

Saddle Ridge Ranch Estates
2018 Annual Homeowners Association Meeting Minutes from
Tuesday, October 16, 2018
10:00 A.M. @ Peak Property Management and Sales, 318 Elk Avenue

MEETING MINUTES

Call to Order/Proof of Notice/Roll Call

The Saddle Ridge Ranch Estates Homeowners Association's annual meeting was called to order at 10:03 A.M. on Tuesday, October 16, 2018 at Peak Property's office. The meeting notice was emailed and mailed out on September 7, 2018, and the meeting packet was emailed out on October 4, 2018. The meeting was represented by the following owners and a quorum was established for an official meeting.

HOA Owners

Attendees:

- Lot 1: Kim Hansen (Call in)
- Lot 2: Lot 8 Roscoe Development, Doug D'Apuzzo (Call in)
- Lot 6: Peter Bakes proxy to President-Doug D'Apuzzo
- Lot 7: Timothy Fretthold (Call in)
- Lot 11, Lot 12: Hans Helmerich (Call in)
- Lot 14: Ken Moore (Call in)
- Lot 15: Tobin O'Donnell (Call in)
- Lot 18: Ron Edmundson (Call in)

Peak Property Management and Sales

Tom Hein-Association Manager

Confirm Current Owners Contact Info

Due to Colorado privacy rules Peak Property is not allowed to share homeowners phone numbers and email addresses without their permission first. If you would like your info available to other owners and in HOA emails to owners, please let Tom H. know otherwise your contact info will be invisible in HOA owner emails. The use of email helps reduce the HOA's mailing expenses.

Approval of HOA Meeting Minutes from October 17, 2017.

Hans Helmerich made a motion to approve the October 17, 2017 meeting minutes. The motion was seconded by Kim Hansen, all were in favor, none opposed, and the motion was approved.

Managers' Report

Tom H. welcomed everyone to the 2018 Saddle Ridge Ranch Estates Annual Homeowners meeting and updated everyone there are two new lot owners (lots 15 and 16), lot 17 is under contract and lot 18 is starting construction. There has been a lot of buyer interest in SRRE since the announcement and sale of CBMR to Vail Resorts. The HOA is working on finalizing the irrigation plan to deliver non-potable water for landscape irrigation. The HOA's intent is to have estimated cost completed this winter and hopefully start to implement and install the irrigation plan next spring 2019. The barn's horizontal logs are separating, checking, etc. and the barn will have to chinked next spring/summer. The SRRE log arch at the entrance was damaged beyond repair and is being rebuilt. Peak Property is working with SRRE insurance to get it replaced. The annual maintenance cost is increasing yearly and the HOA should be prepared for increased dues and assessments since it does not fund a recommended Restricted Reserve account for future projects, repairs, emergencies. Kim Hansen asked how the road was holding up since the repairs last year. Tom H. reported the road is hold up well, but every two years has to be re-evaluated for crack filling. Ken Moore asked if the contractor who damaged the entry arch was being cooperative with SRRE insurance company. Tom H. reported not so far and that SRRE insurance was planning to subrogate to collect on loss. Ken Moore said he would look into the situation as it was a subcontractor who was working at his home.

Old Business (Review of the 2017 Agenda's New Business)

- 1) Signed CCIOA Resolutions complete and ready to return to Peak?
-2017 Meeting Results: Doug D'Apuzzo has them to review and will sign and send them to Hans Helmerich to sign and return to Tom at Peak Property.
- 2) Irrigation Plan Update: to provide non- potable water to individual lots for watering exterior landscape.
-2017 Meeting Results: The SRRE Irrigation Plan in conjunction with SRRE Water Rights decree describes the guidelines and requirements the Association must follow regarding the ditches for irrigating the open space and individual lot landscape watering. The preliminary design for the irrigation plan needs further analysis and engineering due to the complexity nature of water rights. The owner's agreed and approved to move forward with speaking with SGM engineering regarding their original concept/design (Irrigation Plan) for SRRE and asking for a new proposal for services. By proceeding with design and implementation of the Irrigation Plan thru out the property the lower lot owners would be able to build and water their landscape under the requirement of the design guidelines approval. The HOA's intent is to hire an engineering firm and proceed with analysis, design, engineering, and cost estimating this winter/spring '18, put it out to contractors to bid summer/fall 2018, select contractor winter 2018, and proceed with construction summer of 2019. Sooner if the preliminary work can get done faster. Preferred implementation would be in stages/phases and as needed, but this will be determined in the analysis and budgeting.
- 3) Short Term Rentals? Review Association Doc's.
-2017 Meeting Results-Short term rentals are not allowed per the Association Doc's and are not preferred by the owners.

4) Maintenance and Repairs Needed.

1. Stain Horse Barn. Review Bids.

-2017 Meeting Results-Kim Hansen asked if the contractor proposals had all the same scope of work as it appeared they didn't. Tom Hein will ask contractors to revise their bids to include all the same scope of work. Staining and painting the horse barn was approved by the owners and to be paid for out of the reserves.

New Business

1. Tap Fee/Water Shares increase November 1, 2018. New amount \$42,000.00.

- a. **2018 Meeting Results:** tap fee/water shares increase as of November 1, 2018 from \$34,500 to \$42,000.00.

2. CCIOA Resolutions complete and ready to return to Peak.

- a. **2018 Meeting Results:** The BOD's finished up the last revisions and this is complete. CCIOA is the Colorado state regulatory rules for HOA's and stands for Colorado Common Interest Ownership Act.

