

Saddle Ridge Ranch Homeowners Association
HOA Meeting October 22, 2013 @ 10:00 am
Peak Property Management and Sales
Meeting Minutes

Call to Order

The official meeting was called to order at 10:11 am. A quorum was established.

Proof of Notice- 9/24/13, 10/11/13, 10/15/13

Roll Call:

HOA Members:

- Lot 1: Kim and Laurel Hansen, represented by proxy to Jonathan Rose
- Lot 2: Lot 8 Roscoe Development, Doug and June D'Apuzzo, via telephone
- Lot 6: Bruce Keene, Jr., assigned proxy to Jonathan Rose
- Lot 7: Timothy Fretthold, via telephone
- Lot 11, Lot 12: Hans Helmerich, via telephone
- Lot 14: John Rosen, represented by proxy to Tim Fretthold
- Lot 16: Jonathan Rose, via telephone
- Lot 18: William Zeiter, via telephone

Peak Property Management and Sales representatives:

- David Dlugasch, Peak Property Management Owner and HOA Manager
- Joan West, HOA Accountant
- Katie Morgan, HOA Assistant

O'Hayre Dawson & Norris representative:

Michael Dawson

Approval of Last HOA meeting Minutes

John Rose made a motion to accept the 2012 meeting minutes. Hans Helmerich seconded the motion. The minutes were unanimously approved.

Managers Report :

David Dlugasch presented the Manager's Report.

1. There have been many meetings with Jay Barton, Tim Fretthold, and Glacier Lily to finalize the work that needed to be completed on the Meridian Ditch. This will enable the ditches to function properly. Although this construction is being completed on the ditch, there will be annual maintenance required to

keep the ditch functioning properly in the future. This will be a line item included in the annual budget.

2. The barn is due for staining in the spring and Peak received a bid from Purple Peak, who did the original staining, to re-stain the barn (not to include the white trim). Purple Peak also did the staining 4 years ago. Peak Property also had the lag bolts tightened on the barn. The water was not turned on in the barn again this year, as there was no need for water.
3. Peak replaced the damaged gate next to the water company. The repair included a concrete base and a hinged gate.
4. Peak Manager David Dlugasch spoke with Accountant Joan West regarding moving funds into the Reserve Account. There was also discussion about long-term projects at Saddle Ridge Ranch such as future road repairs and barn maintenance. Peak had the road tarred last year by Sealco to seal cracks that were appearing in the road. Bill Lacy gave the road work a 10 year life expectancy. The cost of repaving the road in 10 years would be \$150,000.00. Peak had the road tarred last year by Sealco to seal cracks that were appearing in the road.
5. Peak asked Barry Co. to bid on spraying weeds following the 2012 meeting. Barry was not able to give a firm bid and was not able to perform weed mitigation on the property because they were too busy. David Dlugasch is speaking with Barry Co. to make sure SRR is scheduled for next years weed mitigation. Saddle Ridge Ranch has not had any notification from Mt. Crested Butte regarding weeds.
6. Peak Property will walk the fence line in spring 2014 to inspect the fencing. Any repairs that are necessary will be managed by Peak's maintenance personnel. On Friday, 18 October there was a break in the fence line and some cattle got loose. The cattle were being moved to another field that day, but the break in the fence line needs to be repaired.

Financial Reports:

Accountant Joan West presented the balance sheet and proposed 2014 budget. Joan highlighted that the Ditch Repair line item would have an additional expense of \$6,000.00 this year that is not currently reflected in the 2013 actuals.

David and Joan would like to create a Capitol Plan for the HOA to include future budgetary concerns that were discussed in the Manager's report such as the road construction.

Jonathan Rose motioned to accept the budget. Hans Helmerich seconded that motion. The budget was unanimously approved.

The HOA inquired what types of accounts that HOA assets are being allocated to. There is \$10,926.79 in an interest-bearing money market account that is currently yielding 0.2% and \$14,255.63 that is in a CD that is currently yielding 0.37%. Joan will be following up with the HOA of the CD expiration date. Jonathan Rose is going to investigate some different options on where to relocate the reserves money to in order to get the highest interest yield in order to support longer term projects such as the road construction project.

Old Business

Weed Mitigation

Weed Mitigation was discussed in the Manager's Report.

Breem Ditch and Hidden River Construction Project

Jay Barton from Hidden River Construction provided David Dlugasch a project update on the Ditch Progress:

Hidden River is currently working on the lower ditch, as well as the portion of the upper ditch that was not finished last year. Grass and debris is being removed and the construction company is working on the bottom of the ditch with a mini-ex. This work will result in less transit loss due to friction, which causes evaporation and absorption. Hidden River is leveling the side of the ditch and clearing brush as needed during this process, which will help with future ditch maintenance. Some diversion points for the water will also be fixed during this project. The final step performed by Hidden River Construction will be to spray the ditch with a weed retarding agent.

Jay Barton and Hidden River Construction will maintain these ditches annually. Although the cost will be reduced following this project, there will always be an annual maintenance fee in the budget.

Tim Fretthold stated that past work on the lower ditch improved water flow. There is some concern about the portion of the ditch that goes under the road at Smith

Hill. This portion of the ditch gets clogged with debris from the road. There were some improvements made last year, but the improvements were not enough to prevent this debris blockage from happening. David Dlugasch will call Colby to inquire about the condition of the Meridian Ditch at Smith Hill.

New Business

Barn: Anchor bolts and wood stain

Purple Peak put in a bid to re-stain the brown sections of the barn for \$3,520.00. Jonathan Rose motioned to accept the bid and proceed with the Barn staining in the Spring of 2014. Tim Fretthold seconded that motion. The barn stain project was unanimously approved.

Delinquency of dues and the lien process

Accountant Joan West discussed the current dues delinquencies. One member of the HOA is currently delinquent has put a check in the mail. All owners that are currently delinquent on dues have been in communication with Peak Property Management regarding the delinquencies. Late fees and penalties have been imposed on these delinquencies, and no liens are necessary at this time due to the amount owed and the circumstances regarding payment.

Breem Ditch Case Update:

Michael Dawson discussed the latest settlement agreement proposal with the HOA. The settlement agreement stipulates that the flow rate be reduced from the historic allowance of 5.4 cfs daily during high water to 0.6 cfs daily during high water. This reduces the historic annual allowance from 300 acre ft to a 95 acre ft. flow rate. Attorney Michael Dawson recommended that this settlement be accepted because it put Saddle Ridge Ranch in a better position.

Tim Fretthold agreed that this settlement was a positive outcome for the HOA. There was a vote to accept the Stipulation. Tim Fretthold motioned to accept the Stipulation and Jon Rose seconded the motion. The motion was unanimously accepted.

Michael Dawson is going to file the consent to entry of decree. Once this court case is officially closed and all of the legal documents are received, then Mike Dawson will compile all of the paperwork in a binder so that the HOA has a history of the case and any HOA member can view the documents as requested.

Election of Board of Directors

Tim Fretthold nominated that all the 2012 BOD incumbents remain in their current positions for the next term with the exception that his position of Vice President be replaced with William Zeiter. Hans Helmerich seconded the motion. The BOD nominations were unanimously approved.

The new BOD officers and terms of service are as follows:

2013-2016 President: Jonathan Rose

2013-2016 Vice President: John Rosen

2013-2016 Vice President: Doug D'Apuzzo

2013-2016 Vice President: William Zeiter

2013-2016 Secretary/Treasurer: Hans Helmerich

Establish Date for next meeting

The 2014 annual meeting is scheduled for 14 October, 2014 at 10:00 am.

Adjournment

The meeting was adjourned at 11:01 am.