



SHOCK HILL POA

2021 ANNUAL HOMEOWNER MEETING MINUTES

March 27th, 2021 – 11:00 AM MDT

Remote via GoToMeeting

Shock Hill POA Board of Directors

- Patricia Walker – President
- Karen Smith – Treasurer

Alpine Edge Representatives

- Steven Frumess – General Manager
- Brett Gunhus – HOA Manager
- Robin Hoffmann – HOA Accountant
- Robin Dew – Administrative Accountant

AGENDA

I. Welcome

A. GoToMeeting Protocol

The meeting was called to order at 11:02 AM MDT.

Alpine Edge HOA Manager Brett Gunhus advised attendees of standard GoToMeeting participation protocol and how to locate and use the chat feature as an alternative method for participating with questions or comments. He also reminded attendees that the Board election was being conducted completely online and votes would be accepted until midnight that night.

B. Introduction of Board and Management

General Manager Steven Frumess introduced the Alpine Edge personnel in attendance and provided contact information for the various Alpine Edge departments.

Alpine Edge currently manages Shock Hill POA and each of its subdivisions with the exception of Shock Hill Homes. These subdivisions include Cottages at Shock Hill, Shock Hill Landing, Cucumber Patch, and Shock Hill Overlook.

The best way to contact Alpine Edge is via email to HOA@aepropertymanagement.com. Owners can also dial (970) 453-2334 and use extension 3 to reach the HOA department for general maintenance requests or HOA-related questions or use extension 4 to reach the accounting department for financial questions.

In the event owners experience any type of emergency, they may use Alpine Edge as a resource and contact (970) 453-2334 extension 5. Management employs emergency staff ready to handle any emergencies that may arise 24 hours a day, 365 days a year. If owners are suspicious of any criminal

activity within the association, Alpine Edge advised that owners contact the police as a primary resource. The non-emergency dispatch number for the town of Breckenridge is (970) 668-8600.

The current Shock Hill POA Board of Directors consists of Patricia Walker and Karen Smith. There is 1 vacancy on the Board. Patricia thanked the owners present for attending.

Steven Frumess determined that quorum was satisfied through the proxies received and homeowners who were in attendance. As determined in the Declarations & Bylaws, quorum is established through 20% of ownership in attendance by person or proxy vote which would amount to 27 homeowners.

The following individuals were offered proxies by neighboring owners who were unable to attend the meeting:

Katy Wright:	22
Patricia Walker:	21
Ed Means:	2
Robin Gear:	2
Tom Begley:	1
John Goebel:	1
Arminda Menke:	1
Chris Malo:	1

In attendance: Patricia Walker, Forbes Alexander, Ryan Bennett, Tom Begley, Bernard Buonanno, Henry Carlson, Tom Corley, Robert & Elizabeth Cotten, Tom Adelman, Robin Gear, John Goebel, Diane Guernsey, Janet Holloway, Joseph Jagggers, Alan and Carol Kelly, Robert Leighton, Chris Malo, Dirk McDermott, Ed Means, Arminda Menke, Diana & Phillip Montague, Mark & Daphne Pals, Phillip & Donna Reinsch, Greg Ruckman, Karen Brand, Michael Stokes, Andrew Sukawaty, and Katy Wright.

C. Confirm Notice of Meeting Delivery

Steven Frumess confirmed that the Notice of Meeting was sent out via USPS, as well as numerous emails from HOA@aepropertymanagement.com email to all owner contact info that Management has on file. If any owner did not receive emails from the Association, please reach out to Alpine Edge directly so that Management can have this corrected with your most up to date information.

D. Clarification of Voting Rights

Patricia Walker noted she had seen one proxy form not signed and asked Management to ensure it was not counted. Steven Frumess advised that Management would be double- and triple-checking proxies, votes, and final attendance count before announcing determinations, and the results for the election in particular.

