

STAGECOACH PROPERTY OWNER'S ASSOCIATION
Board of Directors Meeting via Teleconference
November 21, 2020
Meeting Minutes
Approved through unanimous e-mail vote

The Board of Directors meeting was called to order by Board President, Kate Rachwitz, at 9:02 AM.

Roll Call

Board members present attending via teleconference included Kate Rachwitz, Eli Nykamp, Amber Stewart, Brayden Jerde, Sydney Yapoujian, Julia Wallace, and John DiNicholas.

With seven board members attending, a quorum was present, and business could be conducted.

Tom Watts was in attendance as Co-Treasurer committee member.

Presenting guests in attendance were Geovanny Romero, Manager of the Morrison Creek Water and Sanitation District, and CU Boulder Graduate Student, Ethan Abner.

SPOA members present via teleconference:

- JW Timber
- Kenneth Jones
- Bryant Scrafford
- Josies ipad
- Ethan Abner
- Leah's phone
- 801-652-5277
- John Troka
- Justin Simmons
- Rich Wittington
- Michael and Manalya Donegan
- Marty Carigan
- Rob Breeden
- Laura Theiss
- Donald Ike

Representing Steamboat Association Management were April Sparks, Michelle Koci, and Judy Wagar.

CU Boulder Graduate Student Introduction

April introduced Ethan Abner, a graduate student at CU Boulder, who is studying for a master's degree in Environmental Science. His study group asked for board approval to issue an information gathering survey to SPOA owners, hoping to discover options for reducing wildfires and controlling costs. The survey will be anonymous and focus on demographics, how property owners assess their risk and, if there has been any county outreach, what actions owners have taken to reduce risk on their property, what is preventing them from taking further action, and what programs are available to help them perform this work. The survey will be distributed using email to a variety of owners and area segments. The Board agreed to discuss this request in the New Business.

APPROVAL OF MINUTES

The board meeting minutes dated August 15, 2020 were reviewed.

MOTION: There was a motion by Brayden Jerde to approve the minutes as presented which was seconded by Sydney Yapoujian. With no further discussion, the motion carried without dissent.

The board meeting minutes dated September 18, 2020 were reviewed.

MOTION: There was a motion by Ely Nykamp to approve the minutes as presented which was seconded, by Brayden Jerde. With no further discussion, the motion carried without dissent.

MEMBER COMMENTS

The floor was opened for member comments.

Morrison Creek Update was provided by Geovanny Romero, the new manager for the Morrison Creek Water and Sanitation District. He reported that former manager, Steve Colby, has retired after 35 years, and provided a brief bio as an introduction for himself. He noted that no policy changes are anticipated. New projects include the replacement of wastewater plant which will require funding and engineering approval and is planned to commence in 2022. Funding will include as many grants as possible and a loan will be required with a mil levy approval. He reported that the new plants capacity will be up to 400,000 gallons per day. The current plant now averages 45,000-80,000 gallons per day. When the project goes to planning, there will be a public comment opportunity.

John Troka noted this a great opportunity for Morrison Creek to work with the county and SPOA to resolve the water and sewer infrastructure going forward. John stated his willingness to sit as the SPOA representative with Morrison Creek for the development of the wastewater program and encourage water and sewer infrastructure installation in all SPOA properties. Geovanny was thanked for the update and encouraged to provide updates at future Board meetings. He agreed to provide some basic information for who should be contacted at the county regarding infrastructure installation and funding opportunities. *ACTION: Management will include this as an agenda item for the next Board meeting.*

Lot 107 Meadowgreen Replat – Tom_Watts stated it was the decision of the Board not to get involved in enforcing or overriding the Meadowgreen Association's covenants. The owners were not present and, since a decision was already made, no further action will be taken.

OLD BUSINESS

Standing Committee Discussion – Kate asked each Board member to volunteer to serve on one of the committees. Amber Stewart, Eli Nykamp and Tom Watts volunteered to serve on the Trails Committee with Amber serving as chairman. The Trails Committee was encouraged to generate charter or mission statement. Julia Wallace, Jeff, and Kate Rachwitz volunteered to serve on the Roads Committee with Kate serving as chair. Sydney is currently serving on the ACC Committee. It was noted that the ACC Committee could use more members and owners are encouraged to participate.

