

COOL SPRINGS RANCH ANNUAL PROPERTY OWNERS' MEETING AUGUST 1, 2009

11:45am -- Jan Arnold welcomed everyone and opened the meeting held in the conference room at Boss Hogg's Restaurant in Pagosa Springs, Colorado.

Introduction of Property Owners present

Jan and Larry Arnold -- Tract 30
Norm Carpenter -- Tract 22
Tom and Cathy DeRossett -- Tracts 1 and 26 / not voting
Holliday and George Hardin -- Tract 6B
Connie and Henry Medina -- Tract 2 / not voting
Tom Thorpe -- guest speaker on water system/ property mgmt

Proxy Votes

Kathleen Franco -- Tracts 17 and 3to Kimbra Davis
Kimbra Davis -- Tract 13C to Jan Arnold
Whitney VinZant -- Tract 31.....to Jan Arnold
Mary Evancho -- Tract 20to Jan Arnold
Lee Sirvaitis -- Tract 6A.....to Jan Arnold
Rob Martens -- Tract 6B.....to Jan Arnold
Mark Korzon -- Tract 7B.....to Jan Arnold
Marie Berkenkamp -- Tract 21to Jan Arnold
Debra Stone -- Tract 13Bto Jan Arnold
Jason Lewis -- Tracts 5A, 5B, 29to Jan Arnold
Kristin Berryhill -- Tract 14Cfor quorum only/abstained in voting

Available votes (owners with dues current): 17

Votes required for a Quorum to conduct business: 8

Jan Arnold overview of the meeting agenda

1. Key responsibilities for the meeting:
 - a. Elect new Board members -- 2 openings and 2 candidates
 - i. Kimbra Davis
 - ii. Jason Lewis
 - b. Approve last year's minutes
2. Discussion of owner responsibilities to POA and community: thistle is a big problem on many parcels, plus dead trees and grass which are fire hazards.
3. POA costliest issues -- snow removal, road maintenance, & the water system
4. The Ranch entrance is an eye sore and needs attention. Jason Lewis will be heading up this effort and wants owner ideas.
5. The POA website is up thanks to Rob Martens, past vice president. We hope he will continue to manage it! Visit: <http://coolpsringspoa.org/>
6. Tom Thorpe assists the POA in 2 capacities: (1) handling the water system with Mike Brodner; (2) assistant to the Board handling administrative tasks like mail, bills, and billing, plus overseeing work on the Ranch in the absence of the Board.

7. Ground rules:
No outbursts; 5 minute rule; everyone has the chance to speak; time to listen and learn; focus on discussion and sharing.
8. Additional interests were requested:
 - Connie Medina remarked she was having trouble with email and was missing POA sent information. She asked to have items mailed to her. A discussion ensued about costs and ease of electronic notification for most items. New website will be used to post minutes, bylaws, events, etc.
 - Norm Carpenter suggested owners be asked to update addresses, phone and email annually so POA is current. Jan Arnold suggested it be included in "minutes packages" to be sent following the annual meeting.
 - Tom Thorpe suggested the request be made on separate bright color slips of paper inserted into the 2009 minutes mail out, to attract owner attention.

Water System was the first topic discussed due to challenges this year.

1. There has been no water for most of this year. Problems began when Weber snow clearing damaged connections at wells 1 and 2 and stopped all water delivery. Exact cause was not discovered until the thaw in March. Developer Norm Carpenter paid for hauled water believing the malfunction was system failure. Andy Weber has accepted responsibility and will pay for repairs and water delivery to residents.
2. Mr. Weber's responsibility ended June 1 when water system was repaired and began running. That same day, 2 PRVs (pressure release valves) blew out and the system again was nonfunctioning. Damage was major and is still not completed. POA pays for system maintenance; owners must pay for their own hauled water.
3. Well #3 is still not connected to the system. The electrical box at well site has been damaged and LPEA must come to repair it.
4. The pump house on Archuleta Mesa Place between tracts 30 and 31 has been erected, however a pipe appears to be in the path of accessing the jeep trail road that the VinZints intend to use as access to their home site. Tom Thorpe will look at this and advise those completing the water system of the need to move it out of the road and away from possible snow clearing damage.
5. Norm shared the many, many challenges he faced in finding water over at the Alpine Lakes divisions. It was a long hard search, and costly, but he ultimately hit great quantities of water. He said he will do the same for Cool Springs Ranch – be tenacious until water is found.
6. Tom Thorpe suggested that CSR would do much better with drilled wells rather than gallery wells which are considered surface water; Tom DeRossett affirmed that same viewpoint – no gallery wells unless all other avenues fail. The CO Health Dept must be involved with all surface water wells and regulations are strict and costly.

