

Owners Association of Elk Meadows Estates
Annual Meeting Minutes
July 7, 2018

I. OPENING

- A. Roll call and introductions: Belinda Chisholm (lot 10), president, called the meeting to order at 9:15am.
 - a. Guests:
 - i. David Graf (Moeller Graf, Attorneys At Law, legal counsel)
 - ii. Murray Bain (Summit HOA Services, governance; document revision)
 - b. Attendance: Per sign-in and proxy sheets (hardcopies on file)
 - c. Parliamentarian: Walt Atwood (lot 22).
- B. Open Forum call to add items to the agenda:
 - a. Nancy Lazenga (lot 123) asked for a speed limit discussion
 - b. Diane Thompson (lot 115) on County Road 5 representation
- C. Number of shares represented: 31 + 2 by phone lots represented in person; 40 proxies. As a result: Our Governing Documents have ambiguities, this issue has become of paramount importance in conducting business, so the question of exact figures has been determined by legal counsel (legal determination finalized Aug 3, 2018). Articles override Bylaws and so the following paragraph from Elk Meadows Governing Documents (old version is the governing one) is the rule that determines quorum.

Articles of Incorporation

Sixth

A quorum of the annual meeting of members shall be at least sixty percent (60%) of all outstanding stock, and a majority of such stock represented either in person or by proxy shall be sufficient to pass any order of business.

This means our current governing documents require 60% of 127 lots which would be 76 in person or proxy. FAILED QUORUM.

The remainder of the minutes reflect the meeting as it was held under "quorum" until the quorum determination could be made.

- a. Bill Stagg (lot 304) asked for a discussion on the quorum issue, in particular regarding resetting the figure.
- b. An immediate straw poll suggested membership preference for setting the quorum at 30% of the membership, with no default if a follow-up meeting was required due to lack of a quorum.

- D. Call for ballot counters: Chris Brown (lot 425); Kathy Pettengill (lot 404); Laurie Sweetman (lot 17).
- E. Motion to approve Minutes of the 2016 Annual Meeting: held as a result of the decision about a quorum. No Quorum, minutes of the 2016 Annual Meeting not approved. Held until quorum can be met at an annual meeting.

SPECIAL ITEM

David Graf informed the membership of a lawsuit recently filed by the Sprentalls (lot 442) related to the ballot sent to the owners, policy update, and membership rebuttal to their letter to the membership recently distributed per their request.

Questions were raised on

1. Relation of this lawsuit to the prior lawsuit and the resulting settlement,
2. Insurance coverage,
3. Special assessment to fund ongoing legal action,
4. Counter lawsuit.

Answers will depend on the specifics; the membership will be kept informed.

II. PRESENTATIONS/COMMITTEE REPORTS

- A. President's message: Belinda Chisholm. Message included in meeting notification packet, attached here, and posted on the association website.
- B. Treasurer's report: Maggie Guscott (lot 305).
 - a. Finance and Budget: Report attached here, and posted on the association website. The fiscal year is January – December. For all services, the association asks for competitive bids.
 - b. Capital Replacement Plan and Reserve Study:
 - i. Initial plan: 2013, intent to review and update every 5 – 10 years,
 - ii. Timeline:
 1. Draft Request for Proposal has been prepared, engineer search is underway;
 2. Bid selection: Q4 2018
 3. Preliminary report and recommendations: Q1 – Q2 2019
 4. Membership presentation: Annual meeting 2019.
 - iii. Anticipated cost: <\$5,000
- C. Water/Sewer Report: On behalf of Jim Hayford (lot 430), Belinda reported that both systems are operating according to plan. Regarding
 - a. Frequency of sewer pump-outs, in general every 3 years, perhaps 4-5 years, depending on the system. This is being monitored by a community member, and an update report is expected within the next two months.
 - b. Estimate for how many drought years we could survive, the system is built for worst case. Per Walt Atwood.

