

Pagosa Lakes Property Owners Association, Inc.

2005 Annual Meeting Minutes

Saturday, July 30, 2005

Pagosa Lakes Community Center Building

230A Port Avenue, Pagosa Springs, CO

Association Board President Dave Bohl called the 2005 Property Owners' Annual Meeting to order at 10:00 A.M. In addition to Director Bohl, other board members present were Directors Hugh Bundy, Jim Carson, Fred Ebeling, Bill Nobles, Pat Payne, and Fred Uehling. Also present were: General Manager Walt Lukasik, DPE Manager Larry Lynch, DPE staff, DCC Manager Margaret Gallegos, DCC staff, Accountant Don Arries, Accounting Technician Eva Iwicki, Administrative Assistant Gloria Petsch, property owners, and Parliamentarian Ron Clodfelter

MEETING OPENING

Board President Dave Bohl called the meeting to order and closed the balloting. He then introduced Pastor Al DeBoer of Restoration Fellowship who gave the invocation. The Pledge of Allegiance followed.

Board President Bohl welcomed the property owners in attendance. The Board of Directors was introduced. Outgoing Director Bill Nobles was thanked for his three years of service to the property owners. The following Directors were introduced: Fred Ebeling, Hugh Bundy, vice-president, Pat Payne, secretary, Jim Carson and Fred Uehling, treasurer. President Bohl noted that this is not a board meeting but a property owners meeting. Suggestions and recommendations were welcomed. Items brought up at the meeting will be looked into at following Board meetings. He reminded property owners of the Association program where owners could adopt sections of roads to pick up trash and debris. It not only helps keep areas tidy but also is a good source of exercise. Road issues will be addressed in a report from the Road Committee. Depending on the results of the vote, the road issue may be reopened for public comments.

Board President Bohl introduced Parliamentarian Ron Clodfelter.

Board President Bohl introduced Pat Payne, PLPOA Board Secretary who introduced the candidates for the PLPOA Board of Directors: Fred Ebeling, George Esterly, Gary Gray, Ken Lavery and Lori Unger.

QUORUM VERIFICATION

PLPOA Secretary Pat Payne verified the quorum. She stated that the Bylaws require at least one hundred (100) voting members either in person or by write-in for a quorum with at least twenty-five owners physically present. Secretary Payne said 1,764 members voted in person or by write-in ballot and tally at sign-in showed ninety (90) voting members present. The number required for a simple majority vote would be forty-six (46) and the number required for a two-thirds vote would be sixty-one (61). She then read the "Notice and Call". The purpose of the meeting is to: elect two (2) members to the regular vacancies on the PLPOA Board of Directors, to vote on one proposed Articles of Incorporation amendment/change and to hear reports from the Board and it's standing committees and to consider other business as it may be presented by members of the Association.

APPROVAL OF THE AGENDA

MOVED AND SECONDED TO ADOPT THE AGENDA AS SUBMITTED.

MOTION CARRIED.

APPROVAL OF ANNUAL MEETING MINUTES – 2004

MOVED AND SECONDED TO APPROVE THE ANNUAL MEETING MINUTES OF JULY 31, 2004 AS SUBMITTED.

MOTION CARRIED.

TREASURER'S REPORT

See attached copy. The Treasurer's report was presented visually in a Power Point presentation and accounts were explained. Copies of the report are available for property owners.

MOVED BY FRED UEHLING, AND SECONDED THAT ANY YEAR 2005 ENDING FUND BALANCE IN THE OPERATING FUND SHALL BE CREDITED TO THE YEAR 2006 BUDGET FOR THE PURPOSE OF DETERMINING YEAR 2006 ASSESSMENTS.

MOTION CARRIED.

PUBLIC COMMENTS

President Bohl mentioned that no Board action would be taken on the public comments but that the comments will be taken under advisement. Comments should be limited to no more than three minutes. Property owners should state their name and address.

George Esterly, Lake Forest Estates, thanked Director Uehling for the excellent presentation regarding association finances.

Ruth Paulson, North Village Lake, noted that the Budget called for replacement of the Clubhouse flooring. She suggested only replacing items as they are needed.

Paul Handbager, Ranch Community, cautioned other property owners that when they sell their property that has FUSA fees attached through Fairfield, that the title company will need proof of payment or they will collect money for Fairfield at closing.