Steven stated that there are 135 lots and annual assessment payers within Shock Hill POA. This consists of 58 total single family lots on Peerless, Wildcat, Brooks Snider, Iron Mask and Penn Lode drives. There

are 14 lots on Regent Drive for Cottages at Shock Hill, 13 lots at Cucumber Patch Placer Road for Cucumber Patch, 20 lots on West Point Lode for Shock Hill Overlook, 14 lots on Union Trail for Shock Hill Landing and 14 lots on Columbia Drive for Shock Hill Homes.

In accordance with the Board of Directors interpretation and understanding of the Association Declarations for Shock Hill POA (also referred to as Covenants, Codes and Restrictions; or Land Use Declarations), there will only be 1 vote for each of the 135 lots that are capable of voting within the community. Management acknowledged that these exact voting rights are in question for the Association. Shock Hill Overlook, which was formerly considered tract E as referenced in section 5.3 of the Shock Hill POA Declarations, states that their interpretation of the Declarations is that they have 66 votes allocated for their 20 lots for all Shock Hill POA voting activities to be placed as a block

It was announced that at the end of the meeting, owners will have the chance to discuss the Board's current initiative to change the Declarations and provide clarity to the current voting rights displayed throughout the governing documents. It was requested that the flow of the agenda were not derailed with talks of voting rights until either the final section of this meeting or if a contentious vote were to arise & require that discussion sooner. Owners were assured that the meeting had no hard stop time & that Management, the Board, and owners will spend as much time that's needed to discuss this matter at the appropriate time.

E. Review and Approval of Minutes

i. March 16th, 2019 Annual Homeowner Meeting

The meeting minutes from the most recent annual meeting in 2019 were provided via email on 3/26/21. Unless there are any requested changes or modifications, Steven asked that an owner please make a motion to approve of these annual meeting minutes.

Katy Wright: Chris Canfield had made a motion to place the 66 votes for Tract E, now referred to as the Shock Hill Overlook subdivision. Brett Gunhus stated that the minutes do reflect Chris attempting to place this motion and that Patricia Walker denied the motion as the Board's interpretation of the Declarations differed then as it still does now.

Patricia Walker stated her memory that the motion was refused by legal counsel of the Shock Hill POA.

There were no other comments about the 2019 meeting minutes. Steven Frumess requested a motion to approve the minutes contingent upon a possible final edit ensuring that the information above is indeed reflected accurately in the minutes.

John Goebel motioned for approval, Joe Jagers seconded, and the motion passed unanimously amongst the homeowners.

Ed Means requested the 2021 meeting minutes be sent out within a couple weeks for draft review. Steven Frumess stated Management would get these out as quickly as possible, but that it will be first presented to the Shock Hill POA Board of Directors. The 2021 minutes will only be considered a draft until ratified by the owners at next year's 2022 Annual Meeting.

II. Policy Review

A. Common Area Maintenance

Steven Frumess shared the common area projects and routine maintenance that occurred throughout 2020. He started with a brief visual presentation on plants and trees that are native to the community so that owners can put names to the common vegetation throughout Shock Hill's surroundings.

In 2020, Alpine Edge removed and replaced dead vegetation within the Association common areas. These replacements consisted of various aspen trees and native shrubs. Most were installed at the entry northeast of the bridge and inside the traffic medians running along Shock Hill Drive. The native shrubs that were replaced throughout the community last year consisted of Golden Currant, Yellow Potentilla, Choke Cherries and Junipers. Management also replaced several aspen trees that were diseased, dead or dying throughout the community.

He clarified that Alpine Edge did not add anything new to the Association but simply replaced what was dead or diseased in high traffic common areas. Management did this same exercise to the surrounding subdivisions that they manage through the POA's subdivisions. This approach of removing dead vegetation is an important aspect of retaining a aesthetic first class aesthetic and will be monitored on an annual basis, but likely won't necessitate action to this extent in future years.

In addition to these replacement efforts, the Association sprayed trees at risk of disease within the Shock Hill Preserve, mainly consisting of lodge pole pines and spruce trees.

In the summer of 2020, Management sprayed the entire Preserve for scale for both Pine and Spruce trees. We sprayed 800 gallons of pine spray and approximately 250 gallons of spruce spray which is based on the tree counts we had for this Preserve area between Shock Hill Drive and Peerless.

