

Bonds Ranch Board of Directors

Lago Vista Road Fund
Assessments 2024/2025 Road
Repair Plan



Agenda

- Road Maintenance
Past, Present and Future Planning

Last Years Road Repairs.

No perfect plan survives first impact with reality.

While we thought that we the perfect plan in place last summer the execution was not entirely desirable. The road sections that were repaired were thought to be not finished by some homeowners by the way it looked when complete. Some damage to homeowner property, and some undesirable communication by the crew and contractor during the work. Some had mixed expectations of what the final product would look like when complete and we have noted these concerns and talk these over with the contractor to get a more detailed report of what the definition of done really is.

With the budget we had, and with the work we thought that would cover for said repairs some areas were worse than originally thought which caused us to respond by electing to finish what we had to seal it up, and then turn our focus to another section and/or selecting a new section not previously planned all while starting late in the season

We are confident that we addressed these shortcomings in this plan for this year and plan to take lessons learned well into the future and with this propose the following.

Board consensus and considerations.

During our discussions we factored in future assessments, past assessments, inflation and our selected contractor to solve the problem. All this while trying to implement annual feedback from homeowners about being transparent with expenses and plans as well as getting any increase out to homeowners allowing them to plan the following years expenses.

Assessments are a big driver in our decision making. Nobody likes them, but they are a necessary evil. The consensus of the board is we try at all cost to avoid increasing assessments as we know of the burden this puts on homeowners. Good news is we don't see this happening this year or the next and if we can get some sort of maintenance agreement with current contractor or a new contractor, we may be able to maintain what we have with the budget we have already are assessing. Depending on this plan, the assessment could go up, or it could go down.

Just note there could be circumstances where special assessments and even dues increases are unavoidable to cover projected expenses the neighborhood is not financially prepared for. During budgeting we consider the Reserve Study and if you have not reviewed it, I highly encourage you to do so, as it details cost of replacement over time. This is your best glimpse as a homeowner of what cost may be in future years. Your Bonds Ranch Board of Directors with the assistance of the management company review this yearly and is used for budget planning.

The plan set forth in this presentation factors in the above current assessments and what we can purchase for the budget we have today, and we have carefully laid out expenses that cover the worse areas, getting most of the high-cost expenses done this year while also avoiding the inflation penalty on those cost next year. Stretching our dollar as best we can all while getting the work started as early as possible so we can have as much good hot, clear days ahead of us.

Crack Fill & Seal Coat

- a. The objective of this preventive maintenance program is to extend the functional life of the pavement by applying treatments before the pavement deteriorates to a condition that requires a corrective treatment such as structural overlay or complete reconstruction.
- b. Specifically, Crack Fill & Seal Coating extends the service life of the pavement by preventing deterioration, slowing progressive failures, and reduces the need for corrective maintenance.
- c. Pavement cracks are sealed or filled to prevent moisture from entering the pavement and base. Moisture in the pavement base or sub-grade accelerates deterioration of the pavement.
- d. Overlays and new pavement surfaces should be considered for a crack seal project every third year following completion of the project.

2024: Sections 1, 2, 3.



2" Asphalt Repair (Surface Overlay)

- a. This activity uses a paver to overlay hot-mix asphalt on a stable, existing subgrade. Overlays are typically 2 inches in thickness.
- b. Surface overlays are performed when the ride is undesirable, or the roadway is distressed to the point that an overlay is the best maintenance alternative or as a preventive maintenance strategy. Once a surface overlay has been placed, a Seal Coat should be placed over it within one year.
- c. The purpose of this activity is to preserve or extend the life of the roadway, and to improve safety and road quality.

2024: Sections 2 and 3.

2025: Section 1.

2" Asphalt Repair (Surface Overlay)



Full Depth Asphalt Reconstruction (4" Subgrade, 2" Asphalt)

- a. This activity is used when distress in pavement originates in the base material. This activity includes the removal of both the asphalt surface and the subgrade material. Repairs include replacement of base material with an appropriate subgrade and an adequate depth of hot-mix asphalt.
- b. When base materials begin to affect the riding quality and structural integrity of the surfacing, the areas should be removed and replaced.

2024: Sections 1, 4, 11.

2025: Sections 2, 3, 5, 6, 7, 8, 9, 10.

Full Depth Asphalt Reconstruction (4" Subgrade, 2" Asphalt)



The Financials

Cost per year

				2024	2025				
Price	Location	Sq Ft	Cost						
Bid Item Full Depth Asphalt Recon 4" Sub, 2" Asphalt							2026	2027	2028
\$61.73	1	98	\$ 6,049.54	\$ 6,049.54			Plan out maintenance agreement	Plan out maintenance agreement	Plan out maintenance agreement
	2	71	\$ 4,382.83		\$ 4,382.83				
	3	51	\$ 3,148.23		\$ 3,148.23				
	4	97	\$ 5,987.81	\$ 5,987.81					
	5	45	\$ 2,777.85		\$ 2,777.85				
	6	65	\$ 4,012.45		\$ 4,012.45				
	7	141	\$ 8,703.93		\$ 8,703.93				
	8	223	\$ 13,765.79		\$ 13,765.79				
	9	56	\$ 3,456.88		\$ 3,456.88				
	10	73	\$ 4,506.29		\$ 4,506.29				
	11	308	\$ 19,012.84	\$ 19,012.84					
Bid Item 1.2 2" Asphalt Repair (Surface Only)									
\$39.33	1	436	\$ 17,147.88		\$ 17,147.88		Plan out maintenance agreement	Plan out maintenance agreement	Plan out maintenance agreement
	2	290	\$ 11,405.70	\$ 11,405.70					
	3	455	\$ 17,895.15	\$ 17,895.15					
Bid Item 1.1 Crack Fill and Seal Coat									
\$ 7.23	1	442	\$ 3,195.66	\$ 3,195.66			Plan out maintenance agreement	Plan out maintenance agreement	Plan out maintenance agreement
	2	734	\$ 5,306.82	\$ 5,306.82					
	3	128	\$ 925.44	\$ 925.44					
				\$ 69,778.96	\$ 61,902.13				
					\$ 1,857.06	2025 3% Inflation Factor			
					\$ 63,759.19	2025 New Total			
					\$ 63,648.00	2025 Proposed Budget			
					\$ 1,221.04	2024 Balance Carryover			
					\$ 1,332.23	New Total			

Considerable factors in the decision making.

Homeowners:
117

Cost Per Household/Year:
\$544.00

Total Assessments:
\$63,648.00

Inflation:
3%

Road Fund Today:
\$71,000.00

References Used

1. Reserve Study:
https://bondsranchoa.com/Libraries/Association_Documents/Lago_Vista_Bonds_Rch_rs_v_stdy_rev3_3_16_20_of_1_30_20x-compressed.sflb.ashx
2. Zamora Construction:
https://bondsranchoa.com/Libraries/Road_Improvement_Bids/Lago_Vista_2024_Proposal.sflb.ashx
3. Bonds Ranch Q1 Financials:
https://bondsranchoa.com/Libraries/Financials/Bonds_Ranch_Q1_2024_Financials.sflb.ashx

Bonds Ranch Board of Directors

Thank
you