- c. Belinda mentioned the plan for building a contingency plan for catastrophic failure as a project on the 2019 list.
- D. Solar report: Maggie. Report attached here, and posted on the association website.
- E. Roads report: Scott Alamprese (lot 7). Emphasis on
 - a. 2018 spring grading was 13% under last year's spring grading expense;
 - b. Same 13% expectation for 2018 fall grading;
 - c. Long-range plan to address need for additional culverts to save roads later.
- F. Conservation Committee Report: Diane Thompson. Emphasized the need for attention to counteract the Sudden Aspen Decline disease, as well as support for the Mountain Bluebird nesting boxes (information on both items on the website).
- F. Governing Documents Report: Walt Atwood summarized the status of the Governing Document Revision project. Each of the three documents is up for vote to adopt at this meeting **but held as a result of the decision about a quorum.**
- G. Advisory Committee Report: Joe Lange (lot 215) summarized the role of this committee in supporting the current board in regards to historical and experiential knowledge, and added his appreciation for the opportunity.
- H. Elk Meadows Dues Report: Tim Chisholm (lot 10). Report attached here, and posted on the association website.
- G. USDA Loan Paydown Proposal: Maggie, Kala Rachilla (lot (506): Report attached here, and posted on the association website. This item is up for vote at this meeting **but held as a result of the decision about a quorum.**
- I. Jim Sidwell emphasized the need to ensure that the loan debt account is in an interest bearing account.
- H. Management Company Report: Belinda. Report attached here, and posted on the association website. This item is up for vote at this meeting in terms of proceeding to investigate possibilities further, **but held as a result of the decision about a quorum.**
- J. Dust-Speed report: Belinda. Report attached here, and posted on the association website. Items raised to be investigated further by a Task Force of the Road Committee:
 - a. Lower speed limits and enforcement of same
 - b. Solar-powered "your speed is ..." sign
 - c. More detailed investigation into dust mitigation by Task Force
- K. Pay it forward proposal: Belinda. Report attached here, and posted on the association website.
- L. Plan for Committees: Belinda. Including charters, committee formation, sign-up process.
- M. Board involvement in neighbor/neighbor aggravations (discussion): Outcome:
 - a. Board should inform and mediate as necessary
 - b. Emphasis should be on neighbors talking to neighbors first.
 - c. Policy will be crafted to this effect.

III. OLD BUSINESS – None

IV. NEW BUSINESS

- A. Introduction of candidates for Directors

- a. Nominated candidates: Scott Alamprese
 - b. Call for nominations from the floor: Ben Steenblik (lot (411); John Walker (lot 410).
 - c. Motion by Laurie Sweetman to accept incumbents by acclamation.
 - d. Motion quashed by David Graf (lawyer), not possible since all 5 seats must be elected since this is part of the claim in the filed lawsuit that the appointments were illegal.
- B. Election and voting

V. ANNOUNCEMENTS

A. Results of Election:

Scott Alamprese (54 votes)

Belinda Chisholm (72 votes)

Maggie Guscott (72 votes)

Ceann Ingram (65 votes)

Benjamin Steenblik (49 votes).

In the event that a quorum was not reached, Scott Alamprese and Benjamin Steenblik are appointed to the board by the sitting board, with the above voting confidence of the membership.

B. Results of voting held as a result of the decision about a quorum.

Governing Documents:

Declaration (56 votes to adopt, did not pass)

Articles (61 votes to adopt, did not pass)

Bylaws (59 votes to adopt, did not pass)

Management Company (28 votes, did not pass)

USDA Loan paydown (63 votes, passed to take effect in January 2019) but held as a result of the decision about a quorum:

Increase of \$10/lot/month (32 votes)

Increase of \$5/lot/month (31 votes)

VI. ADJOURNMENT

Motion to approve adjournment (1:45pm) by affirmation.

Respectfully submitted by
EMHOA BOD, July 18, 2018

Neighbors,

After our unorthodox seating last June, and the empty seats of our EMHOA BOD, we sat down and figured out how we could go about the business of the HOA, as well as making a plan for doing so. We utilized the expert advice from Murray Bain, our HOA consultant and David Graf our HOA lawyer. They have been invaluable in educating us on just how we can do our job given the unusual circumstances we found ourselves in.

We spent quite a bit of time familiarizing ourselves with the History of the EMHOA Board, it's responsibilities and duties as well as what previous boards had been working on and what was still ongoing. We wanted the transition to be seamless and so we also spent some time strategizing and working out how we work best together. Right away we established an Advisory Committee consisting of 3 previous EMHOA BOD Presidents, who all accepted our invitation to help us maintain continuity. They too have been invaluable to us!