Scale is a type of bug that is attracted to pine and spruce. In the early part of the summer season, they are actively moving during their crawl phase. Their crawl phase typically lasts for a short period around and is usually in the June / July portion of the summer season. This is the time that spray is most effective to eliminate these bugs from damaging trees. Following their crawl phase, they will latch onto the trees to feed on. At that time, they will remove all the nutrients and natural sugars that are present within the pine and spruce. Once this happens spray is no longer effective, and arborist would need to look to inject pesticides which are far more costly.

Scale is present in a tree when pine or spruce trees begin to have their needles turn brown. The brown coloring starts at the root of the needle and eventually turns entirely brown to the tip. In the past Alpine Edge has also sprayed for Pine and Spruce beetle, but this has not been a problem in the area lately.

Trees do not have enough moisture to produce their sap during drought seasons, which push away the spruce and pine beetle.

From 2005 – 2008 when drought years occurred within Summit County and much of Colorado, it destroyed forests throughout all of Summit County. You can still see the aftermath of the pine beetle

infestation that occurred in the earlier 2000's. An example of this is when you drive through Frisco and look to the east or along Airport Road and look to the west.

Alpine Edge shares these type of mitigation efforts to ensure the health and longevity of the trees throughout Shock Hill. It is also an effort for fire mitigation. In addition to these mitigation and replacement efforts for trees, Management continues to spread grass seed for native grass areas that are bare or patchy and exposed of dirt.

In addition to grass seed, Alpine Edge has also spread some native wildflower seed to certain locations of Shock Hill that have wildflowers present to help supplement its presence during the summer months. Owners will notice this on the north berm after the bridge headed west on Shock Hill Drive and inside the traffic medians and on the south section of Shock Hill Drive where it intersects onto Penn Lode Dr.

The wildflowers that you will notice throughout the Association are limited and consist of Wild Lupine and White Yarrow. Owners may notice some Columbine in certain locations but Lupine and Yarrow are more prevalent.

Management also routinely eradicates noxious and broadleaf weeds that grow within the Association as part of our routine maintenance efforts.

The most common noxious weeds within Shock Hill POA are dandelions, otherwise known as Crazy Daisies (white flower with a yellow center), Canadian Thistle (purple and pinkish round flower), and Fire Weed (pink flower that goes along the stem).

Alpine Edge shared these photos of common weeds so that owners can identify them in their own yards and make efforts to remove them so their seeds do not spread throughout the community. Management will reach out to homeowners with noxious weeds on their lawn over the course of summer. If owners are ever in need of a contractor to help with these eradication efforts, they are encouraged to reach out to Alpine Edge which will put you in touch with companies that do this type of work.

Routine maintenance efforts of Shock Hill POA consist of maintaining the entry that is north east of the bridge and the now grassed areas that run parallel to Shock Hill Drive until Peerless; the traffic medians that go all the way up until Shock Hill Overlook; and the Shock Hill Preserve, which remains mostly native.

Routine maintenance for the Association consists of spring cleaning, irrigation turn-on, fertilization of grass, pruning of trees and shrubs in need, and mow & trims several times per spring & summer seasons. Alpine Edge takes efforts to avoid excessive mow & trim because the intent of the Association's aesthetic is to remain native so that the landscape looks natural and that all common areas blend with its surroundings.

Alpine Edge warned that subdivisions and single-family properties do not over landscape with annual and perennial flowers that are not native so that the intent of the Design Guidelines is complied with in accordance with the Association's governing documents.

Steven pointed out that all the sidewalks and roads throughout Shock Hill outside of the private subdivisions are considered public. This would be Shock Hill Drive, Peerless, Wildcat, Iron Mask, Brook Snider and Penn Lode. These streets are all maintained by the Town of Breckenridge. Sidewalks along Shock Hill Drive are now being maintained by the Town of Breckenridge.

Steven opened up the floor for questions from the owners.

John Goebel asked if the Association is continuing with the Firewise program within the Preserve. Steven Frumess confirmed it is an annual application process and the spraying is part of that.

