components coverage would be extended for the life of the 25-year panel warranty.

Xcel rates were economically modeled using an assumed annual increase at a rate of 3.5% which is felt to be conservative considering a prior rate study showed Xcel cost increases from 2001-2014 showed annual escalation percentages at 5.5%.

ACTIVE SOLAR CONCERNS

Demographics – based on the age and not our property; will we really benefit from it?

Short Term Residents with all of us living in a 55+ community – does it make sense for current residents vs. future residents based on economic analysis or renewable energy benefits?

Roof Replacement, Hail Damage, or Golf Ball damage – we are discussing these issues with the providers.

- Insurance – we are looking at costs for increased coverage to have a roof-mounted system
- Aesthetics
- Maintenance – some expenses may show up in the annual budget.

NEXT STEPS

Once the CAC gets answers to some remaining outstanding questions, it will update the community and send out a survey to determine sentiment for either doing nothing, or the relative interest in pursuing one of the alternative options. Once the survey has been sent out The CAC will schedule a special community meeting to occur during the survey period for residents to attend and hear updates to the presentation made at the February Community Meeting. The meeting will provide a forum for residents to ask questions about the various alternatives that have been studied. Once the results of the survey have been compiled it will be shared with the community, and given to Bill Schmidt, who will present it to TCMD.

ACRONYM DEFINITIONS

BYOB – Bring Your Own Booze

CAC – Community Advisory Committee

CLA – CliftonLarsonAllen LLP

EMD – Ebert Metro District

PPA- Power Purchase Agreement

RFP – Request For Proposal

SDM – Sub-district Manager

TCMD – Town Center Metro District