

Road Reserve Study

June 6, 2011

This Study was undertaken on behalf of Elk Stream Ranch Property Owners Association (ESRPOA) as the Association is obligated to maintain, repair and improve the roads within the community. Per Policy #9-2010 Reserve Policy, this study was done to estimate the needs for long term capital to maintain the roads with a committee of Carl Shelburne and Barry Stone with help from an independent qualified contractor.

Road lengths considered in the study, including roads in Elk Springs that ESRPOA pays a 67.5 % portion of the maintenance;

Elk Stream Ranch Roads	27,972 ft
Elk Springs Ranch Road	5,380 ft (67.5% of 7,970 ft of Road 46)
Total Roads	33352 ft (6.32 miles)

These roads were built in the 1995 to 1998 period and three major road rebuilding projects have been done in 2006, 2008 and 2009 on 3 miles of roads for a total cost of \$76,893.

Our road maintenance contractor has reviewed the roads with the Study team and has identified areas that will need some repairs in the near term but these can be improved with additional gravel to be added when the annual grading is done. He has also given a quote of \$44,500 for the cost of road lift work which will add about 3.5 "of new gravel for one mile of road way. This cost may be higher if fuel and gravel cost continue to rise. By increasing the amount or re-graveling each year we maybe able to extend the time before the next major road lift but this means more roads expenses each year.

Using our past experiences of a major road lift every 10 years but with expectation that added gravel each year may extend the period another 5 years and all roads may not need a major lift, then a reserve amount can be calculated. Most of road 46 and a portion of G3 receive the heaviest amount of traffic so the road lift may only be necessary on about 60% of the roads or 6.32 miles X 60% equals 3.79 miles. With increasing traffic flow due to more homes being built, this study should be evaluated within 5 years to adjust the length of time and for cost changes.

Road lift cost per mile ----	\$44,500
3.79 miles	-----X 3.79mi
Total	-----\$168,655

Divide by the time period 15 years = \$11,244 per year
And divide by the number of lots and licenses 39 = \$288.30

The Study Team recommends that \$290.00 be added to the annual fees to be put into the Road Reserve fund.

Barry Stone and Carl Shelburne

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