The Red, White, & Blue Fire Department provides free inspections of lots and also have a system of grading the fire risk of these properties. Patricia Walker stated she had them come out and updated her property to follow their recommendations.

At this point in the meeting, Shock Hill POA legal counsel Fred Sprouse called into the meeting. Patricia Walker advised she had asked him to attend the meeting as the Shock Hill POA attorney to listen and provide legal advice for the POA Board. She emphasized that he agreed to attend & participate in this meeting at no cost to the association.

B. Short Term Rentals

i. New Annual Registration Policy

Brett Gunhus advised the attendees that the Board of Directors had made a determination to require all owners that rent their property as a Short-Term Rental must now annually provide a copy of their BOLT license and property management contact information to Management. Alpine Edge provides a 24-hour 7-days-a-week emergency contact line, as usually late evening or night calls are in regards to rental violations. The registration process primarily benefits Management by simplifying the process of contacting property managers, as many owners do not live close or may be unresponsive. Management will send out a communication to the owners explaining this process in detail pending direction from the next Board of Directors.

John Goebel requested what is considered a Short-Term Rental and if it included VRBO. Steven Frumess advised 30 days or less and includes VRBO, Airbnb, and that these are platforms that serve Short-Term Rental units.

Brett Gunhus added that the registration form requires owners to provide their particular HOA requirements to their property managers to pass along to the renters so that they can avoid common violations from out-of-town guests, such as the restriction of street parking.

C. Design Review Boards A & B

Steven Frumess provided information on the Association's Design Review Board A & B.

As specified in the Declarations, DRB A is to review all single-family homes that run along Peerless, Penn Lode, Wildcat, Iron Mask and Brooks Snider, as well as the Cucumber Patch & Shock Hill Homes

subdivisions. DRB B is comprised of the other 3 subdivisions including Shock Overlook, Cottages at Shock Hill, and Shock Hill Landing.

Brett Gunhus noted there were three (3) nominees for each Design Review Board, which would make it these 2 moot elections unless any other owners wanted to volunteer. He read the names on the rosters below. Participants of the meeting were given a moment to speak up, and no other owners volunteered.

Design Review Board A:

Jill Williams, David Brown, Diana Montague

Design Review Board B:

Nathalie Smith, Arminda Menke, Greg Ruckman

Mike Stokes made a motion to approve of the roster as it was announced. Phil Reinsch seconded. Motion carried unanimously.

Brett Gunhus stated that the newly elected Design Review Board members would be contacted by Design Review Administrator Mark Provino shortly.

John Goebel asked if there are any restrictions on single-family homes being rented for company retreats or multi-families, as there are current homes and new homes being built with a large number of bedrooms. Patricia Walker noted the 4 + 2 Town rule (occupancy for Short-Term Rentals is capped at 4 + 2 people for each bedroom). Shock Hill POA could choose to be stricter than Town law, however, and this may be a discussion topic for the Board if over-occupancy seems to become a problem throughout the neighborhood.

Steven Frumess thanked the new volunteers for joining 2021's DRB A & B.

III. Financial Review

A. Review FY2020 Financials

Alpine Edge began by reminding owners that the Board had opted out of having an annual meeting in 2020, and as such state statute dictates that the most-previously Board-ratified budget goes into effect for another year. This means that the association in 2020 had been acting on the budget approved for 2019.

HOA Accountant Robin Dew advised attendees that the 2020 budget was mainly on target with three notable overages. The contingency line worked as intended and offset \$4,000 of overages, and savings in irrigation helped as well. Administrative, Management, and state registration fees all came in as expected. The three lines with notable overages were Legal, Common Area Maintenance, and Shock Hill Preserve.

Steven Frumess provided details on the 2020 actual expenses and the 2021 Board-approved budget.

The Common Area Maintenance line item was over mainly due to extra spend that took place for replacement of all the diseased and dead vegetation in summer of 2020.

Shock Hill Preserve overages were mainly due to the association operating on 2019's budget which was budgeted for pine and spruce beetle rather than scale. The spray for scale is much more expensive.

