



Property Owners Association Board of Directors

Notes of the Meeting of the Board of Directors August 21, 2008

A scheduled meeting of the Board of Directors of the Sage Creek Canyon Property Owners Association was held on August 21, 2008 at the Jackson home. As the meeting began, all directors with the exception of Mike Magliocchetti were present. Mike, who was delayed by a family emergency, joined the meeting in progress. Mr. Gerald Miller was an invited guest at the meeting, and was in attendance. The notes of the meeting are captured in italics on the form of the proposed meeting agenda below. The meeting was called to order by Ward Jackson at 5:40 pm.

■ Opening, Agenda approval

An item was added to the agenda: review of the attorney work on the XCEL incursion into the community easement on the Tippins property.

○ Financial Report.

Following so soon on the date of the Annual Meeting, no financial report was presented.

■ Assessment Schedule

Ward indicated that a clarification regarding collection of assessments has been offered to the administrative/management company for SCC, Key to the Rockies: Assessments are due on October 1, and April 1 of each year.

○ Board Matters

■ Annual Meeting Notes. (Approval?)

Board members provided a couple of minor changes to the draft notes from the Annual Meeting. With the addition of those changes, the notes for the 2008 Annual Meeting were unanimously accepted by the Board. They will be posted on the Web site, and mailed to members.

■ Director Assignments

Pursuant to the community's governing documents, the newly elected Board of Directors is required to elect officers at the first Board of Directors meeting following the Annual Meeting. The following assignments were made: Treasurer: Mike; Secretary: Tom; Vice President: Jeff; President: Ward.

• (Still waiting on Meeting Notes from 7/31)

Ward indicated that he has been overwhelmed with Association business, and has been unable to complete all the documents necessary at this time. The Board meeting notes from 7/31 are still outstanding.

- XCEL Substation
 - “Ancient” History – Maps.
 - Recent Developments

Gerry and the Board spent considerable time reviewing available documents related to XCEL’s sudden focus on a piece of land on the TYL Ranch contiguous to the SCC property as the location for a new electric substation. There was much information, and some had been condensed by Ward to assist the meeting in efficiency. There were many points of misunderstanding – a great many caused by the failure of XCEL to effectively communicate with Town of Silverthorne and Summit County governmental officials, as well as the public in general.

The Board is extremely concerned about the history to date, and why the apparent new focus on this site, when other sites have been affirmatively embraced by all involved. As late as May, 2008 the current site was not even mentioned as a possible location. There was great concern about the impacts on wildlife, the visual impacts, EMF, RF, and overall audible noise generation. It was also pointed out that the electricity from the substation has to be delivered to the intersection of Fourth and SR 9 in Silverthorne.

There was much discussion concerning whether there was any recourse for the community. Recognizing that XCEL has certain laws in their favor, which apparently allow them to do about anything they desire, the Board voted to vehemently fight the construction of a power substation in the immediate vicinity of our community.

It was noted that the Village of Snow Mass, CO has been successful in forcing a new electric substation in their village to be totally enclosed in a building, and service totally by underground lines.

- Suggested possible actions
 - Immediate letter to XCEL Larry Claxton
 - Copy to Summit Co & Town of Silverthorne
 - Letters to Commissioners; also Rep’s Scanlan and Gibbs
 - Contact Summit County Planner Jim Carnutte
 - Notify the Media.
 - File Official Complaint with PUC
 - Complaint basis – failure to work with public; bad faith.

The Board voted to take the following actions:

1. *Immediately notify XCEL in writing that this community is against the proposal.*
 - a. *And, to ask XCEL to participate in a public process that would include providing greater, and more frequent, information to the public.*
 - b. *This letter will be immediately composed by Ward.*
 - i. *Copies of the letter will be made available to local and state elected officials.*
2. *The SCC community will be informed of all information available to date.*
3. *The Board will determine if it is possible to have a representative attend the XCEL initiated meeting with the Town of Silverthorne next week.*