Much of our work has been invisible to you, and that's as it should be since it's mostly the day to day running of things like paying bills and administrative tasks. The sort of things you trust us, your BOD to just get done.

We wanted to move forward though and create more transparency and accountability. We also felt it is important for the community to be more involved with us. To that end we created Meadows Mondays, our weekly newsletter about what we're doing on your behalf as well as items of interest or ongoing projects. We felt this was a good way to include the community in our day to day workings. It had the added benefit of keeping us accountable to you.

So, you already know we added a new mailbox stand and have been archiving all of the paper documents held in the Firehouse. You already know we've worked on access roads to landlocked lots and have had some minor repairs to the Wells and Sewer Lines.

You've also been more involved with us. You've participated in our surveys and polls to help move along the Governing Documents Revisions. You've volunteered for committees or to help us research projects.

We've included our website in this process and so you've already clicked on links from Meadows Mondays to the website to see the Governing Documents, letters from committees, and some of the administrative tasks that we're also working on like the Committees and their Charters. We've been working on making our website a tool for the community, part of our

effort to reduce paper and make it easier for you access documents, or turn in ballots which was successful for the first time in January.

Part of our work this year has to been to continue bringing our community into CCIOA compliance as well as updating our processes and also involving more of you.

We've worked really hard to take in every suggestion or concern and review it and follow up on them, which included follow up back to the community members who contacted us with their suggestions or concerns. We have also been open and accepted help from you and your expertise when it's been offered. In doing this we've discovered that our role in the community has come into question and so we thought it was time to address that this year as well, you'll see it on our agenda as an item for discussion.

We feel, and we hope you do too, that we've been successful in our strategy to be more transparent, accountable and responsive.

You're receiving your Annual Packet today, in it you will see the fruits of our invisible labor. These are all the projects we've been working on this year outside of the ones we've been telling you about in Meadows Mondays. You'll also see the fruits of the labors of those we've folded into our work. Everything you see in the packet was either something one of you brought to us or was something that was being worked on and we just continued the work.

You will see we have some items to vote on which is why attaining quorum is so vitally important. You've been kept apprised of our quorum failings this past year. We most definitely do not want to go another year without a quorum!

What we're asking of you: Please read through everything, fill out the Proxy/Ballot, it's got more on it than just your proxy. We're going to update our Owners Directory and so if your contact information needs updating there's a spot for that on the Proxy/Ballot. There are also some administrative questions for you regarding how you want to receive your bills and information. (All the colored paper).

Aside from that we do have some items up for vote, there are some very important items such as the Governing Documents, you received them in a separate mailing along with a "White Paper". We also have the USDA Loan and Property Management Proposals.

We want to encourage each and every owner to read through the entire packet and fill out your proxy/ballot. Whether you only visit for 2 weeks each year, haven't visited since you purchased your lot or live here full or part time. Each issue on the ballot up for a vote directly impacts you and you have a voice we want to hear. By the time you read through the packet you will have the information to make an informed vote, we encourage you to do so.

Two BOD positions are up for election this year, we've run shorthanded nearly all year and we'd love to have a full BOD. We will accept nominations from the floor too, don't be shy!

We are also asking to ratify the three other Directors, our second attempt.

You'll see we're a hardworking group but we've created a work space that flows in real time while maintaining procedural responsibilities and allows us to continue to enjoy our real lives, travel and all.

We're really hoping you'll join us for the Annual Meeting, it's going to be loaded with information that you have asked us to look into. We have, and we'll be presenting our research back to you.

We'll also be launching some new committees this year as well as re-launching our standing committees. Anyone and everyone is welcome to sign up for committees even if you don't live in Elk Meadows full time, there is plenty for you to participate in long distance.

We're really excited to show you what we've been up to on your behalf and at your behest.

Please join us July 7 at the 4H Center, as added incentive, we will have muffins and cookies!

Bring or send your filled-out Proxy/Ballot, your input is really important to the entire community!

Cordially,

Belinda Chisholm EMHOA President 2017-2018