

STAGECOACH PROPERTY OWNERS ASSOCIATION
PO Box 774845, Steamboat Springs, CO 80477

Annual Meeting of the Members
SOROCO High School, Oak Creek, Colorado
July 28, 2012

RECORDS OF PROCEEDINGS

The general membership of the Stagecoach Property Owners Association (SPOA) met on Saturday, July 28, 2012 at SOROCO High School, Oak Creek, Colorado for their annual membership meeting.

Board Members Present: Tom Watts, President; Ann Holmes, Secretary; Art Fine; Frank Murphy; Robert Skorkowski; Josh Voorhis; Tonja Elkins

Also Present: Ken Burgess, General Manager, and approximately 120 members.

Tom Watts called the meeting to order at 9:27 AM.

Tom Watts informed the audience that Josh Voorhis is withdrawing from the election, directing the audience to put a line through his name.

Tom Watts reviewed the Agenda and then inquired if those present had read through the 2011 minutes and requested a motion to approve the minutes. Jerry Westbrook moved for approval which was seconded by Don Alpert. The 2011 Annual Meeting minutes were approved.

Treasury Report

Ken Burgess reported cash of \$332k of which \$171K was restricted for roads in three subdivisions. Cash is down by \$50K due primarily to logging. Total members' equity was \$355K. Expenses were very close to budget. However, added insurance cost, special letters and maintaining the chipper and splinter pushed us \$6K over budget. Ken pointed out that the catering cost was cut 50%. Postage was reduced to \$2,000. Emails were a large reason for this cut in postage. We have 750 names, but still need another 700.

The logging budget through July was \$18K and we have spent \$32K, but grant monies have not yet come in. Robert will report in more detail. We also received a LiveWell grant of \$1,000 to help develop the trails in the Skyhitches.

President's Report

Tom Watts has been a director since the summer of 2007 and has noticed that there are 3 types of Stagecoach property owners/residents. Group 1) - Young smitten newcomers enchanted with

area...then they have children and realize there is no daycare or private school. This is a problem for them. They make the trip to Steamboat every day and their costs go up. Daycare/private school is expensive. Group 2) - Retirees, people who come from the area who decide they want to stay in Stagecoach and those who come from far away. They hit a wall also - realizing that winters are hard. So they look toward building or buying a second home in Nevada or some other warmer climate. Group 3) - Those who work for a living in Stagecoach. There's no construction in here, so their finances are difficult.

Tom is observing all of this and wonders if there's something to be done about it and if it's worth the time and effort. Ken and Art are intent on increasing recreational opportunities in the southern subdivision, for example, getting snow sleds and Nordic skiing established. Another concern and very time consuming is trying to think of ways to solve the road issue in that area. People cannot build or consolidate their lots without a County approved road.

Logging was a major concern and Robert Skorkowski has done more than anyone about this and should be applauded.

Covenants Presentation

Ken Burgess noted that covenant enforcement is difficult. Nobody likes to manage them. Each party feels like they've been singled out. The three areas SPOA focuses on are maintaining and improving the common areas, requiring ARC approval as required and preventing vacant lots from being trashed. We've been somewhat successful in preventing abandoned boats, trucks, trailers, etc. Obtaining ARC approvals is generally not a problem. Most issues are settled with a handshake. But if we involve governance proceedings the process must be very precise.

SPOA has, at this time, elected not to pursue the storage of recreational toys and trailers where there is a residence. People want to be able to use their recreational toys. Separately, the ARC has determined that small storage sheds do not constitute an "auxiliary building. They still, however, require ARC approval.

Some time ago we asked the members to fill out a ballot for changing several simple covenant conditions. Although we did not achieve a quorum, 90% of the votes received were for the proposed changes. While it was a good indicator of the members' wishes, you have to get a 67% affirmative vote of the entire membership and the total voting was much less.

Voting for Board Members

Tom Watts explained the prohibition against cumulative voting. There are 4 Board openings. The top 3 vote getters will be elected for the 3-year positions. The next highest vote getter will be elected for the open 2-year position.

Tom then accepted floor nominations. Matt Carey nominated Erik Brewen. Tom instructed people to write nominees on the green ballot. Seeing no further nominations from the floor, he determined it was closed. Tom invited those running for the board to speak:

Skip Moyer: Described himself as a 29-year Navy pilot/veteran. "If the majority of people think it should be done, you should do it. If things need to be done, work should be done to accomplish it, otherwise why waste time?" He voted YES on the roads on the southern subdivision.

Ken Jones: Seven years ago he bought a lot. He doesn't live here yet but was the treasurer when he served on the Board previously; his main focus is maintaining goals and financial duties. Ken explained that he has continued as a member of the financial committee and supports the proposed dues increase.

