

**MINUTES OF THE
DOUGLASS RANCH PROPERTY OWNERS ASSOCIATION
ANNUAL MEETING - SEPTEMBER 16, 1996**

The annual meeting of the Douglass Ranch Property Owners Association was held on September 24, 1996, at 7:00 p.m. at the Elk Creek Elementary School. All Board Members were present. Thirty-four Lot Owners were present or represented by proxy, which amount constituted a quorum.

Call to Order. The meeting was called to order by Dick McAtee, President.

Lot 29 Easement Proposal. A presentation was made by Robert Kessler, owner of Lot 29, with respect to Mr. Kessler's request to the Board to allow the granting of an access easement across Lot 29. A question and answer period followed with questions being raised by Members and answered by Mr. Kessler. At the conclusion of the presentation, Mr. Kessler left and a discussion of the pro's and con's was held among the Members. Dick McAtee read a letter to the Members from the owner of Lot 30, who was opposed to the access easement. The Board heard comments from the Property Owners on the cul-de-sac near Lot 29 regarding their views on the Lot 29 easement proposal. All of those who did speak voiced their opposition to the granting of such an access easement. Dick McAtee requested an informal showing of hands of those in favor of and those against granting the easement. An obvious majority of Property Owners were against; there was only one Property Owner in favor of granting the easement. A motion was made and seconded by the Board not to grant the requested access easement on Lot 29. A vote of the Board of Directors was taken and the motion was passed.

Other Business

1. Review of the Past Year. Dick McAtee gave a summary of the Board's activities and other events occurring during the past year as follows:

a. Pond - A dry hydrant has been installed in the Douglass Ranch Pond. The Association received reimbursement from Kessler for a portion of the expenses associated with the pond repair. The Board has also requested reimbursement from Kessler for the cost of installing the dry hydrant.

b. Fire Cistern - The Association has been advised by the Fire Department that the water tank will not hold water. The Board has obtained bids to repair and/or replace the tank.

c. Financial Reporting Format. The Board has approved a standard format for the Association's monthly, quarterly and annual reports.

d. Covenants Corrected. A typographical error has been corrected in the Covenants with respect to the percent of Members required to approve changes to the Covenants -- it has been changed from 5% to 75%.

e. Property Taxes. Jefferson County property taxes on the Douglass Ranch open space have been eliminated, following a petition to the County by the Board.

f. Sign. A Covenant Protected Community sign has been installed at the entrance to Douglass Ranch.

g. Semi-Annual Meeting. The first Douglass Ranch semi-annual meeting held in April of this year was a success in terms of the number of Members attending: 22 people attended representing 15 lots.

h. New Members. Two new houses have been completed in the past year: the Jones' (Lot 42) and Lewis' (Lot 32). Stanzlers' house is near completion. New Members include: Larry and Debbie Hall (Lot 10); Dave and Marcia Jones (Lot 42); George and Kay Mason (Lot 14); Dave and Gail Wacker (Lot 16); Bud Lewis & Bobbi Kay (Lot 32); and Robert and Joan Stanzler (Lot 22).

2. Financial Report. Jane Spooner presented the financial report for the quarter ending September 30, 1996, a copy of which is attached hereto as Attachment A. It was reported that the Association accounts contain \$4,368.74 in the checking account, \$12,617.00 in the Schwab account, and \$103.62 in petty cash. Dues notices will be mailed out to Members with the Douglass Ranch third quarter newsletter to be mailed out in October.

3. Maintenance.

a. Snowplowing. It was reported that the Board had solicited bids for this season's snowplowing contract, but received no credible responses, except for the one from Shadow Mountain Maintenance (John Patrick, 838-2488). Shadow Mountain charges \$60/hour, is local to the Conifer area, and gives priority service to contract routes. Last year's snowplowing contractor, Andy, refused to bid it this year; therefore, the Board has decided to hire Shadow Mountain Maintenance. A discussion was held among the Members regarding snow level thresholds for plowing. Based on those discussions, the Board decided to set up this year's contract with Shadow Mountain on a "no threshold" basis and let Mr. Patrick use his discretion whether the snowfall would require snowplowing.

