



**DC Ranch Association
Board Report 5-6-19 #2**

Subject Matter: Street Replacement Project at Parcel 4.4 (Country Club)

Background: Each year the Association carries out road maintenance projects according to a 30-year reserve plan that was prepared and is annually updated by third-party consultant PMIS. Part of this year's scheduled work includes Lariat Drive and two Lariat Drive cul de sacs (Bridle Place and Lasso Place), which is in Parcel 4.4. Lariat Drive connects to north Desert Camp just north of the West Gate and to Cattlewhip Drive at Parcel 4.2. See the accompanying map.

This year's reserve plan provides \$58,000 in funding for patchwork on these roads. The funding level and road condition rating was set this time last year. After a recent review, the condition of the roads deteriorated much faster than expected from last year to this year. We attribute this to two things: 1) the amount of precipitation this past year and 2) what appears to be a road base that's been damaged, due to #1, to the extent that it no longer supports the road above it as designed.

The roads were installed in 1998/1999. The reserve plan generally schedules road replacements on a 25-year cycle depending on use and location. We inspect the roads in their 25th year and determine if their useful life can be extended. In this case the roads were pushed out too far. If we moved forward with the required patching this year, it will require more than 50 separate patches. Because of the overall condition of the roads, it is likely that more patching will be required in subsequent years, until such time the road is completely replaced.

The 30-year reserve plan schedules \$438,000 for the replacement of these roads in 2031; it is evident that the roads will not last that long without continuous patching, along with the related expense, which is unknown at this time. The cost estimate to replace these roads now is estimated at \$250,000, which includes a \$25,000 contingency. The work entails removing all asphalt and repairing the base structure where needed, then installing two inches of new asphalt over the repaired base.

As shown above, funding for this work is already loaded into the reserve plan, it's a matter of moving those funds up to 2019. This adjustment impacts the Country Club reserve plan's cash balance through 2031, but the funding percentage is not substantially affected. By 2032, the reserve plan fully recovers.

These roads in their current condition do not meet the DC Ranch standard, when compared to other areas of the community. In addition, other Country Club road work may need to be accelerated in future years; however, we intend to address those situations on a case-by-case basis working with our consultant.

