



Property Owners Association Annual Meeting August 2, 2003

Official Meeting Notes

The Annual meeting of the Sage Creek Canyon Property Owners Association was held on August 2, 2003 at the Bailey home. After a brief period of gathering and fellowship, the meeting was called to order by Ward Jackson (wyj) at 9:32 AM. An agenda for the meeting along with other items of information was provided to everyone in attendance. The roll was called, and the results of the roll call are reflected on an accompanying sheet. There was a quorum. The identification of proxies was noted by Treasurer Mike Magliocchetti (Mags) during the Roll Call. Mags produced proof that the notice for the meeting was mailed at least 60 days prior to the date of the meeting.

WYJ introduced the present Board. They are as follows: Mike Magliocchetti, Treasurer; Peter Morris, Vice President. Hilary Arleth, who was elected at the last meeting, was unable to fulfill her commitment, and had to leave the Board. Jeff Steele graciously consented to being a Board member, and has served for the last six months. Wyj has served as president of the Board. The Board was thanked for their service.

Joan and Bill Bailey were thanked for their hosting of the Annual Meeting. Wyj introduce Bill Jarski who, along with his wife Heather, have purchased the lot at the intersection of Sage Creek Canyon Drive, and Sage Hill Drive. They are the owners of Mountain Comfort Furniture, and plan to build on the lot in the near future.

Wyj asked if there were any nominations for the position of Board member, and none were identified.

It was noted that the minutes of the 2002 Annual Meeting had been prepared immediately after that meeting and mailed to all members. Jerry Middel moved, and Jerry Miller seconded, the acceptance of those minutes as prepared. The motion passed unanimously.

Road Committee Report: Clark Griffith presented the report on behalf of his commit which includes Peter Siegel and Jeff Steele. Clark noted that the recent road work had been completed by Bob Wheeler, and we had benefited from some reduced prices for materials from Alpine Rock for recycled asphalt. He indicated that the work was accomplished for approximately \$15,000. He has requested a similar sum be budgeted for the coming year.

Clark indicated that the snow plowing for last season came in at the budgeted amount. The work was performed by Dave Collard, as it has been in recent past. Clark noted that

our roads and driveways suffered a bit from plowing that had to be accomplished when the road base and driveways were soft.

At the conclusion of the report, wyj noted that Collard is presently the only company that will handle the plowing of driveways. Collard keeps indicating that he will be leaving the area, and therefore will not be doing any plowing. If that becomes the case, the community may need to prepare to plow our won driveways. If you prefer not to have Collard plow your drive, put a sign to that effect at the end of the drive. Peter Morris (PM) noted that all obstacles must be clearly marked to assist the snow plow operators.

It was also noted that use of wet or rain soaked roads by horses is very damaging. Those who would have horses in the area are asked to be cautious that hoof divots are not created in soft roadways.

Water Supply Report (wyj): In general, the pump house operations and the water supply operations for the year have been good. The final stage of water upgrades were accomplished as alternate pipe routing in the pump house was accomplished to afford more effective filtration. The Aqua Source company was purchased by another company, and we now have a different person tending to our system on a regular basis. The community has been very good about adhering to the outdoor watering restrictions – thank you for that. We have moved from using a 10 micron filter each week to a 1 micron filter every other week. The 1 micron filters are more expensive, but more effective in removing the iron bacteria and particulate. We appear to have clearer water as a result of the change. There were no significant breaks in the community system over the winter – some suggested because of the good snow cover.

Community members asked that Clark notify them in advance of next years work identifying the contractor incase any member cares to also have personal work done at the same time.

Architectural Review Committee: The report was presented by Audrey Morris on behalf of her committee which includes Lucky Gallagher and Rita Couture. Audrey noted that the Steig residence addition is nearing completion, and the Magliochetti addition is completed. Those were brought before the Annual Meeting last year. She noted that both projects look wonderful, and folks ought to admire the work completed.

The following work was also completed since the last meeting:

- Goetz: front door and decking
- Morris: re-roof and addition of a cricket
- Darzniek: re-roof – same color and style
- Bailey: re painting
- Griffith: driveway paving
- Jackson: driveway re-alignment and additional landscaping

Audrey thanked all those who have assisted her in the work of the committee. She invited others to be a part of the committee. During the meeting and afterwards, Joe Ritter, Joan Bailey, and Peter Siegel offered to assist the committee with its future work.

