

Minutes of Annual Meeting for Shadow Mountain Ranch Property Owners Association
July 20, 2019 at Shadow Mountain Guest Ranch

1. Meeting called to order at 411 pm by President, Julie Knauf
2. Treasurer report and Agenda copies were passed out to attendees.
3. Introductions were conducted by those present. The following lots were represented by personal attendance of owners: 1, 4-1, 6-2, 8, 11, 12, 15, 17, 18, 19, 25, 27, 28, 30, 32. Proxies were presented for the following lots: 5-1, 5-2, 16, 24, 31. Those lots represent 727.86 acres which is 58% of the total acreage, thereby exceeding the Bylaw requirements for a minimum quorum of 25%.
4. Mention made of Richard Naing and Jarod and spouse who are managing High Country Trail Rides on Highway 125.
5. Proof of Notice not required due to presence of more than Quorum.
6. Minutes of July 21, 2018 Annual Meeting were approved as submitted by acclamation.
7. Treasurer Report was reviewed by Julie. Expenses in 2018/2019 Fiscal year were less than budgeted due to reduced snow plowing and mosquito spraying. Current Board decided to open a saving account with \$20,000 to establish a Reserve account to mitigate unanticipated future expenses which can likely be handled without need for special assessments.
8. Budget for 2019/2020 was presented to include spending for road maintenance and legal costs for updating Declarations and Bylaws to comply with state laws which have been revised significantly since SMRPOA was established in 1992. Budgeted allocations of assessments include a \$2/acre increase to a total of \$21/acre for 2019/2020 Fiscal Year. These allocated assessments have not been increased for the past 16 years.
9. Question raised about two state licenses required. Tim Hileman explained these are to keep SMRPOA current with state regulations. There was also a question about reimbursement for snow plowing when Tom Mullinex was out of town. The Board requested that Chad Zeman plow east side roads that one time. He was reimbursed \$200 for that work which was less than Tom Mullinex charged for the same work. Although Chad did not request reimbursement, since the Board requested the work, it was deemed reasonable to compensate him for that work.
10. Road Committee Report was reviewed including recommendations and cost estimates for future road maintenance tasks to be done over next few years. Last road maintenance was done in summer of 2016 including grading, ditch cleaning, added road base, and application of magnesium chloride. Future road work is recommended to be done at 2- or 3-year intervals depending on actual road conditions. There is also a recommendation to repair hillside sloughing into culvert at rock cliff on east side road on Lot 10 and 11. Estimates for this repair varied widely including \$2000, \$11,000, and \$14,000. The Road Committee recommended trying the \$2000 repair for this year in hopes that it will solve the problem for the long-term. If not, we may need to implement one of the more costly retaining wall solutions in the future. If individual property owners want to have their private driveways graded or treated with magnesium chloride, those owners are free to contract separately with the contractor doing the work on POA roads, but any such work on private drives must be paid directly from those owners to the contractor. The POA has no responsibility for work or costs on private driveways. Estimated costs for recommended POA road work to be done this summer is \$17,000 including grading, added road base, and magnesium chloride.