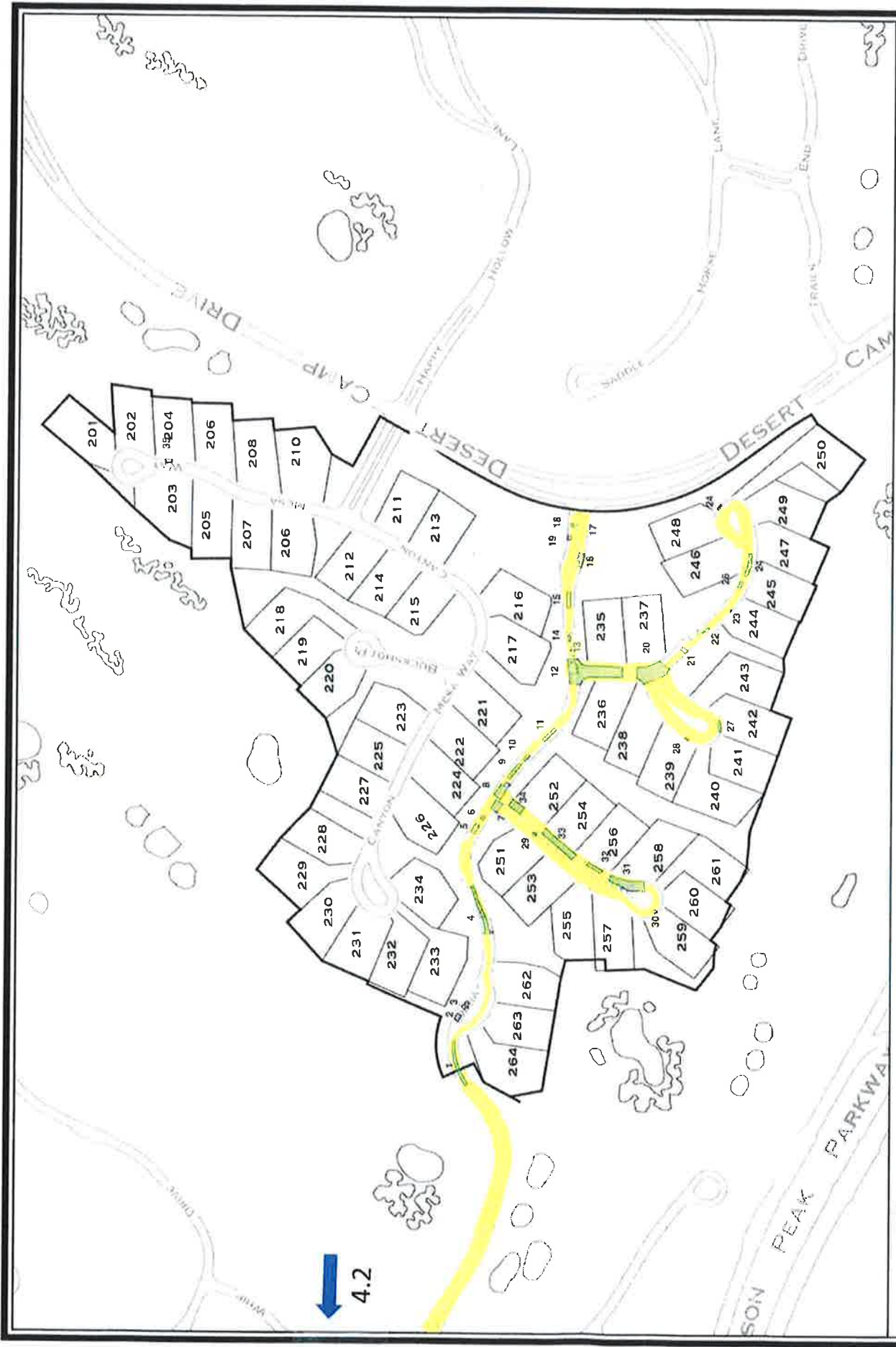
Country Club Reserve - Impact of Updated Pavement Projects