Mike Koponen: Three years ago he and his family fell in love with the outdoors/recreation in Stagecoach. His interest in joining the board is listening to the community and figuring out the best way to spend a limited amount of money. He lives in Loveland, Colorado and works for Hewlett Packard. He does not support the dues increase.

Erik Brewen: He and his wife own a lot here. He is a home builder but does not support the dues increase.

On request and seeing no objection Tom re-opened the floor to nominations. Baxter Eaton, Mike Ursich, Dave Hackett and ~~Doug Jones~~ nominated themselves. Nominations were then closed again.

and Doug Jones moved the nomination to vote (2013 annual minutes)

Baxter Eaton: He has been a property owner since 1990; he mostly wants and values communication. He suggested that we all need to be involved and that mail is the best way to get affirmation. He does not support the dues increase.

Mike Ursich: He's been in Stagecoach since 1980 and feels it is time for him to jump back in. He would like to see Stagecoach pull together to succeed. He does not support the dues increase but does feel that building needs to be encouraged.

Dave Hackett: He retired from the US ~~Air Force~~ ^{Forest Service}, has been in Stagecoach 10 years and is a program developer for trades. He has lived in Alaska and now Wyoming. His primary concern for being on the Board is forestry.

Tom reviewed the additions to the ballot for director and then recessed for 10 minutes.

The meeting was resumed at 11:00 AM.

The Proposed Road Project

Burgess described the area on a map. As part of the analysis we asked the NWCC engineers to determine the condition of the roads as they now exist to estimate the amount of gravel and grading that would be required. Hockey and Whiffletree have had some gravel work done. Halter and Shay Way are only rough-cut roads. We were unable to secure a reduced rate on gravel and a very rough cost estimate is \$225K per mile, probably 4-5 miles - basically \$1 million. We would have to buy construction bid documents to obtain firm bids. With the current proposal we would have approximately a quarter of a million to work with in the spring of 2013.

But until these roads are built lot owners in the area can't get a building permit or consolidate their properties.

Floor Comments Prior to Voting

Watts opened for questions from the floor. There were several questions which were addressed:

- The process cannot begin until the monies are committed because of the cost of engineering and construction bid documents.
- The issue could not be tabled since a quorum (absent the proxies) was not present.
- The County owns the roads but will not construct or maintain them.
- Original drawings for the roads could not be found.
- Despite the covenant authority for the Board to raise dues 3% per year, no additional dues increase would be introduced during the 5 year period.

Other comments included the need for more study but also to work as a community, a recognition that there were other infrastructure needs besides roads, an uncertain real estate value from constructing roads, the need to consider the cost of maintaining the roads and the possibility of delaying this cost until later.

Ann Holmes declared a quorum for voting with 1,110 lots represented in person or by proxy.

Voting commenced and the Board of Director voted on exercising their proxy. In favor were Elkins, Watts, Skorkowski, and Voorhis – against were Fine, Holmes and Murphy. The Board votes their proxies in favor of the dues increase resolution.

At 11:50 the meeting was adjourned for lunch while votes were tabulated.

The meeting was reconvened at 12:48.

Watts opened the meeting to motions from the floor noting that a quorum for the purpose of changing the covenants was not present.

Ann Holmes proposed that the annual meeting be changed from summer to September to match the fiscal year. Discussion considered the beginning of the fiscal year, hunting season and timing of the budget process. The proposal was withdrawn.

Logging and Fuel Mitigation

Skorkowski reported on the projects noting that the State is providing \$70,000 in grant monies to treat the beetle infestation. Oak Creek Fire District is providing manpower to burn the large amount of slash resulting from the logging. Rob Bringuel, in response to a question, stated that the rate of burning depends on weather conditions and managing pollution.

Skorkowski reviewed the logging process including the two objectives of reducing fuels and providing better access for emergency responders. Discussion followed concerning power lines,

locating lot markers. Watts thanked Skorkowski for his work without which the project could not have been implemented.

Trails

Tonja Elkins updated the members on the trail in the Skyhitches. Although last winter did not provide a good snowfall, our new utility and groomer worked well and several enjoyed the Nordic skiing. Next winter we should have a plowed parking area off of Stirrup Way at the trailhead. Signage at the trailhead is also being installed.

Elections

Watts reviewed the results of the election of member to the Board of Directors.

Mike Koponen 519
Ken Jones 439
Skip Moyer 378
Dave Hackett 260
Baxter Eaton 187
Erik Brewen 139
Mike Ursich 86

Koponen, Jones and Moyer were elected to 3 year terms. Hackett was elected to fill the remaining 2 year term.

On the dues increase resolution to construct roads: 444 voted YES and 728 voted NO. The proposed resolution fails.

Meeting Adjourned

Steve Strickland moved that the meeting be adjourned and a second was made. The motion was passed. Meeting was adjourned at 1:27 PM.