4. *The Association will retain an attorney to act for us in this matter. (actually, expand the scope of attorney already working for us on another XCEL matter)*
5. *An E-Mail will be sent to Mr. McVaney asking if he has “willingly” sold the property to XCEL. The E-Mail will also convey to him in the strongest possible terms that this community is opposed to the substation siting on the ranch.*
6. *Ward will contact Summit County Planner Jim Carnutte in this regard.*
7. *Mike will be making contact with Tom at the Colorado Division of Wildlife in regard to the elk and deer migration and mating routes in the area.*
8. *The Board will be drawing together a formal complaint against XCEL for their continued acts of bad faith. Those acts include:*
 - a. *The continuing failure to act with the community as they dig in our roadways.*
 - b. *The continuing failure to obtain, record, and abide by legal easements in the community.*
 - c. *The failure of the company to consult with any members of this community in regard to the substation matter.*
 - d. *The egregious placement of utility lines atop SCC water service lines placed in an approved and recorded easement.*
 - i. *Cindy Massaro will assist the Board in initial efforts for this matter.*
9. *The Board will solicit experience and resources from within the community to assist in this matter.*
10. *Ward is to contact South Forty to make sure they are “in the loop”.*

■ **Curb Stop Project**

- Steps taken
 - Annual Meeting identified many locations
 - Recent EM met with reasonable results
 - How to contact “no shows”?
 - Contractor telephone call

Ward explained the steps already taken, and those needing to be undertaken, to get curb stops installed as necessary to assure the whole community is appropriately valve controlled. Response to this week’s EM has been moderate. Gerry Miller is going to assist in getting response from every home in the community concerning the existence and location of curb stops. Also he will ask if residents want to be included in the “group” effort to get new ones installed as necessary. It was noted that some on the lower loop may be faced with installing a whole new line because of the aged condition of old galvanized pipe now in service. Ward emphasized that the Board is entering into NO contracts. The Board agreed that we are acting properly in not getting multiple bid. It is legal, and we are “going” with a company that has a past history with us of providing good service as a reasonable price. Further, individual property owners may secure installation in any manner they please – they need not employ the contractor selected by the Board. Time and resource factors also speak against a bidding process. The Board must, however, oversee and document the installation by a local, licensed, and bonded reputable contractor. The Board will assist in the determination of where a curb stop is, and assure it is “mapped” properly. The Board may also arrange for the “Leak Detector” to assist in finding main/service line connections. (with the cost to be prorated to all residents involved). The Board is responsible for documenting the ultimate location of any new curb stops. Ward mentioned that it would be his goal to get the contractor’s work completed in a timely manner this fall. The additional steps listed on the agenda are to be included in the plan.

- Next Steps (Goal: get it done this fall)
 - Contractor survey w/ Tom McC & Ward
 - Hopefully next week
 - Community meeting of “Group”
- Compliance
 - SB 89 & 100
 - Retain Attorney
 - Altering current by-laws and Covenants?

It was noted that, before the “profile” of the community is raised by engaging XCEL in such public matters, the Association will have to finally bring our governing documents into full compliance with Colorado Senate Bills 89, 100, and the Kiowa act. All three provide a framework into which governing documents must fit. It should be noted that, previously, we were “grand-fathered” due to the time in which our documents were written. In addition to our By-Laws and Covenants, we will have to have an additional set of documents called “policies” that dovetail with the first two. There may be places where the first two may need to be updated to be compliant.

The Board voted unanimously to engage counsel to draft the appropriate documents. Assistance from the Board will be required. It is likely there may need to be a special “called” meeting of the Association to approve the new documents.

■ Other Business?

Jeff provided background information concerning the SCC protest regarding the XCEL placement of their service line atop our major well water service line – preventing our access to that line for maintenance and/or repairs on the Tippins owned property). To date, counsel can only locate the two recorded easements – the ones SCC sought regarding its water system. There may be a utility easement immediately adjacent to our road system. There appear to be no easements to dig on any private property in the community – whether owned by the Association or by private residents. The attorneys continue to work on our behalf in this matter.

With much frustration concerning the work before the Association and the Board, the meeting was adjourned at 7:16 pm.

Respectfully submitted,

Ward Jackson