

STAGECOACH PROPERTY OWNERS ASSOCIATION

Meeting of the Board of Directors
Oak Creek Community Center
Steamboat Springs, Colorado
August 18, 2018

Board Members Present: John Troka (President), Rob Walker (Vice President), Kayleen Cohen (Secretary), Matt Kaufmann (Treasurer), John DiNicholas, Tom Watts and Scott Okerstrom

Board Members not Present: Vicky Weber and Kate Rachwitz.

Management Present: Bryan Ayer, Association Manager

Owners and Guests Present:

Ted Ferrick – Meadowgreen, Sky Hitch 1 and South Shore

Jeff Rachwitz – Sky Hitch IV

Steve Donaldson – Overland

Jason & Heidi Breidert – Eagles Nest

John Troka called the meeting to order at 9:00 am.

With 7 Board Members attending, a quorum was present.

Approval of Board Meeting Minutes and Ratifications:

Approval of May 19, 2018 Board Meeting Minutes

Motion: Rob Walker moved to approve the minutes as written. Matt Kaufmann seconded. There was no more discussion. The motion passed without dissent.

Approval of July 21, 2018 Board Meeting Minutes

Motion: Matt Kaufmann moved to approve the minutes as written. Rob Walker seconded. There was no more discussion. The motion passed without dissent.

Member Comments:

There were no member comments at this time on topics not already on the agenda.

Note: In the interest of addressing topics of concern by those owners in attendance early in the meeting, the sequence of items on the agenda was adjusted.

Lot Consolidation Application for Steve Donaldson and Larry Calistro – Calistro Consolidation Principles – Overland Subdivision: The Manager reported that the application in the BOD meeting packet is

consistent with Article XIV of the SPOA Bylaws titled Subdivision Procedures. The applicant is applying for two lot consolidations in the Overland subdivision that are in close proximity to each other. One for lots 112, 113, 114, 115, 116 and 107 – new Routt County Legal lot 1 Overland and Lots 117, 118, 119 and 120 – new Routt County legal lot 2 Overland. The consolidations have been reviewed and recommended to the County Commissioners for approval by Routt County Planning.

MOTION: John Troka made a Motion to approve the Calistro Consolidation Principles lot consolidations application including the vacating of the Association’s trail easements along the internal property lines as presented in the application packet and in congruence with the easement lines vacated by YVEA subject to the splitting of the Agreement into two separate agreements, one for each of the consolidations and that the current and future owner(s) of these consolidated lots are required to pay SPOA assessments on the original 6 lots for new Routt County Legal Lot 1 and on the original 4 lots for new Routt County Legal Lot 2. of Multi-Family Lots 20, 33 and 34 in South Shore. Tom Watts seconded. There was no more discussion. The motion passed. John DiNicholas abstained.

General Business Summary: Community Manager Bryan Ayer provided an update on Association business matters.

Cluster Boxes at Eagles Nest area and Ormega Way: The Oak Creek Postmaster requested two new cluster mailboxes and the Board approved an amount of \$3,000 at the May 19, 2018 Board meeting. Due to having to pour a new concrete pad for installation of the cluster box, the overall project cost is \$3,557.23.

MOTION: John Troka made a Motion to approve an incremental amount of \$557.23 from the project/reserve funds for the overage cost of installation of the cluster boxes. Tom Watts seconded. There was no more discussion. The motion passed without dissent.

South Shore Electrical Project: The manager gave an update of the potential project. As of this meeting, there have been no more ballots received since the May 19th meeting. As of the meeting, there are 7 votes in favor of the project and associated special assessment and 1 vote against. Nine (9) votes are needed for the special assessment to pass.

Sale of SPOA owned lots acquired through foreclosure: At the May 19th meeting the Board made a motion to accept counter bids to what they had received in the amount of \$4,500. Since that meeting both Lot 22 in South Station II and Lot 95 in Overland have been sold to buyers for that price plus the cost of preparing and recording of the deed.

State Park Updates: The State Park has done work at Morrison Cove including the installation of several new picnic tables and pads, a life preserver station and also have managed to have the boat ramp open on weekend this year.

The new proposed trail system to go from the Elk Park trail from down by the dam, up to the BLM land has been cut and is in process of being completed. The parking lot at the end of Arapahoe Road is still in process of being installed and will either be done by late fall or in the spring.

ACC Applications: There have been 12 applications to the ACC since the May 19th meeting: 3 fences, 2 ancillary buildings, 4 home additions, 1 shed and 2 new houses.

Covenant and Rules Enforcement: The Manager discussed current and past covenant enforcement. Several past items have been solved, one case went to a hearing and has been solved and one violation has been sent to the attorney to address the situation.