Michael Piper, Lakewood Village, expressed concern about open burning. He felt that open burning was irresponsible because of the density of homes. He also stated that because our sub-divisions are not created equal and vary by property space and socio-economic factors, enforcement by Covenant Compliance should be fair and monitored by trained people without personal agendas. Also, as we approach build-out he felt that fences were a good thing. He suggested allowing higher fences, which would help block out noise and other obtrusions.

Rod Preston, Meadows IV, said that in regard to open burning, property owners must have a permit from the Fire District. Safety procedures are discussed prior to issuance of the permit. County dispatch must be called before burning commences. He felt that open burning should be allowed.

Earl Beasley, Pines I, felt that the property owners in the association pay for the majority of the County road tax and felt that there is an inequitable distribution of tax revenue dollars within the County. He encouraged property owners to become involved with the road issue and urged the County, Town and PLPOA to work together.

COMMITTEE REPORTS

Lakes, Fisheries and Parks Committee - Michael Piper, chairman, stated that the committee was following the Master Trail Plan and would pave the Lake Forest Circle pathway. No GOCO grant money was awarded this year but will be applied for 2006. Results from the survey, pro and con, to create a catch and release situation at Lake Hatcher will be announced in the newsletter. Homeowners' input is welcomed. All lakes have been stocked heavily with one more stocking planned. Fees from fishing permits pay for lake stocking and provide a tremendous asset. Channel catfish have been introduced into Village Lake to act as predator fish to the perch and sucker population. Fishing tournaments for kids will be continued as well as the ice fishing derbies in January and February to help diminish the female perch population.

Ad Hoc Lake Committee – Larry Lynch spoke regarding the three-year long-range management plan for the Stollsteimer Creek watershed. He stated that population growth has had negative effects on the lakes. The group decided to look at the entire watershed and decide what they wanted it to look like in twenty years. Erosion is a concern especially where construction is concerned. Construction impact needs to be minimized. The Lyn and Clark ditch is being monitored by the Association as well as the Pagosa Area Water and Sanitation District. Approximately 5 cubic tons of sediment flows into Lake Pagosa per day during an average rainfall. Topographical maps of the lakes have been developed which will provide baseline data for the future. The steering committee consists of members from PLPOA, PAWSD, the Southern Ute Tribe, San Juan Conservation District and the Division of Wildlife. The committee plans to apply for a \$20,000.00 study grant to further efforts with the watershed study.

Environmental Control Committee – Ray Finney, spoke on behalf of the committee of six members. Construction is booming – 101 single-family residence permits were issued in 2004 with 42 issued already this year. PLPOA covenants contain restrictions for Land Use. As Archuleta County does not have zoning, the ECC feels that those restrictions are good for the Association and the homeowner. The ECC tackles “tough” cases at the twice-monthly meetings and wrestles with issues such as fence heights, roof and siding colors, sign plans and snow free entries.

Road Advisory Committee – Bill Ralston reported that the road committee was restructured in February 2005 to research what the County and the County Commissioners would do to improve roads. Four meetings have been held to date. The latest response from the County was that it would no longer provide maintenance and that snowplowing would be discontinued beginning in 2007. The road committee felt that the proposed plan was not acceptable. The Committee held a meeting last week and arrived at a proposal, presented to the County Commissioners that a County-wide Committee be formed with one representative from each of the eight precincts in Archuleta County. That committee would have 90 days, with the cooperation of Archuleta County Road and Bridge who would supply maps and data, to determine which roads could be designated as primary and secondary roads and to stipulate that all public roads must be maintained to a certain standard. No word from the Commissioners to date. Solutions need to be found to meet our needs, as well as those in the rest of the County. If the County is not going to be cooperative there would be no alternative other than forming a road maintenance group such as a local improvement district or metro district to provide long-range maintenance. If the PLPOA ballot amendment is passed, and if the County turns down the Committee proposal, then an additional governmental agency, a district, would have to be formed. The Highway Users Tax Fund (HUTF) monies are payable to government agencies only at the rate of \$2,000.00 per year per mile. Forming the district involves more cost and more problems. Approximate cost would be \$15,000.00 - \$20,000.00 dollars to form an agency. If the proposed ballot issue passes, those expenses can be borne by the association. He urged all property owners to contact the County Commissioners. We need County maintenance on all public roads.

