

**STAGECOACH PROPERTY OWNERS ASSOCIATION**  
**Minutes of the Annual Meeting of Members**  
**Teleconference Meeting**  
**July 18, 2020**

**DRAFT**

Kayleen Cohen called the meeting to order at 9:00 AM and introduced the Board members present on the call which included herself, John DiNicholas, Kate Rachwitz, Tom Watts, Matt Kaufman, Amber Stuart, and Sydney Yapoujian. Also present on the call were Community Manager, Bryan Ayer, Sean Lacey, President of Steamboat Association Management, and Judy Wagar, Association Operations Administrator.

With 82 of the owners present on the call and 269 represented by proxy, a quorum was established.

**Approval of Minutes for the 2019 Annual Meeting:** The annual meeting minutes dated July 20, 2019 were presented to the ownership. Property owner, Howard Bashinski made a motion to approve the 2019 annual meeting minutes as presented. The motion was seconded by property owner, Wayne Missaggia. Motion passed without dissent.

**President's Report – Kayleen Cohen:** Community Survey Results regarding the minimum square footage allowance, the proposed community center, a definition of “failure to maintain” related to storage of items upon individual lots were presented.

- **Minimum Square Footage Allowance** – A total of 311 responses were received with 56.6% stating they are in favor of reducing the minimum square footage requirement from 1,000 SF to 500 SF. There were 43.4% opposed. This proposed minimum square footage allowance is approved only for specific southern subdivisions.
- **Future Development of a Community Center** – A total of 309 responses were received with 48.5% in favor of this plan and 51.5% opposed. This community center would potentially include the ability to host fitness and community oriented programs, childcare, meeting rooms, etc. The costs for the land and building development would be paid for by SPOA membership dues. It was noted the results could reflect a small margin of error, and Tom Watts will provide update regarding future development later in the meeting.
- **Failure to Maintain** – The Board believes it would be helpful to define what constitutes a “failure to maintain” as that phrase relates to the storage of items upon the Lot. This refers only to non-temporary storage of items outside of enclosed structures, such that the items are visible from a street or adjacent property. Owners were asked to consider whether the storage of inoperable or unlicensed motor vehicles, building materials, truck accessories, fencing materials, or construction equipment constitutes a “failure to maintain” a lot in Stagecoach. There were a total of 315 responses with 63.2% stating that these items constitute a “failure” and 36.8% disagreed. This survey is still available for owner responses and feedback at the following link: <https://forms.gle/1gQmgTMvmsNhiaHC9>

## Board Presentations:

**Minimum Square Footage Amendment:** Kate Rachwitz provided a summary of the proposed minimum square footage amendment. The current minimum requirement is 1,000 SF. The survey is to gather information to downsize the minimum requirement to 500 SF. She noted that the maximum requirement was a policy which can be changed by the Board of Directors as it was an adopted rule and not part of the Covenants. The minimum is stated within Article V of the Covenants and to change the wording it would require an Amendment to the Covenant. The Rachwitz family wants to downsize their living quarters, so they began to interview Stagecoach neighbors for their opinions regarding minimum square footage allowance. Kate noted that this size would not be what is considered a tiny home. Their casual survey of owners on Shea Way resulted in 90% of owners who thought it was a great idea. The proposal is to allow for minimum 500 SF homes only in specific areas such as Sky Hitch 1, 2, 3, and 4 and South Station 1 & 2 for example. Kayleen noted a covenant amendment is a very challenging process, and this question is an educational discussion process for future consideration. Owners were encouraged to take the survey at the following link: <https://forms.gle/1gQmgTMvmsNhiaHC9>

**Proposed Community Center:** Tom Watts provided an update for the proposed community center and the thoughts and considerations surrounding this potential project. At this point, the board is simply undertaking research and exploration to understand the requirements and associated costs. The property under consideration was recently appraised for \$550,000. The property as it exists is larger than needed, and the Board is planning to ask the owner if they would be willing to subdivide the property which is owned by Tri-State Electric. They are willing to sell but asked for the appraisal, seeking to sell at the appraised price. The board and owners are divided regarding the need for this facility. He noted that community property already owned by SPOA is not centrally located and would not be suitable and something closer to the population density makes more sense. There are enough funds to purchase the property; however, construction of the facility would have to either be postponed until the needed funds are rebuilt, enact a special assessment, or borrow the money.