The Rules committee for 2018-2019 is John DiNicholas, John Troka and Vicky Weber. The Rules committee is comprised of the three Board members serving in the last year of the Boards seat's three-year term.

Accounts Receivable: As of May 14, 2018, there were a total of 476 lots that owed a total of \$54,990. As of August 15, 2018, there were 439 lots that owed a total of \$49,629.

Treasurer's Report:

Matt Kaufmann presented the Association's financial report and statements as of June 30, 2018.

Total Cash at the end of June was \$586,706 of which \$154,876 are restricted road funds held for Horseback, Morningside and South Shore.

Accounts Receivable – Collections: Accounts Receivable as of June 30 was \$49,568. As of August 9, 2018, the A/R was \$49,873. The increase is a result of aging of the accounts in arrears.

Accounts payable at the end of June was \$5,161.

Operating income for 6 months was \$61,359. This amount reflects net operating assessments of \$57,751 and \$3,608 in other income which is predominately late fees.

Operating expenses for the same period totaled \$50,748 and includes management fees, professional services such as accounting and legal expenses, meeting and member communication costs and common areas maintenance costs for the park and Nordic trail. As of June 30, 2018, the net operating fund surplus was \$10,610.

Project/Reserve Fund income of \$75,452 primarily reflects \$75,261 in member assessments. Year to date project/reserve spending was \$21,699 and was comprised of wildfire mitigation costs associated with updating the Stagecoach Area Community Wildfire Protection Plan as well as \$3,436 in legal costs associated with water wells and common area ownership.

Restricted Fund income for this period was \$78 which was the interest earned on funds held. There has been \$2,262 spent on legal work associated with enabling use of the Morningside/South Shore Restricted Road funds for other infrastructure projects in these subdivisions.

Financial Administrative Matters: John Troka presented a list of owners more than 3 years in arrears.

MOTION: John Troka made a motion that the owners as listed, all being delinquent more than three years in payments of their assessments, and being economically viable for the association to pursue, be referred to the Association's attorney for the issuance of final collection demand letters with notice of 30 days to pay as well as recordation of liens (if not currently recorded with Routt County) prior to Board's consideration of lien foreclosure. Scott Okerstrom seconded. There was no more discussion. The motion passed without dissent.

Old Business:

Covenant Amendments: At the 2018 SPOA Annual meeting, proposed Covenant Amendment Drafts were presented to the ownership concerning Amendments to Article V; Section m on Animals, Article V; Section f on temporary residences and trailers and Article V; Section g on Water and the drilling of water wells. The Board is currently working on the final drafts of the amendment to be sent out to the ownership.

Wildfire Mitigation: The manager presented 3 separate bids from Natural Resource Solutions Group (NRSRG) related to the Association's wildfire mitigation efforts.

MOTION: Scott Okerstrom made a motion to approve up to \$14,500 of Project/Reserve Funds for wildfire mitigation for the burning of the final slash piles (approximately 21), including the community burn pile and the cleanup of previous burn piles off Kingbolt and the consolidation of slash piles on Cutter Trail. Kayleen Cohen seconded. There was no more discussion. The motion passed without dissent.

MOTION: Kayleen Cohen made a motion to approve up to \$7,000 of Project/Reserve Funds for Wildfire Mitigation for the cutting and clearing the 60-foot right-of-way at the intersection of Springboard and Colt Trail and the cul-de-sac of Pioneer Way with the slash being consolidated into piles and burned in the fall. Tom Watts seconded. There was no more discussion. John DiNicholas and Matt Kauffmann abstained. The motion passed.

The Manager presented a bid for Fire Mitigation Pre-Work/Project Management from NRSRG with a scope of work to focus on developing estimated costs for mitigation work on individual lots and remaining common areas, to work with the local fire districts to identify evacuation route signage and installation locations, prepare an application for FireWise Recognized Community and to use data

gathered with cost estimates for mitigation work to prepare grant applications through the Colorado State Forest Service.

The Board had several questions for the manager to research and tabled the voting at this time.

Road Maintenance and Repair: The Manager presented two competing bids for requested road work to be done on 2nd Filly Trail and Shay Way areas. The RFP that was sent out specified four projects including: 1) ditch work for drainage to the North of the new culvert on Filly Trail; 2) culvert replacement and ditching at the intersection of Filly Trail and Mustang Way; 3) culvert replacement at the intersection of 2nd Filly and Arabian Way; and 4) grading of Shay Way from Whiffle Tree to Cutter Trail including ditching and the installation of two culverts near intersection with Cutter Trail.

MOTION: John Troka made a motion to use up to \$13,000 of Project/Reserve Funds for road maintenance for the four projects included in the RFP and to award the bid to Rock Creek Logging. Scott Okerstrom seconded. There was no more discussion. John DiNicolas abstained. The motion passed.

