

**WILDHORSE AT PROSPECT ASSOCIATION, INC.
ANNUAL HOMEOWNERS MEETING
MINUTES FROM JULY 30, 2015
CHATEAUX CLUBHOUSE, MT. CRESTED BUTTE**

Call to Order

Chris Cappy, President, called the meeting to order at 9:17 am. Chris Cappy welcomed everyone to the meeting and said a brief welcome to Rob Harper and a thank you to Gordon and Angela Reeves.

Proof of Notice

Proof of Notice was mailed to owners on June 23, 2015.

Owners Present in Person

Jim Wickham	42 Wildhorse Trail
Eric Facy	40 Wildhorse Trail
Chris Cappy	29 Wildhorse Trail
George Parkman	28 Appaloosa Trail
Terry Ewing	35 Wildhorse Trail
Marcy Trent Long	9 Stetson Drive
Betty Baumgartner	15 Wildhorse Trail
Shelley Wisner	7 Stetson Drive
Paul Kirincic	25 Wildhorse Trail
Robert Erbrick	5 Stetson Drive
Lisa Leander (agent representing owner)	33 Wildhorse Trail
Wildhorse Homes LLC	18 Appaloosa Trail
Wildhorse Homes LLC	20 Appaloosa Trail

Owners By Telephone

Al Simpson	17 Wildhorse Trail
Mike Kelly	27 Wildhorse Trail

Proxy to Chris Cappy

Scott McPherson	23 Wildhorse Trail
Martin Imbler	19 Wildhorse Trail
Joey Chiaf	22 Appaloosa Road

Management Company Present

Rob Harper	Toad Property Management, Inc.
Gordon and Angela Reeves	Toad Property Management, Inc.

Guests

Grant Bennett
Crockett Farnell
Jeff Hermanson
Candace Coen

Wildhorse Homes
Wildhorse Homes
Wildhorse Homes
Colorado Legacy Properties

Terry Ewing made a motion to approve the July 30, 2014 minutes. George Parkman seconded the motion and it was unanimously approved.

Chris spoke about the newly installed landscaping and irrigation system. He said that they are about \$4,000 over budget for the project which will be covered by the reserve fund. The gardens are now being irrigated and that Tyler of Spring Creek Landscaping has done a fine job thus far. Chris discussed how the drip system was installed as opposed to an overspray system which will encourage a more natural watering. The system also has far better control over how much and how often all of the new plants and trees receive water. Jim Wickham spoke of how much more efficient the new system will be saving water and labor. The system is also built so that it is not pressurized unless it is watering which means that there will be less chances for breakage and leaks.

Chris also said that there are better systems in place for blowing out pipes in the fall and that now there is a schematic for where all of the new pieces are. This will make closing down the system and then restarting it much simpler. The porcupines have been a problem recently as well. Rob said that he has been in contact with Davidson Wildlife to contract services that will protect the new growth from animals and rodents. Also, Rocky Mountain Trees in addition to Toad Property Management will be keeping a close eye on the new trees and shrubs to make sure that everything will have the greatest chance at survival for the first year. If anyone would like to have additional trees added to their property it is recommended that they contact Rocky Mountain Trees.

Chris spoke to the overall integrity of the community and how the HOA is very careful about what is allowed and what is not.

Gordon spoke about the significant amount of moisture this year and its positive effect on the landscaping.

Chris discussed the new light on the entrance sign and that it is being turned off by a neighbor. Toad is working to catch this person using video cameras. The next step will be to add a much more significant box knowing that the new sign is coming in the near future. Rob also said the new street signs are built and will be installed in the coming week.

Chris said that the Association had changed its attorney who was David Leinsdorf by switching to Marcus Locke of Law Of The Rockies. This change is due to the long standing relationship between David and Jeff Hermanson where there might have been some conflict of interest. Jeff Hermanson is working on the new buildings in Wildhorse. In addition Marcus has working knowledge of the ongoing issues with Prospect, District 1 and District 2. Marcus has worked over the last year to clear all of the transfer of common areas to the HOA which as recently as last September was still in the name of Eagle Resort LLC. Also, the trail below Wildhorse was lowered as to not affect the Wildhorse view corridors. There was also a planned walking trail from the Town that will no longer happen as it was to traverse the wetlands below.

Marcus has also cleaned up the bylaws and policies for Wildhorse to reflect current Colorado law practices. Angela said that Associations are now required to have specific documentation to comply with CCIOA regarding policy and procedure. She explained that there are certain issues that need to follow formal process to be legal. These new regulations will not significantly change the way that Wildhorse operates and that these documents cannot really be changed for individual associations. Terry suggested that we change the annual meeting date in the documents to August. He also believes that it is very helpful to have fines against the unit owners. Eric said that he did not see any information regarding renting units, Angela told him that these are located in the covenants. Marcus was also very helpful in determining the rights of the HOA regarding the new construction.

Chris also asked Marcus regarding the litigation on the mountain and it is very complex. Chris said that the HOA has not taken a position on these issues as not to put the HOA in the middle of trying to represent to owners what is a very complex situation. There are currently 2 cases ongoing. There is the Prospect lot owners (9) against CBMR (or the entity thereof) and that is set for trial at the end of September with no evidence of a settlement. The second suit is District 2 vs. District 1, where District 2 was created to try to get some owner representation which is set for trial at the end of November. Tim Mueller has said that they would like to find a way to clean this up in its entirety. Chris said that if anyone wants to know more they can call Marcus. Angela noted that owners currently receive an invoice from both District 1 and 2. She said that everyone should pay these or there can be a lien placed on your property. She said when you write your check you should write on the memo line that you are paying under protest and these funds may be recovered at some point. Chris said that there are 2 entities laying claim to the same services.