Kate noted that people are divided on both sides of this issue, and she again asked owners to submit their responses within the survey provided earlier in the minutes. More information on these topics is available in the SPOA newsletter, and owners were encouraged to review the newsletter prior to responding to the survey, not just yes or no, but provides reasons for your response.

She noted that Tom has termed out and will be stepping down from the Board and thanked him for his 14 years of service on the Board of Directors. He will make himself available to continue to support the board and offer his consulting services. He will continue researching the proposed community center project.

**Adopted Architectural Control Committee (ACC) Policies:** Kayleen noted these policies are to provide consistencies for the committee members and noted the importance that owners be aware of these guidelines. Any exterior changes must be submitted to the ACC for approval and to contact the Manager to submit application or to find out if an application is needed. Owners were encouraged to visit the [www.Stage-coach.com](http://www.Stage-coach.com) website to review the policies in their entirety.

Recently adopted ACC Policies:

- 2020-1B relating to the approval of new fences on properties without a residence.
- 2020-2 relating to the Procedures of the Rules Committee.

- 2020-3 relating to the Operation of Motorized Vehicles on SPOA common areas. Kayleen noted the overwhelming response from owners in favor of prohibiting motorized vehicles, and stated this policy has been adopted.

Recently proposed ACC Policies:

- 2020-4 related to the clearing of standing and fallen dead trees on a Lot. Owners who are experts on fire mitigation are especially encouraged to comment.
- 2020-5 relating to the storage of building materials and other items on a Lot. The Board is still gathering feedback and owners were encouraged to provide their comments to the Board and directly to Bryan Ayer, SPOA Manager.

Proposed policies are published in the newsletter and emailed to owners for review and input prior to anything being adopted. Owners were reminded to make certain their email address is current, so newsletters can be sent to you.

- Kayleen noted that a “failure to maintain” is already being enforced. The Covenants state everyone has a duty to maintain their property and part of that duty is to remove “junk,” and the Board is currently seeking to define what is considered “junk.” The enforcement process includes sending a letter to the owner, defining the junk that needs to be removed, and a request to remove those items within a specified time limit. If there is no response from that owner, another letter is sent with a specific date and time for them to respond. If the violation is still not cured, the member is offered a hearing where solutions are determined and possibly fines imposed. Owners were encouraged to contact Bryan Ayer with complaints regarding neighbors who they believe to be out of compliance.

**Road Maintenance and Improvements Report:** Walter Magill, engineer with Four Points Surveying and Engineering provided a presentation and summary of their current work on creating a SPOA Roads Master Plan for the Southern Subdivisions, noting the proposed estimate for this plan is \$43,500, however, he feels that the project will come under budget. The Board has approved up to \$35,000 at the May 16 Board meeting which includes first, mapping all the road areas, and then to evaluate the information and create a priority of the roadway system for critical areas in need of repair. The information he is generating will be inserted into a GPS program to help with determination of priorities. This information is in draft format at this time and will be available for comments. The plan is to have this information available for discussion at the August board meeting. Kayleen noted the Board’s desire is to create a committee for this project.

**Wildfire Mitigation Efforts Continue:** Sky Hitch III owners were sent a letter asking if they wanted to assume the responsibility and cost of clearing their lot or to have SPOA work on gathering bids to have this work done for several properties in hopes of getting better pricing. Sharon Kyle has composed some standard recommendations for cleanup and owners were encouraged to provide their comments. Members are being sought to join a Wildfire Committee and were encouraged to contact Bryan to state their interest. Recommendations available on the [www.Stage-Coach.com](http://www.Stage-Coach.com) website. The importance of establishing guidelines to keep the community safe was stressed.

**Friendly Community Reminders:**

- One trailer stored visibly outside of a structure on an improved lot became effective this spring.

- Routt County leash laws are in effect and owners are reminded to keep pets on a leash, in a fenced yard, or under voice and sight command.

An owner commented on the trailer limitation issue, stating the issue was misrepresented. Kayleen reminded owners that the original covenant stated no trailers were allowed to be stored outside of a structure on a lot, and this recent covenant change increased it to one trailer. The community survey was sent to all owners, and the majority of owners voted for one trailer. The covenant was adopted. Owners with strong opinions are again encouraged to attend the board meetings.

