

**WILLOW CREEK TOWNHOMES ASSOCIATION
ANNUAL HOMEOWNERS MEETING
WEDNESDAY, SEPTEMBER 27, 2023 – 5:00 P.M.
318 ELK AVENUE, SUITE 10, CRESTED BUTTE
VIA ZOOM**

Present via Zoom: John Routa, Unit 1
Allan Kroll, Units 2 and 4
Greg Carver, Unit 3
Randy Sackett, Unit 5

Joe Robinson – Toad Property Management
Jacob With – Law of the Rockies – legal counsel

Joe called the meeting to order at 5:05 p.m., confirmed notice of meeting had been mailed on September 13, 2023 and said there was a quorum with all units represented at the meeting.

Allan questioned who Jacob With as legal counsel was representing and why it was necessary to have legal counsel at the meeting. Jacob explained he was participating in the meeting at the request of the Board and would provide guidance or legal advice on some topics during the meeting.

Allan expressed concern that the August 7, 2022 minutes did not acknowledge the lengthy discussion regarding amending the Declaration and the other three owners paying for any legal advice provided regarding a potential amendment. Other owners did not remember that discussion occurring at the August 7, 2022 meeting. Greg made a motion to approve the August 7, 2022 minutes as presented. Randy seconded the motion and it was approved by 3 votes in favor and 2 votes opposed.

Joe explained Greg Carver and Randy Sackett were both willing to continue on the Board for an additional term and John Routa had one more year on the Board. Allan said he would be willing to join the Board and Joe explained there would be a secret ballot utilizing the private chat feature via Zoom. All owners agreed to having an open vote instead of a secret ballot. After voting it was confirmed Greg and Randy had been elected to the Board for an additional term. Allan questioned the decision as, in his opinion as the owner of two units, he had four votes in favor of him joining the Board.

Joe said soffit vent replacement would occur the week of October 9th and Joe would attempt to find a contractor to paint the upper trim areas of the buildings. Joe said the dumpster enclosure would be stained. Allan questioned why individual owners were not paying for the painting of the trim areas and said his units did not need to be stained or painted. Greg explained prior painting projects had been funded by a combination of reserve funds and individual owner payments. Once estimates for the trim work had been received the matter would be discussed further. John said some areas on all five buildings required some attention.

Allan expressed concern about the damage to his deck, stairway and rock which in his opinion was caused by snow being pushed and stored in the wrong location. Allan asked when those repairs were going to be made as an Association expense. Joe said, in his opinion, it was not clear how the damage had occurred. Joe agreed to discuss with Rob Harper of Toad. Greg explained Whiteout Snow Removal had been contracted to perform snow removal as they used equipment which was less likely to cause damage.

Prior to the meeting a draft 2024 Budget had been approved by the Board and distributed to all owners. Joe explained the 2024 Budget increased dues back to the level the dues had been in 2022. Joe said the increase was necessary due to increased insurance expenses. Joe explained there was approximately \$15,000 in the Checking Account and \$6,000 in the Reserve Account at the time the financial report was sent out. Joe said the Board approved the Budget and then the Budget was presented to owners who could vote to veto if the Budget was not acceptable to them.

Allan expressed concern about legal fees when, in his opinion, legal counsel was not representing the Association but representing three owners.

Greg made a motion to ratify the 2024 Budget. Randy seconded the motion and there were two votes opposing the ratification of the 2024 Budget. Allan made a motion and provided the second of the motion to veto the 2024 Budget and three owners voted against the veto. The 2024 Budget as presented was ratified.

Joe explained a proposed Covenant Amendment had been circulated prior to the meeting and Jacob would provide information, answer questions and conduct the voting. Allan said he opposed the amendment and it would not be possible for the Association to obtain two-thirds support.

Jacob explained the insurance agent had expressed concern about claims, unit vacancies, or repairs not being made to Units 2 and 4 and the insurance agent had indicated coverage might be dropped in the future. In an attempt to resolve the matter the Board had discussed amending the Covenants so that individual owners would be responsible for the insurance of their own unit. Maintenance of the exterior of all units would be an individual owner responsibility. Jacob confirmed Colorado Statute required 67% approval of owners and explained Willow Creek was covered by the Colorado Common Interest Ownership Act ("CCIOA") due to the section of the Covenants regarding the Reservation of Development Rights. Allan said there was no additional land which could be developed and the original attorney should not have included that clause in the Covenants as paragraph 3.11. Allan suggested the Association give an agreed upon amount of money to each owner so that each owner would buy their own insurance and the Association would still meet the requirement to put insurance in place. Jacob said paragraph 4.3 of the Covenants addressed exterior repair and maintenance and it was necessary that both insurance and exterior repairs and maintenance be addressed in the same manner.

Joe confirmed there was currently an insurance policy in place with Central Insurance and the 2024 Budget was based on actual expenses of that policy. Allan objected to the amendment and the method of adopting the amendment and said there was insurance in place. Allan said he would be willing to consider the Covenant amendment if the other three owners would pay for the legal advice from Jacob With and Allan said he would research the conflict of Jacob, in Allan's opinion, representing the personal opinions of three owners. Allan said he would be willing to draft an amendment for owner signature if the other three owners paid the legal expenses for Jacob With and Jacob or Law of the Rockies never represented the Association again. John stressed the Board was attempting to act in the best interests of the Association.

After a long discussion John, Randy and Greg agreed to review a redline version of the Covenant Amendment prepared by Allan and once that Amendment was signed by all parties John, Randy and Greg would pay the legal expenses invoiced by Law of the Rockies for the Covenant Amendment and any review of the redline version. Jacob said he would not object to stepping back from the Association subject to a satisfactory amendment. Allan said he would be able to provide a Covenant Amendment to John, Randy and Greg within 30 days. Allan stressed the need to keep insurance in place until the end of the term unless the policy was cancelled by the insurance company.

Joe agreed to speak with Rob Harper of Toad Property Management about the damage to the deck railings, stairway and rock at the back of one of Allan's units.

Allan said he did not like the estimate recently provided for the repair of the rock damage to the front of his unit caused by Federal Express. The original estimate for the repair had not been acceptable to Federal Express.

At 6:19 p.m. Greg made a motion to adjourn the meeting. Randy seconded the motion.

Prepared by Rob Harper
Toad Property Management, Manager
of Willow Creek Townhomes Association