11. The Board outlined needs to update Declarations and Bylaws to conform with revised Colorado state laws. This will require an attorney to draft updated documents to amend or replace those original documents. Such amendments will require a future 67% affirmative vote by the total acreage in SMRPOA. Board has proposals from two law firms for \$750 and \$1500 respectively to do an initial evaluation of the POA's documents and establish fees for complete document update which is **estimated** to be \$4700 as shown in the new budget.
12. Moved and seconded and unanimously voted to approve Treasurer Report and Budget as submitted to include \$2/acre increased allocation of assessments to cover costs for \$17,000 of road maintenance and \$4700 of legal fees.
13. Chad Zeman, Chairman of Architectural Control Committee (ACC), reported on a request received from owners of Lot 19 to install a trailer on their lot. The ACC granted a temporary variance to install the trailer down the hill where it would be relatively unobtrusive from POA roads and adjacent properties. The ACC wants to have the opportunity to evaluate the real visibility in its current location. The committee spent considerable time on evaluating all the issues around the current location. Those concerns included generator noise, black water disposal, smoke from fire pit, etc. The ACC requested that any lot owners with concerns on this subject should send their specific concerns about this topic by email to Chad at zemanhanratty@gmail.com. The ACC's observations of various other lots confirmed that many members of the association have technically non-conforming issues on many of their lots, but there have been no complaints about those non-conforming uses on Residential Lots. Bill Edelstein expressed some concern that the trailer was somewhat visible through the trees from one remote portion of his lot (which is on the market). The trailer is not visible from any of the buildings on his lot. Several members expressed support and appreciation with efforts that Lot 19 owners have made to minimize visual impact on other property owners. According to the POA legal documents, the final decision on this topic is the sole responsibility of the ACC.
14. Tim Hileman described recent updates to the POA website including minutes of recent Board meetings. Costs for website are very reasonable and there is a lot of data available to POA members.
15. Bob Hunnes mentioned that a Member Directory was not distributed this year because the Officers do not have written consent from many members to allow for printing and distribution of Owners' emails, phone numbers, etc. State law regarding privacy says that we need that written consent to distribute any info beyond owners' names and mailing addresses. That information is a matter of public record. Bob passed out consent forms to those present at the meeting. Similar consent forms will be mailed to other owners who were not in attendance. After those are returned, a directory will be printed and distributed to Owners who provide their consent. In any event, such a directory is only for internal communication between Owners. It should not be used for commercial, political, or other purposes.
16. Julie described the Firewise Community Project with a report from Lynnae Boyd. SMRPOA was made part of that project in 2018. To maintain our status with that project, ongoing fire prevention activities need to be done and documented. Middle Park Electric has done tree clearing along roads which counts toward those required activities. Individual owners who do other fire mitigation projects on their property should contact Lynnae Boyd to document those efforts. This is a difficult topic because our POA property is surrounded by BLM property which will likely never be mitigated. Also, vacant POA properties (without completed homes) have little or no incentive to pay the costs for fire mitigation on their properties.

17. Julie reviewed new Gate Policy. She will change gate codes on East side on September 1 and March 1 and all members will be notified by email when those changes occur. East gate operation has been erratic by not always closing after vehicles pass through. Electronics there may need to be replaced. Bill Edelstein has replacement parts on order to repair that gate.
18. Tim Hileman summarized the recent survey that was sent to all Owners regarding Short-Term Rental (STR) options. For survey purposes, a Short-Term Rental is defined as any rental of a Residential Lot for 30 days or less. Nothing in this survey would control rentals on Non-Restricted Lots. Likewise, nothing in the survey would restrict rentals of 31 days or longer. Results of survey were:
 - Option 1 - No changes to Declarations - 317 acres (25%)
 - Option 2 - Adopt some kind of regulations - 47 acres (4%)
 - Option 3 - Ban short term rentals - 843 acres - (67%)
 - Not voting - 53 acres - (4%)Because of such a strong response, Board will move forward with hiring an attorney to draft legal language to amend the Declarations/Bylaws for future formal voting by all Owners in a mail ballot.
19. Bob Hunnes described the general process for adopting newly revised Declarations/Bylaws. This will be a three step-process. First step is having a law firm review the present documents and provide a summary of required or suggested revisions. Second step is to request a list of suggested changes that various owners would like to have included in the new Declarations/Bylaws. Third step is to present a draft of those changes to the Owners for a formal vote. This will probably be a long process over several months.
20. Under New business, Steve Bartow described severe, recent problems with cattle coming from BLM leased property onto all the lots on west side of Highway 125 and damaging building siding and deck posts. In addition, “ there is fresh cow shit everywhere.” Possible options include construction of a fence to keep cattle out of POA property, although the affected owners do not want to see a fence. High Country Trails has been very helpful in terms of using their dogs and horses and manpower to push cattle over the divide at the head of Smith Creek, but the cattle came back almost immediately. There was vocal opposition to using POA funds to build a fence because the problem only affects about a dozen properties on the west side. Steve agreed to contact BLM management in Kremmling to set up a meeting to discuss possible solutions.
21. The 2020 Annual meeting or SMRPOA will be on July 18, 2020 at 400pm near Granby.
22. Election of a new Board member was conducted to fill expired one-year term that Bob Hunnes just completed. He was unanimously elected to serve a new three-year term. Julie Knauf agreed to stay on for the remaining two years of her current term. Tim Hileman agreed to stay on for the remaining one year of his current term.
23. Meeting adjourned at 622 pm.