3. Irrigation Plan Update: to provide non- potable water to individual lots for watering exterior landscape.

- a. Smith Hill/SRRE irrigation ditch issues.

b. **2018 Meeting Results:** The HOA BOD's is working on finalizing the irrigation plan to deliver non-potable water for landscape irrigation. The HOA's intent is to have estimated cost completed this winter, finalize how to pay for it, and start to implement and install the irrigation plan next spring 2019. The current plan is being developed based on SGM's original/previous irrigation work they did when developing the property. SGM original work outlined the proposed irrigation ditch routes, specifications for concrete water storage vaults and how owners are to irrigate from them, new head gate and measuring flumes, etc. After reviewing SGM's recent proposal for \$24,000.00, the Board felt SGM would be duplicating their previous work and decided to save the Association the money by taking on the work SGM was proposing themselves. Tobin O'Donnell asked what were the risk if the HOA didn't get the irrigation plan right. The biggest risk is not completing the irrigation plan and not getting water to the southeast side of the property to irrigate the open space under SRRE obligations. Risks are being reduced by developing a good plan and using the right materials like pipe to move the water to reduce water seepage/loss and reduce evaporation. The irrigation system will be easy to alter, modify and control the water flow once everything is installed. Ron Edmundson asked about initial cost, and would it be presented to the owners. Yes, once all the cost is figured out the owners will be notified before any assessments or construction starts. Regarding Smith Hill their road is washing out into SRRE ditch and Tom will work to find a solution with them.

4. Review Design Review Process

- a. **2018 Meeting Results:** Ken Moore asked to comment on the design review and construction approval process for his home. Ken Moore felt the process was slow and inefficient and hoped in the future the process could be improved to help owner better understand the HOA design requirements, covenants, and guidelines. The

process caused confusion and frustration and extra construction time and cost. The DRB mentioned this was the first approval since the first home 10 years ago and there were issues the DRB had not come across such as the patio area outside building envelope, an open fire pit safety concern, and landscape revisions were slow to be resubmitted. All of which required additional meetings and time to sort thru. Regarding the pond approval, it has not been approved and water for the pond belongs to the HOA under its Water Decree, water rights, and irrigation plan. Hans Helmerich acknowledged Ken's frustration with the process and mentioned that the DRB has since discussed the review and approval process. The DRB recently approved lot 18's construction and landscape plans in less than 60 days. Tobin O'Donnell asked about updating some of the design guideline required building materials (wood shingles). The DRB has some flexibility regarding materials, but any changes to the Design Guidelines and/or Covenants would require going to the county for review and approval. That could cause unforeseen issues and additional changes the HOA does not want.

5. Reserve Study and Maintenance-Repairs Needed.
 1. Replace entry log arch. Not an Association expense.
 2. Chink the exterior of barn. HOA expense not budgeted for in 2019.
 3. Stain (oil) interior barn wood/logs and stable wood. HOA expense not budgeted for in 2019.
 4. Build/construct/Implement Irrigation design. HOA expense not budgeted for in 2019 on.
 5. Noxious weed spraying. Peak to investigate subsidy from the Gunnison County Weed Program.
 6. Possibly need to crack fill SRRE road before winter 2019-20 (later summer).
 - a. **2018 Meeting Results:** Item #1 is underway and should be completed before ski area opens. HOA's insurance might have to subrogate against C.B Mobiles company's insurance.
Items #2, #3, #4 cost will be collected and reviewed by the BOD's over the winter and plan to do the work in the spring/summer 2019.
Item #4 Peak Property to look into Gunnison County's Noxious weed program and a subsidy of 40% to offset the HOA's cost to maintain the open space from noxious weeds.
Item #6 to be evaluated next summer and done if needed.

Financial Report

The Saddle Ridge Ranch Estate checking/operating account as of September 30, 2018 had \$2,755.87, the restricted reserve account had \$29,316.25, and there was \$23.32 in accounts receivable for a total asset amount of \$32,095.44. The Association's 2018 budget thru October 4, 2018 had a positive net income of \$2,665.54 and is forecasted to finish positive if there is not a lot of snow plow removal between now and Dec. 31, 2018.

Some budget line item costs have risen, and the 2019 proposed budget reflects those increased cost: noxious weed removal, maintenance, management fee, professional and legal fees. The 2019 proposed budget does not include the unbudgeted maintenance items/cost discussed in the 'New Business' section (#5-2, #5-3, #5-4). An assessment will be most likely to pay for these. Hans Helmerich

suggested the owners consider a yearly one-time capital assessment payment to help build up more reserves to lessen/offset future repair/improvement cost. Hans Helmerich mentioned doing an analysis of reserve savings comparing SRRE to other similar HOA's (and if they allow wood shingle roofs).

The proposed 2019 budget had a \$40.00 per lot dues increase to cover the increased cost and will provide a small positive net income of \$705.00. Hans Helmerich motioned to approve the 2019 proposed budget with \$40.00 dues increase, Kim Hansen seconded the motion, all were in favor, no one against, and the motion was approved.

Election of Board of Directors (4-year terms)

President- Doug D'Apuzzo 2016-2019

Vice President-Kim Hansen 2016-2019

Vice President-Tobin O'Donnell 2018-2021 (Pending/effective after lot 17 closes approx. Oct. 24, 18)

Vice President-Ken Moore 2018-2021

Treasurer- Hans Helmerich 2016-2019

Establish Date for next meeting-October 15, 2019, 10AM @ Peak Property.

Adjournment

Kim Hansen made a motion to adjourn the meeting, Hans Helmerich seconded the motion, all were in favor, and the motion was approved. The meeting was adjourned at 11:30 A.M. on October 18, 2018.