

Shock Hill Property Owners Association 2017 Annual Meeting Minutes

Attendance

Shock Hill Board of Directors: Tom Begley and Patricia Harding-Walker and John Mack

Alpine Edge Management Staff Present: Steven Frumess and Mary Kay Perrotti

Owners Present: Stu and Nancy Levenick, J.T. Mueller (proxy for Katy Wright), Barry and Beth McBride, Andy Greenwald, Todd Becker, John Goebel, Chris Canfield, Linda and Dan Burns, Edwin and Cathy Davis

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Introduction

Meeting commenced at 1:32pm M.S.T, Saturday March 11th, 2017.

Introductions were given by Patricia Walker of the Shock Hill POA Board of Directors and Alpine Edge representatives.

Introductions were then provided by all of all Shock Hill property owners that were present at the meeting.

Annual Minutes

Board Secretary, Tom Begley presented the meeting minutes from the Shock Hill Annual Meeting from 2016.

These Annual Meeting Minutes were approved with no changes.

Budget for 2017

Board Treasurer, John Mack presented the 2017 Annual Budget and highlighted particular items of interest:

- 119 Dues paying members in 2017 v. 114 Dues paying members in 2016;
- Forest Health continues to be a substantial cost;
- Reserves are being targeted for approximately 100% of Annual Operating Budget;
- Management Fee by Alpine Edge Property Management was unchanged from 2016;
- Property Owners are to be assessed dues of \$300, which is unchanged from 2016 dues payments.

Shock Hill Homeowner, John Goebel stated at the 2016 Annual Meeting that homeowners voted to reduce the reserves from 150% to 100% of the annual budgeted expenses and questioned if dues should be changed to reflect this new reserve policy.

John Mack was not available at the 2016 meeting and questioned whether dues did need to be reduced to reflect this recent change in the POA reserve policy. Tom Begley agreed with John Goebel's remembrance of the vote to reduce the reserves from 150% to 100% and said that the Board would

direct Alpine Edge to reduce the reserves and make any adjustment to the annual dues, if necessary. At a later date from this annual meeting, it was determined by Alpine Edge that the 2016 annual budgeted expenses were 100% of reserves, so changing the 2017 dues amount was not necessary (*Board of directors agreed to this decision on 4/3/2017*).

Alpine Edge Property Management Representative Steven Frumess then presented and explained the 2016 Annual Budget overages, which primarily included repainting of the sewer lift station structure, the skier underpass guardrails and additional landscaping within the common areas.

Homeowner Todd Becker commented on the rather nominal dues that were paid by the homeowners annually and wondered if the HOA were to raise dues would homeowners get a higher level of amenities, such as landscaping or other improvements to the common areas? He suggested that maybe a landscape plan should be developed for the entire POA, in future budgets.

Todd then made a motion to approve the 2017 Annual Budget and Pat Layton seconded Todd's motion.

CCIOA Compliance

Steven Frumess presented the proposed changes to the Shock Hill governing documents necessitated by the Colorado Common Ownership Interest Act (CCIOA). Steven worked closely with the HOA attorney, Seth Murphy, to ensure the Shock Hill governing documents are in compliance with CCIOA requirements.

It was discovered that Shock Hill POA is exempt from the SB 100 CCIOA governance policy updates due to a clause within the Shock Hill POA Declaration. The Declaration was drafted so that if the POA dues remain less than \$548 per year (approximately, as there is an annual CPI increase for dues assessments), then the HOA will remain exempt from these CCIOA updates.

General HOA Business

Board President Patricia Walker explained the replacement of the Little Red Run signs had been spearheaded by John and Jan Quigley and wanted to formally thank John and Jan Quigley for their work on installing the signage as well as their additional efforts over the years creating trails and shaping the Shock Hill Community.

Todd Becker asked questions about tree removal and violations that, in his opinion were not being enforced equitably amongst all the membership. Mr. Becker also noted that he is offended by a select few members reporting violations, while he feels that others are not following the rules established within Shock Hill's Design Guidelines. Discussion about the need for DRB enforcement and policing followed Mr. Becker's comments.

Shock Hill Locker Facility

Patricia Walker presented a proposal by the Board for the creation of a Shock Hill Locker Facility on Tract E, next to the gondola terminal. Patricia explained the highlights of this Locker Facility which included the following:

- A locker facility of some sort was considered and discussed when she and many others purchased their properties in Shock Hill and was a very attractive concept to many buyers.

- The locker facility would have many benefits to the residents of Shock Hill including a personal locker for most residents, a reduction in vehicle trips within the neighborhood, and a possible spot for post office boxes;
- The locker facility would provide a permanent bathroom for Ski Area employees thus eliminating the need for the unsightly port-o-let currently provided by the Ski Area; and
- The Locker Facility would be a private venture when and if the project became a reality. Shock Hill property owners would not be required to join or buy into the proposed locker facility.

Patricia explained that she would personally survey each of the homeowners when the conceptual plans and budget for the locker facility are complete. She would report her findings to the membership.

Patricia recognized that Chris and his partners are in control of the property and this is the beginning of discussions, not a guaranteed amenity.

Chris Canfield, a representative of the land owner who is currently developing the land around the gondola and the owner of the land under the proposed Locker Facility stated the following:

He said that he is amenable to a discussion but so far no proposal has been made to date. Chris followed up by saying he is willing to continue the discussion. He mentioned that he does have an obligation to the project and the new owners of this subdivision and that he sees little personal gain to the land owners from such a Facility and cautioned the membership about potential opposition from this project. Chris said he is not saying “no” at this point but has to think about his project, The Overlook, and its buyers first. He suggested that the HOA presents a plan to make it a “win-win.”

Todd Becker commented that Shock Hill members and the Board should explore the opportunity for a locker facility, as the Vail Club and Snowmass Clubs have increased property values with such facilities. It is the responsibility of the HOA and Board to explore these types’ items that improve property values.

Edwin Davis commented that he understood that the locker facility would be part of the development and did not understand how the master plan was changed, to eliminate this. He also thought that the HOA would need to make a deal with the owner of the land first and the membership needs to give Board flexibility in some of these areas to spend funds that will hopefully benefit all of the Members.

John Goebel asked about the architectural costs to date and Patricia explained that approximately \$4,000 has been spent, so far.

Linda Burns expressed her surprise at the expense of this project to date without the Membership voting their desires.

Chris Canfield believed that at the 2016 Annual Meeting the Board was given some discretion to explore or address issues similar to this locker facility throughout the year. Chris thought the Board was permitted to spend up to 15% of the annual budget for such projects without Membership consent.

Homeowner Andy Greenawalt and Todd Becker expressed their support to the proposal and to the Board to further explore the locker facility and similar ideas.

John Goebel wanted to make it clear that in the future if the Locker Facility was constructed, that it would be separate from the Shock Hill POA and would be a private enterprise. John further wants a cap of \$5k on expenditures by the HOA on the locker facility investigation. John would also like to see a

separate line item in the Annual Budget for the Locker Facility design and development and have the new budget sent out to the ownership.

Todd Becker made a motion to allow the Board to spend up to \$5k on the exploration and potential development of a Shock Hill Ski Locker Facility. Motion was seconded and carried.

Todd Becker made a second motion to allow the Board to negotiate with Chris Canfield and his Partners on the locker facility, which was then seconded and then passed.

Adjournment

The 2017 Shock Hill Homeowners Association Meeting was adjourned at 2:25pm M.S.T