b. Roads. The only maintenance on Douglass Ranch private roads to date has been placement of riprap along the roads to prevent erosion. Jane Spooner reported that she had contacted several contractors regarding quotes for paving of the roads. Kerry Brown of Asphalt Paving gave her a quote of \$105,000 to repave the existing roads. Mr. Brown reported that the life expectancy of the existing roads was approximately 20 years; with construction traffic, it is decreased by one-third. An overlay would last approximately 15-20 years. Mr. Brown

recommended in any event that the cracks be sealed. Dick McAtee reported that Evergreen Sand & Gravel gave a similar estimate, but also indicated that Western Paving may be able to pave it cheaper. Dick reported that he had also talked with the County, and both the County and Evergreen Sand & Gravel recommended seal-coating the roads. Costs to seal-coat would run in the neighborhood of \$10,000-12,000. Dick made the suggestion that the Association do a seal-coat rotation program, covering all roads on a 3-4 year basis at approximately \$3,000-4,000/year.

It was reported that Pine Grove Excavating had given a quote of \$3,500-4,000 to grade the road shoulders, move the shoulder material and clean out the ditches. Discussion regarding the need for riprap to control the big erosion spots. It was suggested that a reasonable maintenance cost for keeping the road shoulders in good shape would be approximately \$1,000/year.

As a result of the above noted possible expenses, a discussion ensued regarding the possibility of raising Association dues. A question was raised from the floor if the Board had a financial plan in place; the Board responded that they will begin preparing a financial plan.

In response to question from the Board, no Members were opposed to road maintenance. Various opinions were voiced from the members as to road maintenance. The general consensus was that it was more important to fill in the cracks and do erosion control, rather than seal-coat or re-pave at this time.

c. Pond. It was reported that the pond had been dredged and Grass Carp had been installed in the pond to control the vegetation growth. The fish have about a 3-4 year cycle.

d. Cistern. The condition of the cistern was reported and discussed among the Members. The bids the Board had received ranged from approximately \$2,000 to repair the tank to approximately \$6,000 to dig it up and re-bed it properly. The Members discussed Kessler's liability for reimbursement for cistern expenses. Based on a general consensus of those Members at the meeting, it was decided save the cistern.

4. School Bus Safety. The Members were reminded to use caution and observe the speed limit when driving on Douglass Ranch Road, especially since kids are walking to/from school bus stops.

5. Pine Beetle Control. It was reported by Bob Brand that the Pine Beetle has infested the Evergreen area and that Buffalo Creek area may be susceptible. Members were urged to be observant of any apparent infestation and control measures were discussed. Literature from the Colorado State Forest Service regarding this subject was provided to Members.

6. Covenants/Governing Documents. Dick McAtee suggested that all Members read the Covenants and the other governing documents of Douglass Ranch (Bylaws and Articles). The Board solicited comments from Members regarding the issue of Board control. Based on a consensus of Members present, Members want more control and the Board to have less control than exists now in governing Douglass Ranch. Dick McAtee has suggested that a committee be formed to review all Douglass Ranch governing documents and provide a report of their recommendations to the Board within approximately 4 months.

Election of Board Members. It was reported that 4 positions on the Board were open. Martha Williams resigned from the Board before elections were held. The following persons were nominated for the available Board positions: Dave Baumgartner, Robert Stanzler, Gary Jorgensen, Bill Souder, Kevin Moats, and Mike Rheinberger. Candidate statements were given by all candidates, with Diane Moats giving Kevin Moats' statement as he was not present. Dave Baumgartner, Robert Stanzler and Bill Souder were elected to two-year terms; Mike Rheinberger was elected to serve the remaining one-year on Martha Williams' term

Meeting Adjourned. The meeting was adjourned at 10:00 p.m.

FINANCIAL STATEMENT for 3 Month Period Ending 9-30-96

Beginning Balance \$ 19,180.20

INCOME

Dues
Interest 41.50 + 151.00
Other

Total Income 192.50

EXPENDITURES

Taxes
Insurance
Legal Fees 100.00
Mountain Mutual 128.38
Newsletter 28.27
Meeting & Socials 41.80
Repair & Maintenance 1940.80
Snowplowing
Miscellaneous 44.09

Total Expenditures 2283.34

Ending Balance \$ 17,089.36