Mosquito Control: The report was presented by Mags. He reported that we have once again contracted with Colorado Mosquito control from Broomfield. They have been in our community surveying and treating larva growth areas and fogging. They have informed us that West Nile Virus is not prevalent in the High Country. The community is encouraged to remove standing water as often as possible. Nancy Carver asked what measures were being taken with respect to the pond near "the curves". Peter Morris indicated that the mosquito control folks had been asked to give that area special attention. A note was made that West Nile is often active (where it is found) thorough September. Could the community please consult with the contractor if/when we are notified of the presence of West Nile Virus in the area? Wyj responded yes!

Water Rights/Augmentation Report: The report was presented by Peter Siegel (PS) who has been working as point person for this effort. PS indicated that water rights are generally considered real property, and transferred in a similar manner. However, when the community was formed by David Ray back in the 60's this apparently did not take place. He did provision six wells, but did not convey any water rights with those wells. Our community has been, and continues to use, well number 4. Our efforts have identified and located the other wells, some of which are in the South Forty area. PS noted that South Forty residents are all on private wells, and cannot utilize any of the wells which are in question as they are "municipal" wells and rights. Our attorney has filed a Quit Claim deed for the rights to all six of the wells. David Ray has verbally consented to signing over the rights to our community. The "easiest road" for solution would be is he does so, and the process only has to be confirmed officially by the water court. However, that may not be the way things transpire. Certain adjustments might have to be made. In any case, at this juncture, it would appear that we are in fairly good shape. With some work in the water court we have the possibility of having official water rights for 100-150 gallons per minute -- "old" municipal rights. (Sage Creek would likely need a minimum of 60-100 GPM if all residences were full time.)

Fire Road Restoration: wyj reported that the preparation of the fire road for temporary use went rather well after permission was granted by South Forty. The Fire Department actually tested their engines on the route. They asked us not to dig up the prepared road surface when we were done using it. We consented to that request, and have simply covered the prepared road base with dirt which will be seeded. The posts at the Sage Creek end of the fire road are devices to prevent vehicular use of the fire road. The two end posts will be cut down to a more appropriate size. The two in the middle are smaller to allow a fire engine to break them off if they should need to use the road.

2002-2003 Financial Report: The report was presented by Treasured Mike Magliochetti. The complete financial report is found in the hand-out material. Major points from the report: the Road Budget was allocated approximately \$300,000, but we spent approximately \$20,000. We spent a great deal more than the Legal Budget as we got into water rights issues (\$2,285.) There was approximately \$10,000. in the Water Upgrade Budget, but it was only necessary to spend approximately \$2,500. We were

able to put approximately \$15,200. into the reserve funds. The total of the reserve funds as of the end of the accounting period was \$20,333.

Old Business

Public Safety Letters: wyj reported that, as requested at last years Annual Meeting, letters requesting assistance with safety issues at the intersection of the bridge and State Route 9 have been sent to Colorado Department of Transportation (they responded in writing), Colorado State Patrol, Summit County Sheriff (he responded with a telephone call), and Silverthorne Town Police Department.

Wyj noted that formal letters will be sent to Public Service agencies such as Qwest, ComCast, and Excel asking that they respect our roads. They have been previously contacted by telephone. They are being requested to notify the Board before doing any digging in the community, and to restore our roads to the condition they found them, including the application of Mags Chloride.

Water Infrastructure Replacement: Jeff Steele responded to the request from last years meeting about the possible cost of replacement of water supply infrastructure. He noted that he has discussed the issue with contractors and engineers. It would appear that the minimum cost for replacement of the entire system would be at least \$300,000. System design fees would be approximately \$15,000. Jeff reported that the present system is a "hodge podge" of piping types, and routing. Contractors will not be pinned down as to how long a water system might last, or when ours might need to be replaced. Since our system is approximately 40 years old, it is suspected that we are "on borrowed time".