7. Jan Arnold read aloud a letter from Justice Water Services that explained how successful they have been the last 10 years in Pagosa finding water and drilling wells. They use seismic analysis to “see” below the surface and find water. The developer, Norm Carpenter, said he would move forward with the seismic technology to find water for CSR.
8. Jan Arnold shared that Justice Water could not look or drill above the spring on tract 29 as they had wanted because it would infringe on Southern Ute Indian land. Justice is looking at the pond area for a possible spring that could lead to a high volume well. Tom DeRossett remarked that the pond is primarily fed from the spring on 29, but up by wells 1 and 2 there may be deeper water. Those wells are shallow – only 200 feet. Jan agreed to contact both Justice and Bill Lehr and see about setting into motion seismic sounding at the well sites 1 and 2.
9. Jan Arnold summarized the water discussion and ended by asking all owners to use water judiciously for it is a scarce commodity in all of Colorado.

Snow Removal

1. \$12,000 was budgeted for snow removal in 2009 and, to date, it has cost \$8,393. We have Oct, Nov and Dec of this year yet to cover.
2. Tom Thorpe told the owners that Andy Weber removed snow and kept the roads cleared, but even he had trouble keeping the well road clear which resulted in higher costs when he had to bring in larger equipment.
3. Connie remarked that Weber should be replaced because he is too expensive and damaged our water system. She asked why Weber was selected. Tom Thorpe explained he was the only one who had the equipment and would accept the job. He was the logical choice because he cleared Alpine Lakes and his equipment was in the area. Connie turned to Tom DeRossett and asked if he still felt he could clear the Ranch for \$45 an hour, a much lower cost. DeRossett said yes. Tom Thorpe and DeRossett are to pursue this further in discussions. Thorpe will look over the equipment, which will be stored on CSR property at the front entrance.
4. Larry Arnold suggested the CSR may want to purchase the DeRossett tractor. This will also be looked into as an option.

Road Issues

1. Jan Arnold opened with an overview of the condition of the roads, which in some areas are in great need of work. Notable are:
 - a. About 1 mile of our 4 miles of road are down to bedrock with little or no gravel.
 - b. Many bar ditches are filled with gravel, silt, and mud and need to be cleared so run off can occur without flooding roads.
 - c. Gravel needs to be placed back on the roads – but not mixed with dirt or driving conditions become unsafe when roads are wet --- a mud slick.

- d. Culverts need to be placed (perhaps 3 or 4) on Top Ridge which has a history of flooding. Thorpe says some areas need to be rocked to stop them from collapsing again.
 - e. Weeds are infringing on the roads and need to be scythed as soon as possible so they can die before ditch clearing. If not, we could lose more gravel than necessary – or the price would escalate steeply with trying to pull gravel and weeds apart.
2. Henry shared a horror story of graveling roads cheaply with lots of dirt mixed in with the gravel -- and the mess it caused at Navaho River. We want to avoid this. Thorpe says we need to be sure that new gravel is laid correctly: motor grader, water truck, roller, or we are wasting our money. Larry Arnold heartily agreed with Thorpe.
3. Thorpe and Jan Arnold are getting bids on road work from various local sources.
 - Andy Weber's bid including gravel was \$27,731 – cannot afford this
 - Mike Martinez is working up a proposal
 - George Martinez may do the scythe work
 - Thorpe has an additional source to view our roads next week
 - Reece Snow bid on the culverts -- \$530 each
 - Henry shared that Reece Snow secured gravel for them for about half the standard price. Jan Arnold to look into this.
4. Thorpe arranged for the county to spray for thistle which is a noxious weed and both state and county mandated to be kept eradicated. The POA is responsible for clearing our community roads to a distance of 15 feet in which is the easement. Owners must clear their own parcels. This will be a Board item for the first meeting of the new Board – how to control the thistle. One option: If individual owners cannot or will not act, the POA can have the thistle removed and send a bill to the owner.
5. Thorpe marked several trees along our roads that need to be removed before they fall and block the road – as happened to the Arnold's in March as they headed back to CA. Tom Stahr will be removing these and taking the fire wood. Connie asked about cutting dead trees for firewood and Jan Arnold encouraged her and Henry to do so, it reduced fire risk in the Ranch.
6. Tom DeRossett asked to discuss the “dirt trail” that starts at the cul de sac at the end of Archuleta Mesa Place, passing between parcels 9 and 30, past the well house and on to the BLM.