Insurance rates have continued to increase over the last two years, which affected both the General Liability and Directors & Officers policies.

Ed Means asked about the \$5k in legal fees. Steven Frumess attributed this spend to the preparation of updating governing docs such as the Bylaws (mainly regarding the Director term length amendment), the Rules & Regulations (mainly regarding the Short-Term Rental registration requirement), and the Declarations (mainly regarding association voting rights).

B. Proposed FY2021 Operating Budget

i. Review Operational Expense Budget Items and Dues

Steven Frumess noted Section 7.5 of the Declarations which specifies that the annual operating budgets for Shock Hill POA are considered ratified upon a majority approval of the Board of Directors. He acknowledged that the Association has operated through ratification of a homeowner vote in the past, but that the official written process would be adhered to in 2021 moving forward.

Robin Dew confirmed that annual dues are being raised to \$389 for the year. Both Management and the Board believe this is a sound budget which will continue the smooth financial operations of Shock Hill POA. Robin walked through the notes for each line of the 2021 Budget, acknowledging there was a formatting error in the Budget that had originally been sent out with the annual meeting packet. The error was corrected, and the Board-approved version was shown on the screen for all participants.

The following line items were expounded upon -

- Accounting, Registration, Utilities, Website, and Administrative lines remain flat to 2019
- Irrigation was increased to reflect an average of expenses accrued over the past three years
- Insurance costs were brought up to reflect the quotes received from Travelers.
- Legal was increased to 5,000 to cover cost from the ongoing legal discussions.
- Common Area Maintenance & Shock Hill Preserve were increased based off 2020 Actuals as ongoing fire mitigation and tree health efforts will very likely be called for in what is expected to be a dry year in 2021.

The Association will be running at a roughly \$11,500 net income. This is due to the POA policy that retained earnings must be equal to the current year's operating expenses. With \$41,500 in expected expenses and 2020 year-end retained earnings of \$30,00 this budget addresses this policy and will increase retained earnings to the appropriate levels.

IV. Other Business

Steven Frumess provided the below sales information as of January 1st, 2020.

A. Sales Update

Shock Hill Single Family Homes Sales since 1/1, 2020

Address	Sales Price	Price Per SF
33 Iron Mask Rd	\$4,600,000	\$581.84
55 Brooks Snider	\$4,999,000	\$954.19
88 Brooks Snider Road	\$5,050,000	\$961.72
532 Peerless Drive	\$7,000,000	\$914.32

The Cottages at Shock Hill Sales since 1/1, 2020

Address	Sales price	Price Per SF
24 Regent Drive	\$3,550,000	\$1,003.68
66 Regent Drive	\$3,900,000	\$1,101.38
51 Regent Drive	\$3,965,000	\$1,139.7

Shock Hill Landing Sales since January 1, 2020

Address	Sales Price	Price Per SF
12 Union Trail	\$2,525,000	\$1,141.
114 Union Trail	\$3,300,000	\$1,321.06

Shock Hill Overlook Sales since January 1, 2020

Address	Sales Price	Price Per SF
18 West Point Lode	\$3,120,00	\$1,139.10
60 West Point Lode	\$3,125,000	\$1,145.53
90 West Point Lode	\$3,200,000	\$1,159.00

Cucumber Patch Sales since January 1, 2020

Address	Sales Price	Price Per SF
41 Cucumber Patch	\$2,272,500	\$937.11
92 Cucumber Patch	\$2,275,000	\$915.86
25 Cucumber Patch	\$2,300,000	\$938.78

Shock Hill Homes Sales since January 1, 2020

No properties have sold in the 2 years.

B. Review Process of Online Elections

Brett Gunhus reminded attendees that the online Board of Directors election would be active until midnight that day. He also walked through the steps to get to the landing page for the election, which is hosted on the Alpine Edge website. He noted there are two (2) seats up for election on the Board of Directors and five (5) nominees running for those 2 seats. Steven reiterated that Management will ensure that no double voting occurs and will be double- and triple-checking results before announcing them to the homeowners. If multiple votes from any single household is received, the latest valid ballot submitted is the one that will be counted.