There was discussion regarding how to amass the possible funds that might be necessary for the project. Dr. Goodman suggested a phased approach to the possible work. Joe Ritter indicated that we ought to consider taking a loan if and when necessary. Jerry Middel wondered if we would complete the "loop" before this work was undertaken (not currently being planned). Wyj suggested allowing the Board to come up with a more specific plan of action to bring back to the next Annual Meeting. It was noted that our existing system will not support a pumped draw from a fire department engine. [Charcie Russell indicated we ought to put "tender use only" signs on the hydrants. Wyj stated it will be done.] Jerry Middel considered making a motion regarding setting aside budgeted monies on a regular basis to begin preparing for the replacement. He later decided to make the motion at a later time.

Sign Construction: PS indicated that all of the signs community signs requested at last years meeting have been installed. Wyj indicated that the entrance sign needs to be adjusted, and the parking signs for the ranch property need to be erected by them.

Mail Box Project: Mags provided the results of the poll of the community regarding continuing with the mail box project. He reported that 8 homeowners were in favor of constructing the mail boxes near the entrance to the community; 33 families are against the project. The project will be tabled as indicated by the community vote.

Identification Tags for Fishing: wyj asked Marty Russell if his group of volunteers had anything to report to the Annual Meeting. He indicated that he did not. Wyj asked the body if it would permit the Board to prepare and distribute laminated tags to be used by each family. Four per family. The group indicated that the Board should handle that activity.

New Business

Infrastructure Reserve: This issue was delayed until a full budget discussion later in the meeting.

Quality of Life Issues: wyj presented the following items as reminders to the community since he and the Board had received feedback from the community in regard to them:

- **Speeding:** The newly improved roads have apparently encouraged many to drive significantly faster. Please remember that we have a number of youth in the community, and our speed limit of 17 MPH recognizes this fact. In addition, speeding accelerates the deterioration of our roads, and that immediately hits us all in the pocketbook. Please encourage one another to obey the speed limit. If we fail to comply voluntarily, the Sheriff may provide assistance.
- **Outdoor Lighting:** The community is requested to use spot lights and other outdoor lighting only as immediately required. Such lighting is not to be left burning for long periods of time.
- **Animals on Loose:** Community members were reminded that County regulation requires that dogs be leashed. Failure to comply may result in the dogs being impounded, and one resident indicated it was costly to get the impounded dogs released.

2003-2004 Budget: Mike Magliochetti presented the proposed budget for the next year – as provided in the hand-out packet. The budget is based on no increase in yearly dues. It provides for \$18,000. to flow into the reserves. Road upgrades are allotted \$15,000. There is \$10,000 for the actions of our attorneys in water court. There is a new line item for the contingency of a possible water line break.

There was discussion on the budget, and especially the setting aside of monies for an infrastructure replacement. Dr. Goodman indicated that he felt the infrastructure replacement funds ought to be set aside as a discreet budget item. There was discussion about additional assessments if the work becomes necessary. Joe Ritter indicated that we ought to consider borrowing the monies for replacement if necessary. After discussion, Jerry Middel made a motion which was seconded by Nancy Carver. The motion was amended after appropriate discussion. The motion was to accept the budget as presented, and to set aside a minimum of \$15,000. for the infrastructure replacement fund each year. After more discussion, the motion passed unanimously.

The Board indicated that it was its intention to put as much as possible into the infrastructure replacement fund. There was clarification that the authority of the Board to appropriately administer the reserve funds on behalf of the community has not been changed.

Election of Directors: wj invited anyone who desires to put their name into nomination for election to the Board of Directors. He noted that all serving members of the Board have consented to return if that is the desire of the Association. After a pregnant pause, Marty Russell made a motion that the present Board be re-elected. The motion was seconded by Jerry Miller. Vote was unanimous.

2004 Annual Meeting: The 2004 Annual Meeting will be held on Saturday August 1, 2004. The meeting will begin promptly at 9:30 AM; coffee and fellowship will be at 9:00 AM.

Kevin Ward invited the group to his home (pending spousal approval). Joe Ritter will be "back-up" should the Ward residence be unavailable.

Charcie Russell rose to prove recognition for the Board members for its continuing work. The group affirmed.

On a motion from Rich Mayfield, and seconded by Bill Simons, the meeting was adjourned at 11:40 AM.

Respectfully Submitted,

Ward Jackson,
President