Property Owners Initiative – Chris Phillips reported for the committee that with twenty-six different subdivisions management and enforcement has become a nightmare. Declarations of Restrictions were created over thirty years ago and may or may not meet today’s property owner’s needs. Should all the sub-divisions be subject to the same declarations of restrictions and the same rules? Questions from the committee addressed the possibility of making changes to the declarations, as well as to the rules and regulations. A property owner’s questionnaire was available through the newsletter and on–line. Five thousand were mailed out with a response of two hundred and fifty-two. Priority concerns were exterior maintenance, roads and inoperable vehicles. At the next annual meeting a report will be presented of consensus within the group with proposed changes for 2007. He urged all property owners to voice their opinions.

Recreational Amenities – Eddie Dale said that the Recreation Center, is eighteen years old, is well maintained, and has programs that are well attended. The center is staffed by two full time and three part-time employees and managed by Ming Steen who has been with the facility since the beginning. The 18th Annual Triathlon is scheduled for August. Swim programs include a Masters Swim team and the Porpoises. The 2003 remodel added 1,000 square feet of space to serve the over 300 users per day. A xeriscape garden was planted in 2004 and provides an attractive asset. He feels that the availability of the center inspires pride of ownership and is a central feature of Pagosa Lakes.

Legal Actions – General Manager, Walt Lukasik, reported that PLPOA has initiated eighteen covenant compliance cases through the Association’s attorney. Seven are being negotiated. There are no other litigation matters for or against the association at this time.

ELECTION RESULTS

Director positions – Secretary Pat Payne announced the following results:

Regular Vacancy – Three-year term

- | | |
|-------------------|--------------------|
| 1. Fred Ebeling | 733 votes in favor |
| 2. George Esterly | 413 votes in favor |
| 3. Gary Gray | 496 votes in favor |
| 4. Ken Lavery | 212 votes in favor |
| 5. Lori Unger | 223 votes in favor |

Director Ebeling was re-elected and Gary Gray was elected to the PLPOA Board of Directors.

Ballot Issues

1. Proposed amendment to the Fourth Article of the Articles of Incorporation (amendment language attached).

442 votes in favor

580 votes against

Amendment defeated.

Director Bohl requested a motion to accept and certify the election results.

MOVED BY DIRECTOR PAYNE AND SECONDED TO ACCEPT AND CERTIFY THE ELECTION RESULTS.

MOTION CARRIED

PUBLIC COMMENTS

Public comments were re-opened as a result of the defeat of the Article of Incorporation Amendment issue.

Dave Kenyon, Twin creek Village, said that having impassable roads and unplowed roads for emergency vehicles (fire, ambulance etc.) is not acceptable.

Mary Sealy, North Village Lake, was disappointed that the amendment did not pass and feels that expecting road maintenance from the County is a gamble.

Lynzie Sutton, Vista, wondered why we are in this situation when in 1997 PLPOA received 6.4 million from the Fairfield settlement and all roads were to have been accepted into the County and maintained by them. She felt that the County maintenance program is non-existent. She felt the roads should be maintained (graded, rolled, graveled) based on traffic count but not less than two times per year. Roads should be black topped as needed but all should be passable.

Rod Preston, Meadows IV, felt that roads should be passable, livable and affordable. The County Road Map submitted to the State of Colorado in 1954 did not have the signatures of the County commissioners at that time. Why?

Ray Finney, Lake Pagosa Park, thanked the road committee for their continued work. He felt that we need to "bite the bullet" but spend wisely based on a consensus of the constituents.

Lori Unger, Lakewood Village, was concerned that with the number of new construction starts, road cuts for utilities are increasing and contributing to damage to the roads and road right-of-ways. She suggested that contractors be required to post a performance bond with the County that allows for satisfactory repair of the road for a two year period

after construction, then the repair would be accepted. In addition, she felt that builders should pay to have roads graded after construction is completed.

Terri Haine, North Village Lake, felt that road repair by contractors was a good idea. The question becomes how to prove who inflicted the damage. She felt that the County Road and Bridge Department should be required to do an inspection and insure that repairs are completed.

Board President Bohl asked the newly elected board to remain for a Special Board Meeting to elect officers.

MOVED AND SECONDED TO ADJOURN THE 2005 PLPOA ANNUAL MEETING.

MOTION CARRIED

The 2005 Annual Meeting adjourned at 11:47 A.M.

Respectfully submitted,

Sue Passant, Recording Secretary

Leona F. Payne, Secretary