Steven Frumess asked if there were any other nominees who want to volunteer to run at the floor of the meeting, but no other owners volunteered.

Ed Means spoke up to endorse John Goebel and Karen Brand, having served with John Goebel for six (6) years and believed transparency is a current issue with the Board.

Patricia Walker added that she is not only the POA President, but also a homeowner and that she has strived to make POA an incredible neighborhood. She endorsed Karen Smith and Phillip Montague.

At this point in the meeting owners began referencing aspects of governance, so Patricia opened up the conversation to discuss association voting rights & Declaration amendment.

Summary

Patricia Walker address the recent legal expenses incurred and indicated that a high percentage of these fees were due to ongoing conversations with legal counsel about Shock Hill Overlook's 66 votes. She noted once more that Tract E and what is now Shock Hill Landing were intended to be commercial ventures, which did not come to fruition. The developer then moved forward with their plans for the Shock Hill Overlook subdivision, but did not update the governing documents for either the Master Association or the Shock Hill Overlook subdivision after the determination was made to develop townhomes on the lot.

Patricia thanked homeowners Ed Means and Mike Dudick for attempting to negotiate between the Shock Hill POA master Association and the Shock Hill Overlook subdivision for brief periods of time in 2020.

Patricia acknowledged that she opted to not enter mediation with the Overlook Board due to the unreasonable nature of their requests. She referenced 2 options that she was given - one of which included her stepping down from her position and the other had a list of various demands which were not expounded upon.

She had hoped to negotiate and come to understanding with the Overlook subdivision as she was strongly opposed to the concept of 20 people having 66 votes compared to the 1 vote per lot amongst the rest of the homeownership. Landing has 14-16 units and only having eight (8) votes. The way that Design Review Boards A and B are specified are outdated remnants in the governing documents that were never updated to reflect the final use of Tract E as well.

Patricia reminded the owners that no one on the Board gets paid for the time & effort that they volunteer. She would like to see the neighborhood come together to change the Declarations to reflect how the neighborhood is, which will require votes from 67% of all owners to change that document.

Patricia mentioned there should be staggered terms for Board members so there is never more than one (1) new Board member at a time. She would like to see these issues fixed before she leaves, as her house is for sale.

Katy Wright added she was in agreement with Patricia that it is an incredible neighborhood and that she is happy to be a part of discussions on changing the legal documents to a version that is seen as fair and that all owners can agree to live by.

Wright mentioned that Overlook's position was not in belief that they deserve more than their neighbors but rather based on the original documents as well as the Shock Hill 2015 annual meeting minutes which state that Tract E has 66 votes of the total 182 votes. This fact was read aloud at the meeting.

That quote itself was a statement based on Steve West's documents from 2014. This was reviewed by attorneys employed by the Overlook, almost all of which confirmed 66 votes to Tract E. Overlook's position not to retain the 66 votes in perpetuity, but to use simply to change the Declarations to be fair. Until then, the subdivision board plans to hold the 66 votes as written. As President of the Overlook Board, she is unaware of the various offers which Patricia Walker referred to.

Patricia Walker stated she was sent an email from Ken Lawrence and Mike Dudick with a long list of demands, several that were in violation of CCIOA statutes as well as various property rights.

Katy Wright noted Patricia Walker's comment that the governing documents need to be changed, but reiterated they do stand as legal documents until they are changed by a 66.7% of the homeowners. She also added that the list Patricia Walker referred to as "demands" may have been a personal list but was not representative of the Board as she herself was not familiar with the list.

Alpine Edge mentioned that while there are valid differences of interpretations presented by both sides, there was a proposed vote to amend the Bylaws on the agenda which seem to have bipartisan support from most if not all of the owners.

i. Bylaws

Steven Frumess informed the owners of a vote that will occur in this section of the agenda which would cause Article 6.01 of the Bylaws to be formally amended, as provided in an email that was provided to the owners previously. As specified in the Bylaws, the amendment would go into effect if 67% of owners represented at the annual meeting (attendance via GoToMeeting or represented via proxy) vote in favor of the update. In layman's terms, the amendment would formally increase the term length of an elected Board member from 1 to 3 years, as the Association has been operating since its inception.