*ACTION: After discussion, it was decided that a digital survey will be sent to all owners to continue getting feedback on this subject.*

**Stagecoach Master Trails Plan:** The proposed Stagecoach Master Trails plan is ready for input. It was noted this plan is in the review phase and has not been adopted. This plan proposes future trails throughout the community. There is a specific survey link at <https://forms.gle/7c9auf2joABfpKT26> and a Dropbox link with maps of the proposed trails is available at: <https://www.dropbox.com/sh/0a4efx1zf4cjpxt/AAC03bKNUCrw5r1GcHOwdUXga?dl=0>

Owners are encouraged to review the plan and respond to the survey.

An owner noted that the winter trail has been groomed onto her property and is changing the topography of her land. She encouraged establishing a buffer zone between the trail and private property and to be aware of the property lines. Kayleen noted the board has discussed this issue in great detail and will ensure these issues are addressed. If owners are interested in forming a Trails Committee, they should contact Bryan Ayer.

*ACTION: The owner was asked to contact Bryan so he can make sure it doesn't happen this winter.*

Funds have been allocated for developing the plan only; no funds have been allocated for the project construction. The Board will be considering owner input as they decide which projects and specifics should be priorities for the future.

**Treasurer's Report:** Matt Kaufman provided a summary of the association's financial report.

The total assets at the end of December 2019 was \$618,592. This amount was comprised of \$96,988 in the checking accounts, \$318,346 in the Money Market account and \$203,258 in CDARS investment accounts. There is also \$152,182 of restricted road funds held for use in the Horseback, Morningside and South Shore subdivisions, which includes \$127,037 invested in CDARS investment accounts

The Operating income recognized from annual assessments through May 31 was \$46,396 of the \$111,531 Budgeted for 2020. Other income (i.e. fines, late fees, finance charges, etc.) was \$2,657 for a total income of \$49,053. Operating expenses for the same period totaled \$42,808. General expenses were comprised of Management Services, costs for the maintenance of the Nordic Trail and Board meeting costs. The Operating Fund Balance as of May 31, 2020 is \$6,245

The Project/Reserve income\_as recognized was \$69,594 of the \$167,100 budgeted for 2020. Whereas, the Project/Reserve Expenses\_totaled \$9,557 and was attributed to payments for the Trails Master Plan and \$400 in road Maintenance costs for the requested shared expense on winter pushback on Filly Trail.

Income for the Restricted Funds for Horseback, South Shore and Morningside reflects \$574 in interest income earned on funds held. The fund balance at the end of 2019 was \$440,503. The balance as of May 31, 2020 is \$500,540.

Matt Kauffman displayed charts reflecting on the breakdown of 2019 spending for operating and reserve costs to depict where assessments were spent.

The 2019 Assessment breakdown per lot was as follows:

- 41% of Assessments go to Operational items. Operational Expenses for 2019 totaled \$113,093 which include:
  - 73% management fees - \$83,000
  - 8% Communications, website and mailings - \$8,531
  - 6% professional banking services - \$6,300
  - 6% Parks and Trails - \$6,872
  - 5% HOA and board meetings - \$6,157
  - 2% utilities - \$2,235

The 2019 Reserve Spending breakdown per lot was as follows:

- 59% of Assessments go to Reserve items and savings. Reserve expenses for 2019 totaled \$118,645 which include:
  - 46% Road Maintenance - \$54,465
  - 18% wildfire mitigation - \$21,745
  - 15% governing documents – Covenant Changes - \$17,820
  - 10% Master Trails Plan - \$12,272
  - 3% Community Development - \$3,228
  - 3% Infrastructure – Cluster boxes, etc. - \$3,768
  - 3% Legal items - \$3,081
  - 2% Parks and Playgrounds - \$2,276

**Management Contract Updates:** A Request for Proposal (RFP) was distributed to every association management firm in Steamboat, and the Board is currently in negotiations for a new contract with Steamboat Association Management (SAM). It was noted that of all the management companies, only SAM was willing to submit a bid. A subcommittee was created to handle this RFP. Owners are welcome to ask questions regarding this RFP process.

**Election of Board of Directors:** There is one open seat on the Board and two Directors' terms expire at this meeting. Tom Watts has termed out and Matt Kaufman is stepping down and not seeking re-election. As a result, there are three open Board seats for 3-year terms.

- Brayden Jerde provided a brief bio and stated his interest in serving on the board. His priorities include inserting a bit of a culture change, stating he noticed owner comments regarding the

past plans. This place is being discovered and policies and resources need to be protected and valued.

