

BUCKHORN RANCH ASSOCIATION ANNUAL MEETING MINUTES

SEPTEMBER 17, 2016–10:00 AM

QUEEN OF ALL SAINTS 401 SOPRIS AVENUE

CRESTED BUTTE, COLORADO 81224

In Attendance In Person:

Frank Woodruff
Spencer Low
Sean Turner
Bill Clark, representing Community Banks Of Colorado
Morgan Weinberg
Ben Somrak
Eric Tunkey
Channing Boucher
Daren Truitt
Sharon Gentry
Maggie & Jan Dijkstra
Joseph Schaul

In Attendance By Telephone:

David Brennan
John Davis
Bob Silverman

In Attendance By Proxy:

Patricia Layton - Weinberg
Bill Thompson - Boucher
Buckhorn Ranch Trust - Tunkey
John Davis - Woodruff
Joel Olsen - Tunkey

Also In Attendance:

Beth Appleton - Association Attorney
Rob Harper – Toad Property Management, Inc

Rob Harper called the meeting to order at 10:07am. Proof of Meeting notice was sent on August 9 2016. Amend the minutes of the annual meeting held on December 12 2015 to read the attendance of Jan Dijkstra instead of Margaret Dijkstra. Ben Somrak makes a motion to approve the past minutes, Frank Woodruff seconds, all in favor, motion passes.

Officer's Report: Frank Woodruff says there are 14 new homes approved for construction. The HOA took control of the runway. The raised dues resulted in a positive cash-flow position. Changes have been made to the Design Review Board for the better. A comprehensive review of

the Declarations is happening, some parts not compliant with Colorado law; more information to follow. The Board is going to expand from 6 members to 8 members. Serving on the Board is important, recruitment isn't easy. Morgan and Sean's 3-year terms are up this year. **Spencer Low** reports that the runway has been transferred to the HOA, changed name has to be approved by the FAA. The airport is for 3 classes of users – frontage lot owners, anyone else owning in Buckhorn Ranch can join the association; county emergency services (such as "flight for life", firefighting, maybe a future heli-pad, etc). Crested Butte Airport at Buckhorn Ranch Airport Association (legal name) committee responsible for enforcing rules of use. Goal is to add to the exclusivity of the runway, restrict the number of flights, clean-up/maintain the runway. An assessment to the frontage landowners will pay for the maintenance, as well as future landing fees for wear/tear. Only space for parking 4 airplanes at this time.

Legal Update: The case against Brush Creek Airport in State Court was dismissed without prejudice. Some legal fees may be recoverable. Beth Appleton discussed how the HOA came into possession of the runway; the Association is co-operating with the Trustee (who has sued the Debtor). The Trustee does not have control of the water, continue to pay your water company bill says Beth. Discussions about tap fees being raised higher than the Consumer Price Index (which was not agreed upon), paying "under protest". Daren Truitt spoke about his knowledge of water systems for communities, Frank asked him to approach Jack Deitrich, to locate documents, get answers that the water is being properly managed.

Financial Report: Bob Silverman reports the HOA has been operating at a neutral to deficit position historically. 2015 ended with approx. \$20,000 in the operating account, net of a loan from the officers of the Board. Legal fees carried forward from 2015 are the primary basis for spending to exceed budget in 2016, but still positioning the HOA to achieve a 60,000 operating reserve (as opposed to the target of approx. \$80,000). Discussion of future legal fees. Sharon Gentry questions the Design Review Fee vs. Design Review Expenses; addressed. The HOA paid the property taxes for lot M2-69? Yes, this lot was acquired in the earlier lawsuit. Sharon questions the fact the weeds will never be eradicated, but the HOA keeps paying to get rid of weeds? Each homeowner has an obligation to manage weeds; the HOA owns the common areas, approx. 50-70 acres. Eric Tunkey suggests a community weed-picking day to mitigate the amount of chemicals used, more discussion to follow.

Bob says the remaining settlement funds are approx. \$30,000; there is a feasibility project under way to consider use for pond area improvement. Darin Truitt questions the design review fees, they don't zero out on the budget. Bob says they are in a separate account, are part of the balance sheet but not part of operating income. Discussion about accounting methods. Bob Silverman available to anyone with budget and/or line-item questions, contact him via email. Rob Harper counts the ballots, Budget passes with 127 aye, 0 nay.

Design Review Committee: Joseph Schaul introduced himself, developing 6 homes, wants to be a good neighbor, and invites anyone to call him with any concerns. 970.697.7779. Discussion about proposed building designs being available to all homeowners, not just the DRC. Perhaps a public comment period? Can email the DRC anytime. The Design Review Process has been revised in 2016 to provide a more efficient review process. Discussion was held about the recusal process, and the make-up of the committee's members' occupations.

Elections: Bill Clark represents Community Banks & the lots owned by Community Banks. He was appointed by the Board members to join the Board, ratified by the homeowners with 127 aye, 0 nay, Bill Clark approved.

New Business: The contractor that damaged the entry gate is repairing the gate at his expense. An adjacent-land homeowner has locked a northeast fence/gate that accesses forest service land. The Board is working to come to an agreement with that homeowner, confirming boundaries, with a goal to provide access to non-motorized traffic, says Beth Appleton. Discussion about short-term rentals, the impacts, and property rights, respect for neighbors,

definition of 'short-term' - 3 days? 3 months? The Board will include all homeowners as drafts get written; stay transparent, new territory with little precedent.

New construction (6 homes, see above) has presented a problem for Eric Tunkey. Too much noise, traffic, dust, disrespect for the land, the roads. Some clean up occurred when Eric complained to Toad. Discussion about the legality, the process. The Board acknowledges Eric's frustrations. Mr. Schaul gives some examples of how his team will mitigate damages, , and for example offered to power-wash any home, will stay in communication with Toad. Mr Schaul stated thats the chip seal road is a temporary sub-division road which in concept is true but in reality these are the roads which have been left in place by the former developer. Mr Schaul acknowledged that it is the the responsibility of contractors to repair to road damages and common areas to their baseline levels.

Common areas – Sharon Gentry questions ownership, would like to see a shade structure. Discussion about "open space" vs. "common area". The water company owns the ponds; Bill Lacy has a 70-foot wide canal easement (35 feet from center out each side). Playgrounds, bike/cross-country paths, gathering places, etc., are future topics for discussion. Discussion about riding ATV's, motorbikes – not legal on Colorado county roads.

Morgan makes a motion to adjourn the meeting, Frank seconds, all in favor, meeting adjourned at 12:15pm.

Rob Harper, Toad Property Management, Inc.