Conversation Summary

Katy Wright, President of Shock Hill Overlook said the governing documents never underwent an update to account for conversion of Tract E from its original intent as a lodge to the subdivision as it stands today, and as such it still retains its original 66 votes.

John Goebel stated to the owners that he is running for a Board position to ensure that the governing documents are followed, and that he would work to change them to reflect the whole Association.

Diane Guernsey, Director on the Cottages at Shock Hill subdivision Board of Directors, asked questions about Overlook's position on the Declarations & whether they intended to ultimately retain their disproportionate votes if they had their way. Katy Wright ensured that Overlook would like to be a part of the process or committee designated to update the Declarations for the benefit of the whole Association.

Patricia Walker took a moment to announce John Mack's death on August 22, 2020 for attendees unaware. John had been active on the Board in prior years. Proposed a liaison to the Board to include at least one owner from single-family and one owner from each subdivision so all can be represented and have equal say.

Diane Guernsey asked if Shock Hill Overlook owners pay 3 times the dues and Shock Hill Landing pays half the dues when compared to other Shock Hill POA owners. Patricia Walker responded that no, dues are the same for every owner.

Steven Frumess again mentioned that the Association has not been operating with disproportionate votes and understands there are conflicting issues with the governing documents, noting they also say no fractional voting is allowed.

After a lull in the Declarations/voting rights conversation, Steven mentioned that the scheduled vote to amend the Bylaws to reflect 3-year terms for Board of Directors (as Association has been operating since inception) might be a relatively easier bipartisan consensus for the owners to come to. Exact verbiage had been sent to owners for review the previous day and must be 67% represented in this meeting or by proxy vote yes to pass.

Patricia Walker also stressed the terms should be staggered to act effectively and knowledgeably.

John Goebel suggested that a new Board member do a 1-year term and the other new Board member do a 2-year term. Brett Gunhus noted that while this would properly establish a stagger, that cadence would be upset upon every vacancy that occurs on the Board as the appointed individual serves until the next annual meeting rather than keeping the seat until its term expires.

Ed Means motioned for the Bylaws to be changed and reflect 3-year terms for Board of Directors. John Goebel seconded.

Before the motion went to a vote, Katy Wright expressed her concern as to why this change in particular is being voted on now when there are numerous changes that need to be made to the documents. Ed

Means responded it is more for housekeeping as changing Bylaws only need 67% of votes in attendance or by proxy. This first step is easy to complete.

Brett Gunhus expanded that the next Board has a lot of governing documents to update, and with this update to pass now, it provides clarity for them as they enter their role knowing that it is a 3-year term. Board members cannot vote on this because it affects them.

The motion went to a vote of the owners, which carried unanimously.

Steven Frumess advised that once the Declarations are updated, they would need signature from the Board Secretary to circulate to all owners. Patricia Walker asked for volunteers to assist with the process of reviewing governing documents. Noted Tract E, C and G are technically allowed to timeshare, though that was written for the original plans to develop a lodge and hotel.

Ed Means summarized three issues he feels need to be addressed – voting rights (1 vote versus 66 votes for Shock Hill Overlook), discretionary expenditures by the Board causing a reduction in the Reserve contribution, and governing documents not being followed to the letter.

ii. Land Use Declarations

This topic was touched on in length above, and owners discussed the topic until no one had anything further to say. They understood that any changes to the Declarations will require a drawn out voting process, one which cannot occur at an annual meeting such as this.

V. Open Forum

Brett Gunhus walked attendees through the voting process one last time for anyone whom had not yet placed their votes. He said that the results would be announced next week as soon as Alpine Edge felt confident in their accuracy.

VI. Adjournment

John Goebel motioned for adjournment and Ed Means seconded. Motion passed unanimously.

The meeting was adjourned at 2:24 pm.