The Trails and Roads Committee have websites associated with them. Between now and next meeting, the committee was asked to coordinate a meeting to discuss prioritizing roads and trails, consider accepting the foundational suggestions and prioritize building and connecting trails as funds permit. Three dates will be suggested and emailed to all committee members with Management coordinating

the email and Zoom meeting platform. *ACTION: Management will email all owners to notify them of the January committee meeting and encourage them to join a committee and participate in the meetings.*

Kate provided a summary of the purposes for the Roads and the Trails committees to begin making roads drive-able and prioritize projects for next year. A study to identify and recommend new roads and trails has been provided to help facilitate these decisions. There is a charter for Roads on the owner website, and the Trails committee was asked to generate a charter and send it to Kate to be published in the next owner newsletter which will be published by January 1, 2021. All articles should be submitted by mid-December.

South Shore Issues – There was discussion regarding placement of speed limit signs and performing mag chloride applications, noting the dust from the roads is affecting the solar panels

Mag Chloride Discussion – Several options were discussed.

- Routt County stated the cost to cover about 1.5 miles is about \$8,000 (\$500 per 1/10th of a mile) according to owner Rich Wittington.
- South Shore has about \$41,000 in their restricted funds accounts and could use the money for this purpose. There was a question for the intended use of these funds. Tom stated they are in place for any major road infrastructure repair needs, such as road failure.
- Tom Watts recommended the South Shore owners issue a self-tax of approximately \$200 per household to cover this cost.
- Create a small self-improvement district and ask owners to vote upon funding these kinds of projects. This would require approval of two-thirds of the owners.
- A suggestion to pressure State Park officials to place the mag chloride because the new parking lot they built has increased traffic and thereby increased dust pollution.
- Another resource could be those owners whose homes are under construction could be made responsible for the increased construction traffic and thereby responsible to provide shared-cost funding for the mag chloride.
- There was a discussion to request that SAM begin communicating with the County and State Park officials regarding these requests.

After discussion, the Board determined they need to approve a written resolution, identify the lots affected and the associated costs, and send the approved resolution to all owners within that affected association.

ACTION: Management will contact County and State Park officials to request funding and procedures for placing mag chloride and ask to be placed on their funding list requests in February 2021. Tom will write the resolution for board review and approval at the next Board meeting. Upon approval the letter and ballot will be sent to these affected owners.

Speed Limit Signage Discussion – Sydney introduced the speed limit signage and reported that she was contacted by an owner who stated that someone was speeding past their home and almost hit their dog. Several owners have expressed concern for children and pet's safety. Existing signage is not located in the areas where these speeding violations are occurring. This issue has been getting worse in frequency, especially with construction activity, the new parking lot, and trail system. There was discussion regarding the installation of speed bumps or speed depressions across the road. Because

these are county roads, this installation must be performed by the county, not the association. A few 15 MPH speed limit signs have been installed recently.

ACTION: Brayden will coordinate with Management to approach the County regarding the speed reduction options and speed limit signage and report to the Board.

Proposed Policies and Covenant Changes Discussion

Kate discussed writing a resolution that incorporates all three proposed changes which include the 500 SF minimum requirement, ACC policies regarding the 5,000 SF maximum requirement, and the ACC policy on the limited size of ancillary buildings.

The current covenants state a residence anywhere in Stagecoach cannot be less than 1,000 SF and that 200 sf of this total can be attributed to a garage or covered carport, and the size of all Stagecoach homes is limited to 5,000 SF of living space. The size of an ancillary building is limited to one-half the size of the main housing. The ACC has been receiving applications to build homes larger than 5,000 SF and ancillary buildings larger than the one-half restriction. It was noted that these policies have been enforced for approximately 12 years, thereby establishing a precedent.

The request to reduce the minimum size from 1,000 to 500 sf of livable space and remove the 200-sf attribution for the garage/carport was discussed, noting this reduction will enable more owners to build sooner. This will not permit homes that are designated as a tiny home. In addition, the limitation of 5,000 sf of living space is under consideration for removal and would be replaced with a percentage based on the size of the lot instead. The new resolution would be written to incorporate all square footage issues within the covenant for Board review and approval. Upon approval it will be sent to owners for approval.