Emails concerning this trail had been ongoing the previous week for Mr. DeRossett had submitted a \$2800 bill to the POA for clearing the dirt trail to enable vehicles to easily drive upon it. DeRossett cited the Covenants, Section VIII. ROAD MAINTENANCE which states “Association shall provide routine maintenance of the Dirt Trail to keep it clear of rocks and trees.” The POA Board position is that it is responsible to clear it for foot and horse traffic only, not vehicles.

The Board believed the POA was not obligated to pay the submitted bill and cited Section VII. OTHER EASEMENTS, part (e), which states the POA must be given written notice and 30 days to correct any violation, and this was not done. Lively discussion ensued.

7. Efforts were redirected to finding win-win solutions for all parties concerning the dirt trail. Norm Carpenter acted as a calming mediator bringing opposite sides to middle ground through enlightened suggestions. Options discussed were:
 - DeRossett/Robertson (owner & immediate family only) unrestricted access to their land above
 - Restrictions on their guests: written authorization carried with them; advance notice to POA; limits of number per quarter; revocable if misused
 - Continued restricted, revocable access to BLM for CSR owners by foot and horse only
 - Annual trail clearing events when owners gather to clear rocks and fallen trees along the trail
 - A standard written form for vehicle access on the dirt trail for CSR owners (on a case by case basis) with notification to POA Board in advance

This is still in the discussion phase, but it looks promising. When final agreement is worked out, addendums will be added to an existing easement.

The goal is to insure the privacy of the CSR gated community while allowing DeRossett/ Robertson to enjoy their land above the Ranch.

Vote to Approve 2008 Minutes

Minutes were made available for perusal. There was no dissention or discussion. Minutes were unanimously approved.

Election of Board

Jan Arnold mentioned that she was surprised and excited that the two owners had contacted her and indicated interest in being on the Board. Two vacancies and two volunteers = perfection! Both were elected by a vast majority of owner votes.

Here is a little introduction to your new Board members:

Kimbra Davis:

Married 13 yrs. to Mark Husey --- own tract 13C
0 children
1 dog (a boxer named Della)

Mark and I reside in Florida. From the day he asked me to marry him, I have made it clear that I have no wish to live on the East Coast. My dream has always been to move back out West and build a log home. For over ten years, every vacation we took involved a trip somewhere out West. Our goal was to find the place we wanted to spend the rest of our lives.

After a few days in Pagosa, we looked at each other and said: This is it. We closed on our Cool Springs Ranch property less than one month after our first Pagosa visit.

I have spent the past 25 years in the dental industry. After college, I became a dental hygienist but carpal tunnel and arthritis way-laid that career. I soon became a dental office manager overseeing 27 employees. About 8 months ago, after consulting with my husband, I quit my job. Mark travels extensively and I wanted the opportunity to join him in his travels, as well as, take some time to figure out what I REALLY want to be when I grow up.

I now find myself with extra time on my hands and would like the opportunity to help make Cool Springs Ranch a successful community.A place where dreams come true....

Although I have no POA experience, I enjoy volunteer work. I am active in Meals on Wheels delivery, and I am on the Melbourne Art Festival committee.

Jason Lewis:

I am 41 years old. I graduated from ASU. I own my own construction and supply company in Phoenix. We work in the pool industry building and supply boulders for water features and landscapes. I have been in business since 1995. We have recently teamed up with a partner and are running a photovoltaic construction company that designs and installs solar electric panels for both residential and commercial applications.

On a personal level, I am married to Kelly who runs all the accounting for our business while trying to raise two wonderful sons, Jacob (9) and Conner (7).

We purchased lot 29 in hopes of some day building a get-away. Lots 5a and 5b are in a partnership with a close friend.

In regards to the front entry, I have a good friend who is a custom home builder that splits his time between Pagosa and Phoenix. He is willing to help with the entry. I have also thought of bringing some of my own guys up and doing it myself. It would be fun and slightly less hot than Phoenix. I have someone looking into a design. If anyone has design ideas or pictures of something they like, let me know. I would like to do something substantial that will stand up to the winter and dress up the Ranch.

Closing the Meeting

Jan Arnold asked if there were any other issues the owners would care to discuss. Norm Carpenter offered a suggestion for the gate. Rather than a swinging gate which is very difficult in the snowy months, he suggested one that slides sideways behind a twin panel. Looks very nice and is fully functional in all weather situations. Excellent idea! It will be forwarded to Jason Lewis with a rough diagram.

With no other items forthcoming, the meeting was adjourned at 3:40.

Respectfully submitted,
Jan Arnold
President CSR POA