

SRRE Water Co. Board of Director's Meeting
2/23/21

Meeting Minutes

1) Call to Order

The meeting was called to order at 7:33 am on 2/23/21.

2) Establishment of Quorum

-Tracy Currie

-Doug D'Apuzzo

-Joe Knox

-Tom Hein, Peak Property

Roll call was taken and a quorum was present for an official meeting.

3) Review and approval of BOD's meeting minutes

-2.18.21

Joe Knox had two changes for the 2.18.21 meeting minutes that were made to the meeting minutes. Tracy Currie made a motion to approve the 2/18/21 meeting minutes. The motion was seconded by Joe Knox, all were in favor, none opposed, and the motion was approved.

4) Reports of Officers and Committees

Tracy Currie reported he spoke with Jerry at SGM regarding getting an opinion on caretake units and how they apply to being a public water system. They also spoke about the Water Co. 2003/04 public water system registration number with the state of Colorado which was not activated. The Board has additional questions for SGM that Tracy Currie will follow up on.

Joe Knox reported Fox Trot #1 was planning to start construction this spring 2021 and may want to build a caretake unit. Caretake units per the Water Decree cannot be serviced by the Water Co. SRRE lot 6 is expected to start construction this spring 2021 which will result in 14 homes on the system by mid-year 2021. The Board discussed if the Water Co. should send a letter/disclosure to all the shareholders to make sure they understand the requirements of the Water Decree and all Water Co. legal documents. Especially around caretake units. 100 Shares equals 1 EQR. Tracy Currie suggested to have Huckstep draft a letter to be sent out to all the shareholders and the Board agreed.

5) Old Business

A. Who is responsible for the water infrastructure in.

1. SRRE HOA

2. Three Valleys

3. Esposito Line

4. Fox Trott

B. Public Water System Discussion

1. Discuss Multi-Residence Tap Issues
2. Clarification of number of B Shareholders and their obligations for fee's

C. Discuss Stock Certificate revisions

6) New Business

A. Clarification of number of B Shareholders and their obligations for fee's

The Board reviewed and discussed the Water Co. Bylaws around section 6.2 and the revised 2011 and 2015 Bylaws. Doug D'Apuzzo said the Bylaws were updated because the Water Co. was not functioning properly, and new owners were not purchasing water shares. The issue/question is are there any class B shareholders not responsible for assessments and availability fees. Doug D'Apuzzo stated that the 2003 Bylaws anticipated that property owners were the same as shareholders and the workings of the Bylaws did not function with two different entities. The Bylaws were modified in 2015 to address these issues. Joe Knox mentioned that the revised Bylaws were not reviewed or voted on by the shareholders and that is a problem. The Board discussed how to move forward and decided to have Huckstep review the Bylaws. The Board discussed how to ask Huckstep to help and interpret the Bylaws to answer the question, are all class B shareholders responsible to pay assessments and fees? Or Who is responsible to pay assessments and fees? Tracy Currie said this is the most tangled issue the Board/Water Co. has and once they start working to resolve this with Huckstep it will be expensive for the Water Co.

The Board discussed and reviewed the Water Service Agreement with Three Valleys. Should the Water Co. be collecting fees from 29.5 or 28.5 shareholders? The Water Co. is not receiving fees from Guerrieri and the 100 shares from the SRRE HOA. Joe Knox believed if you own a stock certificate you are a shareholder. The Board came up with three questions for Huckstep to be reviewed at the next meeting.

1. Based on Bylaws section 6.2 who is responsible to pay assessments and fees?
2. Are lot owners who are not shareholders subject to Water Co. assessments and fees?
3. What documents should the Water Co. look at.

B. Loan info review

The Board reviewed Community Banks email about their loan process.

7) Schedule for next meeting

2/2/21 at 7:30am

8) Adjournment

Tracy Currie made a motion to adjourn the meeting, Joe Knox seconded the motion, all were in favor, and the motion was approved. The meeting was adjourned at 8:52 A.M. on February 23, 2021.