Balance Date	Original Balance	Updated Balance	Change	% Change	Original % Funded	Updated % Funded	% Change	Original Expenditures	Updated Expenditures	Change	% Change
2018	\$1,150,075	\$1,150,075	\$0	0.00%	342.00%	342.27%	0.27%	\$64,335	\$64,335	\$0	0.00%
2019	\$1,407,280	\$1,407,280	\$0	0.00%	372.82%	372.82%	0.00%	\$359,288	\$611,688	\$252,400	70.25%
2020	\$1,369,149	\$1,113,097	-\$256,052	-18.70%	408.08%	331.77%	-76.31%	\$317,560	\$308,860	(\$8,700)	-2.74%
2021	\$1,372,775	\$1,121,681	-\$251,094	-18.29%	375.12%	306.51%	-68.61%	\$67,825	\$67,825	\$0	0.00%
2022	\$1,629,803	\$1,374,917	-\$254,886	-15.64%	410.23%	346.08%	-64.15%	\$4,420	\$4,420	\$0	0.00%
2023	\$1,955,036	\$1,696,300	-\$258,736	-13.23%	412.51%	357.91%	-54.60%	\$37,958	\$37,958	\$0	0.00%
2024	\$2,251,158	\$1,988,515	-\$262,644	-11.67%	434.34%	383.66%	-50.68%	\$107,566	\$107,566	\$0	0.00%
2025	\$2,481,137	\$2,214,527	-\$266,610	-10.75%	456.05%	407.05%	-49.00%	\$127,714	\$127,714	\$0	0.00%
2026	\$2,694,151	\$2,423,514	-\$270,637	-10.05%	434.22%	390.60%	-43.62%	\$380,113	\$301,213	(\$78,900)	-20.76%
2027	\$2,654,330	\$2,459,647	-\$194,683	-7.33%	385.00%	356.76%	-28.24%	\$142,775	\$142,775	\$0	0.00%
2028	\$2,854,680	\$2,657,056	-\$197,623	-6.92%	429.32%	399.60%	-29.72%	\$24,608	\$24,608	\$0	0.00%
2029	\$3,177,932	\$2,977,324	-\$200,608	-6.31%	429.12%	402.03%	-27.09%	\$104,116	\$104,116	\$0	0.00%
2030	\$3,425,409	\$3,221,770	-\$203,638	-5.94%	463.19%	435.65%	-27.54%	\$376,587	\$376,587	\$0	0.00%
2031	\$3,400,209	\$3,193,496	-\$206,714	-6.08%	543.22%	510.20%	-33.02%	\$626,055	\$187,455	(\$438,600)	-70.06%
2032	\$3,121,552	\$3,356,662	\$235,111	7.53%	523.63%	563.07%	39.44%	\$1,602,204	\$1,592,204	(\$10,000)	-0.62%
2033	\$1,848,412	\$2,097,218	\$248,806	13.46%	339.09%	384.73%	45.64%	\$179,921	\$179,921	\$0	0.00%
2034	\$1,998,907	\$2,251,471	\$252,564	12.64%	372.17%	419.20%	47.03%	\$125,971	\$125,971	\$0	0.00%
2035	\$2,206,405	\$2,462,783	\$256,379	11.62%	445.14%	496.87%	51.73%	\$695,456	\$695,456	\$0	0.00%
2036	\$1,839,312	\$2,099,563	\$260,251	14.15%	379.57%	433.28%	53.71%	\$530,887	\$530,887	\$0	0.00%
2037	\$1,633,624	\$1,897,806	\$264,182	16.17%	304.23%	353.42%	49.19%	\$937,668	\$937,668	\$0	0.00%
2038	\$1,012,163	\$1,280,335	\$268,172	26.49%	159.60%	201.89%	42.29%	\$577,640	\$605,740	\$28,100	4.86%
2039	\$746,553	\$990,269	\$243,715	32.65%	100.76%	133.65%	32.89%	\$163,812	\$163,812	\$0	0.00%
2040	\$931,084	\$1,178,481	\$247,396	26.57%	117.66%	148.92%	31.26%	\$171,400	\$171,400	\$0	0.00%
2041	\$1,145,042	\$1,396,175	\$251,133	21.93%	127.16%	155.05%	27.89%	\$48,043	\$48,043	\$0	0.00%
2042	\$1,521,709	\$1,776,635	\$254,926	16.75%	153.40%	179.10%	25.70%	\$79,700	\$79,700	\$0	0.00%
2043	\$1,906,288	\$2,165,064	\$258,776	13.57%	166.76%	189.40%	22.64%	\$1,149,533	\$1,149,533	\$0	0.00%
2044	\$1,245,698	\$1,508,382	\$262,685	21.09%	111.42%	134.92%	23.50%	\$523,322	\$531,222	\$7,900	1.51%
2045	\$1,244,739	\$1,503,377	\$258,638	20.78%	122.48%	147.93%	25.45%	\$604,848	\$604,848	\$0	0.00%
2046	\$1,195,397	\$1,457,941	\$262,544	21.96%	137.51%	167.71%	30.20%	\$57,638	\$57,638	\$0	0.00%
2047	\$1,734,775	\$2,001,285	\$266,510	15.36%	179.12%	206.64%	27.52%	\$250,137	\$250,137	\$0	0.00%
								\$10,439,099	\$10,191,299	(\$247,800)	-2.37%

Recommendation: Approve \$250,000 of existing reserve funds for the replacement of Lariat Drive, Bridle Place and Lasso Place and complete the work this summer.



Darren Shaw, Executive Director



20 SEPTEMBER 2007



PARCEL 4.4