After discussion, the Board agreed owners should be allowed to build a home as large as they desire, and an ancillary building restriction should be removed. The areas of SPOA are diverse and perhaps sliding scale percentage guidelines could be established based on the size of individual lots. Owners were reminded of the importance of having architectural guidelines and covenants, as they enhance property values. Tom Watts encouraged the adoption of policy rather than covenant changes, as they are easier to rescind or change. A ballot and court process would be required to remove the minimum square footage covenant and the Board was counseled to be cautious about granting these restrictions approvals to the county or to the Board of Directors. There was discussion to maintain the restrictions in the areas surrounding the lake and consider eliminating restrictions beyond Eagles Watch. Guidelines need to be considered based on locations rather than a "one size fits all" approach. After discussion, the Board agreed to table the discussion regarding the ancillary buildings until a proposal can be presented.

ACTION: Kate will write an amendment to the covenant regarding the minimum square footage restrictions for board review and discussion at the next board meeting.

Common Area Easements Discussion – The Board discussed their desire to generate a standard form granting an easement across common areas for sewer, water and phone lines that can be provided to new owners who present construction requests to run infrastructure in areas that are not currently allowed.

ACTION: April agreed to consult with Bryan and Sally Claassen, the association's legal counsel, to request a status update.

Wildfire Mitigation Updates and Common Area Mitigation – April reported that the owners in Sky Hitch III have forms for owner distribution and approval. Management is in the process of gathering bids for the work and will provide bids to owners. Owners are then responsible to contact a vendor to have the work performed. The goal is to provide a bulk bid program with a reduced price option for owners.

ACTION: April will consult with Bryan Ayers to request a status update on this project.

MOTION: There was a motion by Kate Rachwitz to allow Ethan Abner and his team to survey the SPOA homeowners regarding better opportunities to mitigate and prepare for impacts of wildfire mitigation. The survey will be provided to Management, who would distribute the survey to owners. The motion was seconded by John DiNicholas and with no further discussion, the motion carried without dissention.

ACTION: Management will provide the SAM contact information to Ethan.

Community Center Discussion – At the last meeting, the Board decided not to pursue this discussion. This discussion has been tabled.

Management Contract Discussion – There was discussion regarding a booklet of historical motions approved by the Board. This booklet has not been updated and John DiNicholas asked about this process and why the updates have not been performed. It was noted that this is no longer a part of the Management contract agreement. Tom Watts stated he has the motion books and agreed to arrange to pick up motion books from Management and will update these motions books. Michelle stated that SAM is willing to work with the Board on this process to arrive at compromise for how to move forward, including placing these motions in the Dropbox. Priority would be to have the last 3-5 years available. The Village Management Software (VMS) system can also be updated and utilized.

ACTION: Management will update the VMS database and work with Tom to update the historical motions booklets.

Email Response Protocol – John stated that Board members should begin changing the subject line in accordance with the subject discussion. New email should be initiated for each new subject discussion and the practice of using “Reply All” will be discouraged, unless it related to the topic.

NEW BUSINESS

Board Vacancy – The Board has the authority to appoint someone to serve the remainder of Kayleen Cohen’s one-year term. Justin Simms and Marty Carrigan have stated interest in serving, and they both provided a brief introduction for themselves.

An email will be sent to all board members following the meeting for them to vote on the decision and the winner will be notified next week.

2021 Budget Discussion and Approval - Michelle reviewed the proposed 2021 budgets. The board was asked for direction for whether they want to increase the operating assessment of \$116,793 annually assessment, noting the Board has the right to increase the assessment by 3% annually.

MOTION: There was a motion made by Brayden Jerde to have no increase in this year's assessments and to have them remain the same which was seconded by Julia Wallace, with no further discussion, the motion carried with one opposed.

MOTION: There was a motion made by John DiNicholas to decrease the assessment this year which was seconded. With no further discussion, the motion carried with one opposed. This needs removed as this wasn't what happened.

MOTION: There was a motion made by John DiNicholas to remove the reserve assessment collection of \$75 per owner and only budget only charge for existing operational expenses of \$50 per owner/lot. The floor was opened for discussion for how to clearly identify how the existing reserve funds will be used. There was a suggestion to use the reserve fund as a bank for the Association's to borrow funds with repayment and interest rate options. There was no second and the motion failed.

MOTION: There was a motion by Kate Rachwitz to approve the proposed budget proposal as presented which was seconded by Brayden Jerde. With no further discussion, the motion carried with one opposed.

Fourth Quarter Newsletter deadline for article submission is December 21st. Kate will provide an article for the 500 SF reduction and the committee volunteers' request. The new board member will be introduced, and the approved budget, assessments will be included.

TREASURER'S REPORT

Tom Watts provided a summary of the 2020 Operating budget noting that most items performed within budgeted parameters. There is an estimated surplus of \$4,081.

