

ELK SPRINGS HOMEOWNERS ASSOCIATION, INC.
April 19, 2010
Homeowners Meeting

The meeting was held at the Mason and Morse office in Carbondale, CO. Gary McElwee called the meeting to order at 7:01 p.m. In attendance: Gary McElwee, Tiffany Singleton, Ray Sauvey, Tom Neal, Carl and Becky Ciani, Bob Anderson, Ajka and Bill Wallace, Ruth and Jim Barnes, Brandon Watson, Gregg and Mary Beth Minion, Warren Koster, Barb McElwee, Scott Nykerk, Buzz and Jen Quaco, Chris McComas and Robin Slattery, Gary and Kathy Morary, Scott Gauldin, Frank Harrington, David Anselmo, Mike and Penny McDill, Sue Drinker and Dick Durrance and Steve Smith.

1) **Joe Enzer, Board of Directors candidate for Carbondale Fire addressed the HOA:**

Joe Enzer is currently running for the Board of Directors for the Carbondale Fire District and is requesting your vote. The election is on May 4th. Joe Enzer has been a resident of this area since 1995. He has owned property inside the fire district since 1997. Joe has been a member of Carbondale Fire since 2004. He is on the membership committee and is a Lieutenant and an EMT.

2) **Max Maxson introduced special guest regarding home energy study:**

Max Maxson, a resident of Elk Springs, recently had an energy audit completed on his home. Max found the audit very informative and suggested other residents in Elk Springs may wish to contact Richard Backe with Energy Efficiency Solutions (970-379-4198) and have the same services performed. The Governor's Energy Office has recently added several rebate programs. Any interested homeowners are encouraged to visit www.rechargecolorado.com. Richard offered to have a "home energy party" for homeowners in the subdivision if they are interested. He will provide the food and drinks if a resident will invite him into their home to explain his program.

3) **Minutes:**

The October 19th, 2009 homeowners meeting minutes were approved with no discussion.

4) **Accounting Matters:**

There were no questions regarding the Balance Sheet and the 2010 Budget was approved with no discussion.

5) **Old Business:**

There has been a noticeable increase in dying Juniper trees in Elk Springs. One homeowner suggested that this may be happening due to an infestation of New Mexico Juniper Beetles. The HOA office will contact the Colorado State Forest Service and ask them to come to Elk Springs to look into this problem. When we

have further information regarding this problem, we will be contacting all of the homeowners.

Gary suggested that if a resident homeowner has a dead or beetle infected tree on your lot, that it should be cut down right away and immediately removed from the subdivision. If you cannot get it out of the subdivision, you should cut the tree into small logs and cover the stack with a tarp right away. The heat inside the tarp during the summer should kill the beetles.

6) **New Business:**

Burn Pit

One homeowner asked if the burn pit would be available to the homeowners this year. Gary explained that the burn pit has not been available to the homeowners for the past 3 years. It is currently being used to dispose of dead trees and tree branches that Ray finds along the roads within the subdivision. If homeowners need to get rid of yard waste, it was suggested that they take it to the South Canyon dump or contact John Stewart who may be removing yard waste from residents' lots for a fee. John's number is 970-618-2025.

Budget

Gary recommended that we change the time when the budget is proposed to the homeowners association. Currently, the budget is proposed in April, the dues are due in June and the budgeted year is from January to December. His proposal was that the budget be presented at the October meeting for the following period: January through December. He would also like to start billing for ½ of the homeowners dues in January and the other ½ in July. This would break up the lump sum making it easier for homeowners to pay and it will help with the HOA cash flow.

Roads

Due to normal use/wear and tear plus the damage from freezing and thawing, some of the roads in Elk Springs are in need of repair. The HOA office will get bids within the next 30 days for these road areas. Filings 1 through 5 were re-chip and sealed in August of 2004 at a price of \$104,000.00. There were additional expenses for this roadwork which included uncovering all of the manhole covers and placing risers under the covers so they would be flush with the road. Gary anticipates that the roadwork will cost approximately \$150,000.00. The Road Reserve account currently has a balance of \$199,679.00. An additional \$55,200.00 will go into the account after dues are collected in June of this year. Gary explained that out of every lot owners' annual dues of \$800, \$300.00 is put into the Road Reserve account and \$60.00 is put into the Water Reserve account.

One homeowner asked if there was a long term financial plan to eventually have the entire subdivision asphalted. Gary responded by

stating that with all of the construction that will continue to take place, chip and seal is the better surface for the roads because it is cheaper to repair.

Security Camera

The developer of Elk Springs will add another security camera for a portion of the subdivision. The camera will be placed on the back water tank in filing 9. This camera is a “pan and zoom” camera and will be able to get clear images into Filings 6, 7, 8 and 9 as well as the Kendall Ranch. He believes that this camera will help with security for the water tank, poaching problems, trespassing, etc.

Transition Plan

Gary reminded all attendees that in the April 2006 homeowners meeting, there was an announcement made regarding transition of control from the Developer to Homeowners. The timeline explained at that meeting was that the developer needed to sell all of the lots in Filings 1-8 and the first 4 lots in Filing 9 in order for the transition to take place. This is due to the homeowners having a Class A membership which provides 1 vote per lot and the developer having a Class B membership which provides 3 votes per lot. In the April 2007 HOA meeting, Gary suggested that the HOA have a 5 member Board of Directors. Many questions were asked at that meeting such as: how do the homeowners find the 5 most qualified people to sit on the Board of Directors? Would the Board of Directors consist of a President, Vice President, Secretary and Treasurer? How do we get 5 people to volunteer to be board members? Would these volunteers be compensated in any way? Would the members need to be voted in? Since those two past meetings, the economy and this transition plan have slowed down. The developer feels that the Elk Springs development is stable and mature enough that the transition should once again move forward. There was discussion regarding staggered terms for board members. After the transition, the developer will have a vote equal to that of the individual lot owner (1 vote for each lot owned).

Before the changes regarding the Board of Directors can be put into place, the Bylaws must be amended (Articles III, IV and V referencing the Board of Directors). The current bylaws will be sent to our legal council along with the suggested changes. A new document will be produced which will show the original wording and the proposed changes. It will then be sent out to all lot owners for their input. After this document is completed and approved by vote, the association will move forward with the election of the Board of Directors according to the updated Bylaws. The deadline for revising the Bylaws is June 1st, 2010 and after which, the 5 Board of Directors will be elected and in place by July 1st, 2010. This is a “best efforts” timeline created by Gary and the developer and can be changed if needed.

The developer reassured the attendees of the meeting that he still has a considerable economic interest in the subdivision, has many lots left to sell and views this plan as a positive move forward for everyone.

Sober House

Gary spoke with our attorney, Larry Green, and as of the morning of April 19th, 2010, he is not aware of anything further that has been done since the last County Commissioners meeting. Larry Green does not know if the County Attorney will be pursuing the issue. Larry Green suggested he could re-write a portion of the covenants for a fee anywhere between \$3,000 and \$10,000 that could possibly prevent another sober house from being allowed in Elk Springs, but he would not guarantee anything.

The meeting was adjourned at 8:34 p.m.