- Eli Nykamp provided a brief bio and stated his interest in serving on the board. His priorities include being good stewards of the association's funds and listening to all voices.
- Julia Wallace stated she has lived in Stagecoach for many years in the southern subdivision. She feels that the Association is moving in a different direction than what was originally planned and the Board needs to think of ways to create a better environment for all.
- Marty Carrigan introduced himself and his wife Tammy, provided a brief bio and stated his interest in serving on the board. Priorities include the future development of Stagecoach, preserving the recreational nature of the community and being thoughtful of future projects and decisions related to growth. He noted witnessing many changes in the past 20 years since they've lived here and raised their children.
- Jess Gibson was not on the call and Kayleen provided her letter of interest and reviewed it for those present. Jess has owned in South Shore for 20 years.

The floor was opened for any additional nominations. There were none.

A link was provided for owners to vote. The new Board members will be reported prior to meeting adjournment.

### **Member Forum**

- Bryant Scrafford asked about the retirement of the Morrison Creek Water and Sanitation facility plant and if the Board is participating in this process and associated costs. Kayleen stated the board has not been approached with any costs associated to the move. The Morrison Creek Board is working with the state regarding the replacement of the sewage treatment plant and the costs is in the millions. This will need be voted upon by the community regarding raising funds.
- Tom responded that Morrison Creek is an entity that has the ability to tax everyone, not just Stagecoach owners. It is anticipated they would use a ballot request for additional funding, not just ask SPOA for funds, and the voters would approve or disapprove. SPOA would not be responsible to collect funds from their project.
- An owner commented that there is a lot of conflict related to different desires for their individual subdivisions. It would be useful to do this same things for the number of allowed trailers and allow each subdivision determine this number. The minimum square footage limitations should also be determined by each subdivision. Surveys can provide what the neighborhood desires and the Board was asked to provide the ability for neighborhoods to determine these issues. Kayleen said specific neighborhoods can be named when doing surveys.
- Kent Zeidman stated he hopes the board focuses on responsible growth and development in accordance with the community in mind. Decision making by subdivision/neighborhoods is a good example of how to make decisions going forward.
- Frank Murphy asked if the annual fees will increase this year. Kayleen reported the annual assessment has a maximum annual assessment calculation of 3% based upon the original

assessment. The Board could increase the 2021 assessment up to \$131.52 annually and will need to discuss and decide by the November Board meeting.

- There was discussion regarding the number of proxies provided to Board Members, asking if it is appropriate for them to use these proxies when voting for new board members. It was noted that for previous elections, the president and the manger have not traditionally voted all of their proxy votes as it would influence the election and as a result had only cast one vote for themselves.
- Jeff commented on the excellent steps that Kayleen has taken in her role as Board President and is doing a great job representing the interests and goals of the membership.
- Kate noted the cost of amending covenants is at least \$10,000, and includes all amendments, whether it's one or several.
- Tavis Rogers asked again to re-open the trailer limitation discussion. Kayleen stated the first step is to send another digital survey to all owners to inquire of their interest in amending this covenant. Individual subdivision comments will be solicited. Kayleen stated there must be consistency in enforcing covenants, and all covenants must be equally enforced.
- An owner asked if this trailer issue could be skirted by defining, one horse trailer and one board and one utility. Kayleen noted there are many strong opinions regarding this issue. Great feedback, good questions; however, no solution can be resolved today. The survey will be sent.
- Kit Buell asked what the process is to propose a bylaw amendment. It was noted that the Association's Bylaws structure how the association functions and can be amended by a majority vote at an annual meeting. Covenants require a majority of the entire ownership to amend. Or, in the last process of Amending Covenants, if 67% of the ownership votes then a court can permit the Covenant change with a majority of those votes received.

**Board of Directors Election Results:** Bryan reported that he has verified the votes with the number of people in attendance and responding, and then cross-referenced with the original votes to ensure all the votes matched. He came within two votes. Bryan did not vote his proxies and Kayleen did not vote her proxies.

Results are as follows:

- Brayden Jerde received 120 votes
- Eli Nykamp received 136 votes
- Julia Wallace received 143 votes
- Marty Carrigan received 116 votes
- Jess Gibson received 38 votes
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New board members Brayden, Eli and Julia were congratulated and welcomed to the board.

**Adjournment:** There was a motion from Wayne Missaggia to adjourn the meeting which was seconded by Sydney Yapoujian. The annual meeting was adjourned at 12:27 pm.