ACTION: Management will post the 2019 financial report to the website and email it to John Troka.

The Reserve Fund budget was reviewed. Expenses were reduced, mostly related to the pandemic restrictions. Community Center expenditures will be corrected to include the appraisal costs of approximately \$5,000 which was debited from the account in April/May. No invoice was issued.

ACTION: Management will research the appraisal fee debit and make this correction. An adjustment will also be made to the Road Maintenance expense.

The Balance sheet as of September 31, 2020 was reviewed. The CDARS account that matured on October 22, 2020 for \$101,762 is pending re-investment and best rates are being explored. There was discussion for whether the Board should authorize Vanessa Fantry, Director of Accounting, to automatically move funds to an improved CDAR account with the best-case interest rate, and to authorize her to automatically move funds. After discussion, the Board agreed that the Board Treasurer should be contacted prior to moving any funds. Tom recommended committing to a 26-week investment period, and the Board agreed.

MOTION: There was a motion made by Brayden Jerde to allow moving investment funds as they mature with approval from the Association's Board Member Treasurer which was seconded by John DiNicholas. There was a recommendation to expand the motion to include the Board President as a secondary contact.

AMENDED MOTION: The motion was amended by Brayden Jerde to state that changes to investments or movement of funds from investment accounts from SAM Management financial decisions must be presented to the Board Treasurer and, if he is not available, the Board President will be contacted for approval. The motion was seconded by Julia Wallace and with no further discussion, the motion carried without dissention.

Delinquent Accounts Update – There was discussion regarding having the SAM accounting department to send delinquency letters to delinquent owners and to be sensitive to the recent financial climate related to the pandemic. Management reported that accounting sent the 30-day notices in January 2020 and the 60-day notices have been sent. There is a total of \$53,864 in the 90 days delinquent accounts. There about 29 owners whose properties have liens. The cost to issue a foreclosure notice is relatively inexpensive; however, if the process moves further, the cost increases. There are approximately eight owners who are delinquent a total of \$15,000 and have been identified to be sent the foreclosure notice from the attorney.

MOTION: There was a motion made by Brayden Jerde to authorize the association’s attorney to invoice owners for their outstanding fees and send foreclosure letters to the eight owners who are seriously delinquent. A statement will be included for owners who are experiencing financial challenges related to the pandemic can request assistance. There was no quorum to approve this motion.

ACTION: Management will provide a list of the eight outstanding owners and submit it to the Board for final approval. John Troka agreed to review the list and provide insight for how to proceed.

COMMUNITY MANAGER’S REPORT

April Sparks led the discussion regarding the cross-county grooming contract. The cross-country contract will be presented to the Board for final approval.

ACTION: Management will meet with the fire chief to get an evaluation for what needs to be done to the wood slash pile, obtain a burn permit and report to the Board.

Application Summary

John Schuster, owner of 2365 Stage One Trail, applied to build a home and has not been notified whether it has been submitted to ACC. Josie stated that it was received and approved. It needs to be sent back to the ACC for final approval.

ACTION: Management will forward the application to the ACC Committee.

ACC Activities and Covenant/Rules Enforcement Activities

Meadowgreen Fence Violation for Lot 42 – Management requested Board direction for how to proceed. At the last meeting, the Board approved leaving it in place. There is no current Board position on fences, and there was a referral to the ACC requesting guidance. The ACC stated they would not have approved this installation, and the owner appealed stating the 6 foot fence is to protect their dogs from coyotes and to provide a sense of safety for his wife, who has a physical condition. No decision has been made at this point, and no neighbors have complained.

MOTION: There was a motion to allow this fence made John DiNicholas, as it serves a purpose, and is an aesthetically pleasing fence. The motion was seconded by Brayden Jerde and with no further discussion, the motion carried without dissention.

ACTION: Management will notify the owner that the Board has agreed to allow this fence based on the owner's personal circumstances.

A homeowner on Maverick Way has been offering nightly VRBO rentals and guests have been noisy and problematic. Marketing for the home states it sleeps 19 and has a three-night minimum stay. This is illegal within the County regulations.

ACTION: Management will notify the Planning Department of this violation and will issue a formal complaint and a cease and desist request to the owner, stating the County has been notified of this violation.

ACTION: Management will research the deeds for the Board nominees to ensure their names are on the deeds and report to the Board.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 2:26 PM.