Grant Bennett of Wildhorse homes gave a brief presentation with Crockett and Jeff. He said that the first 2 homes are finished and they are paying members of the HOA. 18 and 20 Appaloosa are for sale for \$1.6 and \$1.65 million fully furnished. They have cleaned up the remaining foundations and are looking to continue building single family residences as soon as the first 2 sell. The designs for the next homes have been submitted to the HOA and ready to begin as the market allows. Terry complimented them on the quality and look of the homes. He would like to see the communication building painted soon. Grant said that their plan is to complete the existing foundations and then move toward building out the subdivision. There are 19 vacant lots and they own 10 with plans to purchase the remaining 9 by spring. Grant said that they have been cleaning up and preparing the foundations so that they can move quickly when the time comes. Crockett spoke about his effort to clean up the site and remove equipment in the next few weeks. Gordon told Crockett that it would be helpful if his crews parked out of the way during construction. Jeff Hermanson spoke briefly about his interests in Wildhorse and how much he enjoys the location.

Angela spoke about Rob Harper purchasing Toad from her and Gordon. She said that they will be around if there are any issues or historical information that they can help with. She spoke about the new requirements for managers of community associations and that Rob has his licence. Rob said that he grew up in the Gunnison valley and that he is happy to be back. Gordon said that he and Rob have been speaking for 18 months and that he is qualified to take over.

Chris said that the HOA was under budget over the past year. He said that the current fee structure of \$6,800 per unit will remain and be sufficient to continue. There is a substantial reserve and Chris says that the Board is very comfortable with the current budget. Chris said that the reserve was above the rule of thumb amount of 20% - 25% of the total budget. George asked about the landscaping budget and Chris said that yes, there is an adequate amount in the budget and that this is to maintain the

existing and new landscaping. Angela said that the newly installed landscaping will take several years to grow into maturity and may take more resources to make sure that they get a good start. Chris said that the spruce trees can struggle in this climate but the aspens tend to thrive.

Chris said that Matt Boisen and Marty Imbler are willing to remain on the Board. George made a motion to nominate Matt and Marty to remain on the Board for the next term. This was seconded by Eric, all were in favor and the motion passed.

Chris also said that the Board unanimously endorsed the addition of Joey Chiaf as the 5th Board member. Chris made a motion to add him to the Board which was seconded by Paul. All were in favor and the motion passed. Chris said that if anyone else is interested in serving on the Board to please let them know. George spoke about how committed and dedicated Terry and Chris have been for this HOA as Presidents.

Paul made a motion to adopt the responsible governance policies discussed earlier. This was seconded by Eric, all were in favor and the motion passed.

Chris spoke about staining all of the homes in Wildhorse. Matt Boisen made a very thorough assessment recently as to the condition of the properties. All of the homes were stained in the summer of 2011 with the belief that this would last 4 years, maybe 5. After his evaluation Matt believes that they can probably wait until 2017 to stain. The estimate is that the cost will be around \$5,400 per home when this project needs to be done in 2017. Chris said that the quality of the work performed in 2011 is really showing because it is holding up so well. Chris said that individual owners can take care of small problem areas on their own.

Chris said that the TV, internet and phone equipment which is located in the bunk house is now 10 years old. He said that Gunnison is starting to take steps to add capacity and that this will positively affect the HOA in the future. Chris spoke of a proposal which will add internet capacity, avoid problems, ensure reliability, add remote diagnostics and a warranty to position the HOA for the future of telecommunication would cost around \$20,000. Paul asked if this will also address the problems with the land-line phone system and the answer is yes. Wildhorse has the fiber-optic infrastructure. Chris said that Jason Swenson of Internet Colorado knows the system well and can be difficult to work with. Grant spoke about his experience during the new construction and how it was fairly difficult but eventually solved the problems. Chris said that what they are looking for is a new system that will take care of and simplify the process and to allow individuals the ability to add or remove services including TV and internet speed as they see fit. Terry asked for some clarity on the fiber-optics. Chris said that the fact that it has been installed is good however there is no map to tell where everything is and what is useful. Over the last few months Jason Swenson has completed some forensics at his cost to determine what is there. Chris asks for a show of hands about the idea of improving the telecommunication system. Most were in favor, Paul is skeptical and abstains.

Crockett expressed his displeasure with Jason and Internet Colorado and the new home building process. He said that it took Jason 2 months to complete the installation for the 2 new homes. He mentioned that John from Xstream Internet is interested in taking a look at what possibilities may exist to improve the system. Paul would support taking a new look at the system to get a second opinion. Gordon speaks to how challenging it is to solve these problems simply due to our remote location. Anyone looking at this system faces the same systematic limitations. Chris said that the fundamental issue is bundling the products vs. segregating them. Chris would like to see a committee formed to take

a look at our options to make the necessary changes. Chris said that this issue needs further research before any decision is made. Paul and Crockett will be a part of this investigation.

George would like to see the weeds removed in the rock area around each house. It was agreed that this would be included in the landscaping budget. Toad will complete this work soon.

There was a brief discussion regarding trash and recycle bins. The local number for Waste Management is 970-349-7781.

Crockett spoke briefly about not using chains on the snow removal equipment because it damages the driveways. Gordon said that to be efficient the equipment needs to have chains or studs. When it is very cold and icy it is very difficult to do without chains or studs. Chris said that he would speak to the snow removal contractor and see if there is any compromise.

Chris said that the website would be updated soon to reflect current information.

Terry made a motion that the next meeting would be Thursday August 4, 2016. Paul seconded this motion, all were in favor and the motion was approved.

The meeting was adjourned at 11:12 a.m.

Prepared by Rob Harper
Toad Property Management, Inc.

Approved by Chris Cappy
President of Wildhorse at Prospect Association, Inc.