

Saddle Ridge Ranch Estates HOA.
Board of Directors Meeting Minutes from
December 10, 2019
9:00 A.M.

Meeting Minutes

Call to Order/Roll Call

The SRRE BOD's meeting was called to order at 9:04 A.M. on Tuesday, December 10, 2019 at Peak Property's office. The meeting notice was emailed out on December 5, 2019. The meeting was represented by the following BOD's and a quorum was established for an official meeting.

BOD's

President-Doug D'Apuzzo

Vice President-open

Vice President-Kim Hansen

Vice President-Ken Moore

Treasurer-Hans Helmerich

Approve Meeting Minutes from 2.22.19

Meeting Minute approval was delayed to next official Board meeting.

Old Business (New Business from 2.22.19)

1. Executive Session

Meeting Results: Tom Hein welcomed everyone and announced that the Board of Directors were meeting in 'Executive Session' and no owners would be attending. The Board decided to follow the provide agenda for the meeting.

2. Irrigation Plan Discussion/Update

Meeting Results: The Board reviewed the provided irrigation plans that Board members Dapuzzo and Helmerich have been working on. Tom H. noted that he had not been able to get ahold of Jay Barton who he and the Board had been discussing the irrigation plan with and was supposed to be working on cost for the plan. Ken Moore asked about water usage and HOA being able to obtain/use enough of its water rights in order to maintain and/or not lose them? Ken M. thought that the HOA should hire an expert in that field to verify the merits of the Board's plan before proceeding and installing. Doug D'Apuzzo felt that between the selected contractor and Mike Dawson the HOA could handle and figure it out. Doug noted that part of the ditch (corner of SRRE and Glacier Lilly property to head gate at Meridian Lake) is not part of this phase but will be part of the overall plan. Kim Hansen asked about the proposal the HOA got from SGM to design and oversee construction of an irrigation plan. Doug D. responded the Board felt they could save the Association \$20k+ by designing the irrigation plan themselves based on irrigation design work previously done by SGM. Kim H. agreed and noted that was the Boards decision previously. The Board thought since Jay B. is not responding to get one or two more bids. Lacy and JCI will be contacted for interest. The Board would like to set a timeline, but none was set except that they'd like to have cost by April 1. The Board discussed if lot 18 needed water before the irrigation plan was implemented that the lot was close enough to the pond that water could be drawn from there.

3. Design Review Board=Board of Directors

- a. Review Construction Approval Process-All doc's can be found on Peak's web site at <http://www.peakcb.com/Association-Management-Services>

Meeting Results: The Design Review Board is made up from the Board of Directors and the HOA has a Construction Approval Process when owners are ready to build. This process can be found on Peak Property's web site or in the HOA's Design Guidelines handbook. Tobin O. asked if the design guidelines regarding metal roofs could be changed to allow standing steam metal roofs. The Design guidelines do allow for a percentage of metal roofing (secondary roofs) intermixed with another roofing product.

4. BOD working session to discuss BOD priorities for first half of 2019

1. Tobin O'Donnell thought the HOA should have another independent attorney for general matters besides Mike Dawson to reduce any conflict of interest because Mike D. is the developer's attorney. All the Board members agreed Mike D. would be the best person to review any matters related to the irrigation plan and SRRE water rights. Tom H. will provide a few recommendations to the Board.
2. Future cooperation and coordination with Glacier Lilly regarding the upper section of the Meridian irrigation ditch will need to be done.

5. Summer Maintenance

1. Interior Staining
2. Chinking exterior barn logs

Meeting Results: Contractors have recommended chinking the barn to prevent further checking, cracking, fly problems, and log rot, but it is more important to address the condition of the logs. The barn has air gaps in spots between the logs that daylight can be see through. The interior side of the logs and woodwork in the horse staples have never been oiled/conditioned. The Board decided to defer interior staining and exterior chinking and discuss again in 2020.

6. Insurance

1. Hartford \$2,185
2. Liberty Mutual/Mtn. West-\$6,142
3. American Family-declined to quote due to equestrian center.

Meeting Results: The Board discussed the insurance options and Kim H. noted the Hartford Policy provided adequate coverages, standard inclusions, and was in line with fair market pricing. The Hartford replacement coverages for the barn is \$1,000,082.00. Doug D. was going to verify that was enough coverage. The equestrian center was a red flag for the other insurance companies which raised the premium or was reason for declining. Tom H. was asked to call USLI to see if the 'inclusion' regarding water could be removed since the irrigation plan is not implemented.

New Business

1. Review proposed 2020 budget and make recommendation to owners.

a. Meeting Results: The Board reviewed the proposed budget and after discussing future maintenance needs (barn, arch, road) decided to defer the road maintenance and removed it from the budget and assessment based on the HOA has had previous assessments during the year. Ken Moore mentioned the HOA has experienced minimal expenses in the past, but the alpine environment and age of the HOA's assets are starting to require additional maintenance and upkeep. Additional future maintenance expenses will be required soon for the road, the irrigation plan on the northside road irrigation plan, and to re-store the Meridian ditch to its original decree size. After further discussion Kim Hansen made a motion to approve the proposed 2020 budget, minus the road repairs (\$9K), but with a dues increase of \$270.00 a year, and including an

assessment for \$20,000 for maintenance repairs (barn stain \$12K, \$5K caulk and chink barn, and \$3K to stain arch), Ken Moore seconded the motion, all were in favor, no one against, and the motion was approved.

2. New Board member-Tommy Pittenger

a. Meeting Results: At the unofficial annual meeting on December 3, 2019, Tommy Pittenger expressed interest in serving on the board. Being on the Board is a big-time commitment and the Board discussed that a process should be established for selecting and/or joining the Board. Such as a resume and letter stating why a prospective owner would like to be on the Board. Doug D'Apuzzo suggested a criteria for selecting potential new board members. The Board did not make a final decision regarding the criteria for joining the Board and decided to discuss it again at the next Board meeting. A big reason for the criteria list, is in case the HOA has more than one owner who has interest in serving, the Board has something to use in the selective process. A follow up email was sent to Tommy P. reviewing the time commitment and asking for letter why he would like to serve on the Board.

3. Upcoming Design Review submittals- lot 17 Tommy Pittenger and lot 6 Peter Bakes

1. Jim Barney -Freestyle Architect on board.

a. Meeting Results: Lot 17 will be ready for their first design review meeting early January and lot 6 is working on preliminary plans for review.

4. Irrigation Plan

1. Assessment collection update

2. Contractor update

3. Discuss upper Meridian Ditch-how to size pipe for proposals? For water rights or actual amount

a. Meeting Results: All but 3 owners have paid the irrigation phase 1 assessment. The contractor is scheduled to start in the spring and has guaranteed his proposal price for labor and a maximum material cost increase of 10%. The Board discussed the Meridian ditch's decree'd water rights and the actual size of the ditch, how much actual water it can carry compared to actual water rights, and actual amount of water released by the dam/MT. CB water and sanitation. After discussing all these topics, the Board decided it was relevant to discuss the HOA's water rights, and how best to proceed with the HOA's water attorney advice. It is a legal matter between the HOA and Mt. CB Water and Sanitation.

5. Payment Plan Proposals- Silvester lot 4, Jontiff lot 5

a. Meeting Results: The HOA has a collection policy for unpaid dues and assessments but does not have a payment plan policy. The Board was unsure what CCIOA required HOA's to do and decided to ask the HOA's attorney for advice.

Adjournment

Hans Helmerich made a motion to adjourn the meeting at 11:30 AM, Ken Moore seconded the motion, no one against, and the motion was approved.