In 2016, the Board contracted with Four Points Engineering to prepare preliminary engineering evaluations for road segments in the Meadowgreen and Eagles Watch subdivision to determine the work effort required to bring these road segments up to the County's common road standard. The road segments evaluated were: Meadowgreen - Barr Trail and Ormega Way, Eagles Watch - Broken Talon Way, Snowbird Way, Sunbird Way.

Prior to this meeting, the Manager requested a cost estimate from Four Points Engineering for producing the detailed engineering documents needed to send the project out to contractors for bid. The manager provided new documents prepared by Four Points Engineering including engineering specifications, a bid sheet and the engineer's opinion of probable construction costs. The Board had questions about the quantities of materials outlined in the bid sheet and asked for the Manager to reach out to Four Points Engineering for clarification.

MOTION: Kayleen Cohen made a Motion to pay Four Points Engineering up to \$1,500 for the work on the engineering and bid specifications to bring the identified road segments up to County standards. Tom Watts seconded. There was no more discussion. Motion passed without dissent

MOTION: Tom Watts made a motion to rescind the previous motion to pay Four Points Engineering until they provide additional information and clarity on the actual amount of materials needed given the current volume of road base and surface materials that are in place. Rob Walker seconded. There was no more discussion. The Motion passed without dissent.

New Business:

Appointment of Directors Terms: At the 2018 Annual Meeting, members were elected to fill four board positions. Three of the positions were for full 3-year terms and one position was to fill the remaining 2-years of the term of a previous Board member who resigned.

After discussion it was agreed that Kayleen Cohen, Kate Rachwitz and Rob Walker and would fill the three positions with full 3-year terms. Scott Okerstrom will fill the position with 2-years remaining on its term.

Steamboat Association Management 2019 Contract Renewal:

The Association's current contract with its management company, Steamboat Association Management, expires on December 31, 2018. The contract does contain a provision allowing for one-year renewals subject to possible fee increases not to exceed 5% per year. Following discussion, a motion was made.

MOTION: Tom Watts made Motion to authorize John Troka and Rob Walker to meet with SAM to re-negotiate the existing 1-year management contract for 2019. Kayleen Cohen seconded. There was no more discussion. John Troka abstained. The motion passed.

FY2019 Budget: John Troka presented a Preliminary FY2019 budget and annual assessment spreadsheet. Discussion took place on the budget process and timeline. No action was taken at this time.

ACC Committee Appointment: Due to the resignation of one of the ACC members, Tom Watts, ACC Chairman requested another SPOA member be appointed to the committee. Following discussion, a motion was made.

MOTION: Tom Watts made a Motion to nominate Sydney Yapoujian to the ACC Committee. Rob Walker seconded. There was no more discussion. The Motion passed without dissent.

New Policies Presentation regarding Fences, Sheds and Greenhouses: Tom Watts presented three proposed policies related to the ACC approval process for fences, sheds and greenhouses. The goal of the proposed policies is to expedite the review and approval process of fence, shed and greenhouse applications meeting pre-defined criteria. Following discussion, motions were made.

MOTION: Tom Watts made a motion that the proposed policy 2018-1 relating to approval of new fences pursuant to Article V of the Stagecoach Declaration of Covenants, Conditions and Restrictions, pursuant to approval by the Board, be published in the newsletter and set for adoption at the following Board meeting. Matt Kauffmann seconded. There was no more discussion. The motion passed without dissent.

MOTION: Tom Watts made a motion that the proposed policy 2018-2 relating to approval of new sheds pursuant to Article V of the Stagecoach Declaration of Covenants, Conditions and Restrictions, pursuant to approval by the Board, be published in the newsletter and set for adoption at the following Board meeting. Scott Okerstrom seconded. There was no more discussion. The motion passed without dissent.

MOTION: Tom Watts made a motion that the proposed policy 2018-3 relating to approval of new greenhouses pursuant to Article V of the Stagecoach Declaration of Covenants, Conditions and Restrictions, pursuant to approval by the Board, be published in the newsletter and set for adoption at the following Board meeting. Rob Walker seconded. There was no more discussion. The motion passed without dissent.

Executive Session:

MOTION: John Troka made a motion to go into Executive Session pursuant to CRS 38-33.3-308(4)(f) to discuss communication with an attorney regarding a legal matter. The motion was seconded and approved without dissent. The Board entered executive session at 1:45 p.m. and adjourned from executive session at 2:00 p.m. No actions were taken as a result of the Executive Session.

Next Board Meeting: The next regularly scheduled Board meeting will be held on November 17, 2018 in the conference room at the offices of Steamboat Association Management. A Board conference call will be scheduled for mid to late October for the purpose of preparing the 2019 budget.

The Board meeting was adjourned at 2:25 p. m.