

**MINUTES
RED MOUNTAIN RANCH OF GUNNISON COUNTY
ASSOCIATION, INC.
MEETING OF THE BOARD OF DIRECTORS
JUNE 16, 2022**

A meeting of the Board of Directors of Red Mountain Ranch of Gunnison County Association, Inc. was held on June 16, 2022 at 4:00 P.m. via Zoom.

Present:

Greg Glosser

Kip Richards

Jason Martin

Rob Harper, Toad Property Management

Marcus Lock, Law of the Rockies, Association's legal counsel

Daniel Murphy

Drew Fink, Lot 36

Rob called the meeting to order at 3:03 p.m. and confirmed that a quorum was present.

Rob said that the minutes from the previous meeting had not yet been circulated.

Rob suggested rearranging the agenda to begin with consideration of proposed building envelope changes. Marcus explained that, based on the governing documents as amended, the only way to modify a building envelope was to amend the covenants and the plat, which required a 67% vote of approval from the members of Red Mountain Ranch. Marcus said that the process for this was outlined in the Third Amendment to the Covenants. Marcus said that the homeowner needed to provide owners with an exhibit stamped by a surveyor that depicted the lot, the original building envelope, the new building envelope to owners for the vote. Once the owner had obtained the vote from 67% of HOA members consenting to the proposed building envelope modification, the owner would present proof of this vote to Toad and the Board for verification. Marcus noted that the process was onerous, but the Association's governing documents did not provide any alternatives.

Regarding Lot 8, Dan Murphy explained that the building envelope had already been modified when the original guest house was constructed, and the proposed change to the building envelope would be to build a new guesthouse in an area that could be reached by the road and was closer to the level of the main house. Dan said that he had walked the property with Bill Lacy to demonstrate the proposed changes, and Board members agreed that they would like to hear Bill's thoughts after seeing the property first-hand. Dan said that he did not have any concerns that the changes would impact Bill's view corridor, as he was the owner of the lot above Lot 8.

Regarding Lot 51, Dan said that Norm Whitehead, who conducted the Ridgeline Study, had confirmed that moving the building envelope to the proposed location would be better from a perspective of visibility and view corridors. Part of the right side of the house might be visible

from 135. The house would be built as close to the hillside as possible and would be shielded by trees. Designated wetlands would also be avoided.

Dan Murphy left the meeting.

Drew said that the proposed change for Lot 36 would move the envelope 30-40 yards east away from dense vegetation and to allow for fire hardening around the structure without removing mature trees on the property. Drew said that there were not yet any constructed improvements on the lots neighboring his property, but he did not believe that the proposed changes would impact the sight lines of future homes that could be built on those lots.

Drew said that he understood the process for the building envelope change and asked whether it would be possible for the 3 owners currently seeking a change to coordinate their outreach to the Association. Marcus said that he would encourage the lawyers for all 3 homeowners to coordinate, and lawyers should provide the proposed materials to Marcus for review before they were sent to the membership. Marcus emphasized that collecting signatures in favor of the proposed changes from 45 owners would be challenging.

The Board would take some time to consider the 3 proposed changes and would get back to Dan and Drew with their thoughts.

Drew Fink left the meeting.

Board members agreed that they wanted to confer with Bill about the changes, especially regarding the lot below Bill's own home. Several Board members noted that the proposal for Lot 36 lacked some of the detailed information and analysis that Dan Murphy had been able to present regarding the other two lots.

Board members agreed that Red Mountain's building envelopes had been carefully selected, and the Board did not want to encourage lot owners to seek changes to the building envelope. However, there might be a small number of lots, for which a change to the building envelope would be beneficial. For that reason, it was suggested that the Board should develop a simple process that included hearing a presentation from the owner or architect, following up with adjacent lot owners to determine whether they had any objections to the change, and then communicating to the Association that there were no objections on the part of the Board or neighboring owners if that was indeed the case. Board members agreed that Bill and Mary Lou should also review the process document before it was formalized. Marcus said that he would circulate a draft policy to the Board.

Kip moved to approve the relocation of the driveway as shown on exhibit B of the June 15th, 2022 agreement among the owners of Lots 1, 2, and 3. Jason seconded the motion, and it was unanimously approved.

Rob said that the relevant parties would stake the driveway, and he would be glad to meet Board members there to review the site.

Board members also agreed to coordinate a time to visit the 3 lots with proposed building envelope changes.

Regarding the proposed changes to the Bylaws, Marcus recommended posting the proposed amendment on the website and alerting members that it was available for review and subject to a comment period. There was not a specific requirement for the length of the comment period. There would then be a Board meeting immediately prior to the Annual Meeting at which the Board would approve the Bylaw Amendment, and then owners would ratify the amendment at the Annual Meeting. Ratification would require a majority vote of a quorum, including proxies. Marcus recommended against sending out ballots, which would create a hybrid vote.

Rob raised the issue of House Bill 22-1137, which had heavily impacted HOA governance. Rob said that he would circulate a letter from Marcus regarding this bill to the Board.

Marcus Lock left the meeting.

Rob said that he had sent out the proposed budget prior to the meeting. Bill had given some estimates for the cost of necessary road work over the next several years, and believed the Association would need to set aside \$150,00-175,000 for that purpose. Rob said that this cost estimate encompassed not only the ditches but also bringing in gravel and tightening up the roads in other areas. Rob said that he had increased the Operating Budget to include funds for road maintenance and an increase in the cost of snow removal. The new budget would increase dues to \$5,500 for all owners, including the three associate members of the Association who would be paying the full dues amount moving forward.

Rob said that 2022 dues had been \$3,000 with a \$1,000 assessment. The cost of the assessment was now built into the dues. So, the dues would effectively be increasing from \$4,000 to \$5,500.

Rob noted that the line item for tree removal and legal expenses had increased. The Budget also reflected the income from design review fees, deposits, and expenses for paying Kent Cowherd for design reviews.

Kip made a motion to approve the budget as presented. Jason seconded the motion, and it was unanimously approved.

Regarding the front entry issue, Greg said that he had reached out to Steve Curtis and was hoping to meet with him and Margaret at the gate in the next week to discuss future plans. Greg was also planning to reach out to Aaron Ramsey regarding the gate at the back of the old dumpster area and hopefully make a plan to facilitate revegetation.

Rob noted that the gate had malfunctioned and Kip had been unable to get the gate to open during a power failure. Matt Kooler had come out personally to look at the gate and had ordered some parts to address the issue. The gate continued to be occasionally problematic, and Rob and Kooler would continue to monitor the issue.

The meeting adjourned at 5:30 p.m.

Bill Lacy, President

Prepared by Rob Harper,
Toad Property Management, Manager