

8/1/07

The following are notes made by Tom from the digital recording that was made during our annual meeting. I believe these notes to very accurately represent the proceedings and may be used as the official minutes at the discretion of the Board.

Tom

**Shield-O Terraces Homeowners' Association
July 25, 2007
Annual Meeting Notes**

The Annual Meeting of Shield-O Terraces Homeowners' Association was called to order on July 25, 2007, 6:40 PM, at Tom & Margaret's home, 85 Casey Court.

Certification of Notice of this meeting was made by Thomas DiCecco. He mailed a post card notice via USPS and by email with return receipts. A roll-call determined there were 19 members represented either in person or by proxy, constituting a quorum for this meeting. (19 divided by 34 = 55.8%)

List of Attendees:

**Brimm by proxy to Larry Leonaitis;
Frei;
Hansen;
Hartman by proxy to Michelson;
Holliday by proxy to Nancy Lowe;
Holmes by proxy to Leonaitis – then in person
Lauricella by proxy to Frei;
Leonaitis;
Lowe;
Meyers by proxy to Hansen;
Milchelson;
Ogier;
Papenfus;
Regan;
Shatz;
Smith;
TCBG (Graham) by proxy to Hansen;
Vernon;
Walker.**

Tom reported that there are 34 Members of SOTHA, 11 of which own unimproved lots.

Sallie Shatz read the minutes of the prior annual meeting that occurred on July 18, 2006. There was one correction changing the right of way on all SOTHA roadways

from 20 to 30 feet on each side of the roadway centerline, as it actually exists.

A motion for approval of these minutes as corrected was unanimously adopted by the membership.

Treasurer Michael Vernon reviewed the annual financial reports that will be posted to the website: Balance Sheet; Profit & Loss Statement; FYE 07 Budget vs Actual; FYE 08 Budget. The new budget indicated an assessment of about \$1,200.00 for the current fiscal year.

A motion to split the current annual assessment (expected to be about \$1,200.00) into two billings of about \$600.00 each was unanimously adopted by the membership.

An explanation of SOTHA resuming the responsibility of Old Pond Way in its entirety was given to the members. The members were also advised that ALL members of SOTHA will receive equal assessments and receive equal benefits.

The only roadwork intended for this year is improving and maintaining Old Pond Way to the same standard as other peripheral roads.

Tom reported that he requested a copy of every parcel's deed to draw a new plat for SOT.

Under other business, Muriel Frei had mentioned that she and Dr. Lauricella would like to withdraw or secede from the Association. She read a letter from Dr. Lauricella addressed to the SOTHA Board. The letter was referred to the Board for response. Tom suggested to Ms. Frei that she and Dr. Lauricella should hire an attorney to guide her through her effort of secession.

Tom reported on the status of the Johnson property where there is a lawsuit between Dwight and Johnson as to rightful ownership. SOTHA's collection lawsuit must be tabled until that dispute is resolved.

Nancy questioned the fact that Minutes are not being posted on the web site. Sallie explained that the Minutes had been delayed due to illness but are caught up and will soon be posted.

Tom reported that the Association Rules had been totally revised, recorded, and posted to the web site.

Eric gave a noxious weed report and encouraged all members to control weeds on their property. He reviewed several weeds on the Pitkin County List. It appears that it is mandatory to spray weeds early in the season for adequate control. Eric also reported that wildfire fuel mitigation is well under way. Roadway borders are being cleared to a point so that one can drive on the roadway through a wildfire to exit the

community. Eric is cutting 15 feet on each side of the roadways. Cut branches are shredded and used as ground cover.

Nomination of Board Members.

Tom DiCecco and Larry Leonaitis indicated that they were no longer able to be a Board member this coming year.

Nominated Current Board Members:

- 1. Eric Hansen**
- 2. Sallie Shatz**
- 3. Michael Vernon**
- 4. Kevin Michalson**
- 5. Joy Hartman**

New Nominations:

- 6. Kurt Papenfus**
- 7. Hawley Smith**
- 8. Stewart Holmes**

Margaret Walker and Marilyn Ojier served as Inspectors of Elections. Members were given a ballot and asked to vote for seven Board Members from the 8 names nominated.

The members elected to serve as Board Members for FYE 2008 are:

- 1. Eric Hansen**
- 2. Sallie Shatz**
- 3. Michael Vernon**
- 4. Kevin Michelson**
- 5. Joy Hartman**
- 6. Hawley Smith**
- 7. Stewart Holmes**

Tom reported that within a few weeks the web site will be transferred from <http://sotha.home.comcast.net> to <http://www.shieldoterraces.com>. He will inform all members as this is completed.

A discussion ensued about the requirements to change the covenants. Nancy believed that there must be 24 signed votes to amend the covenants. Tom reported that the covenants currently require a 100% affirmative vote in the absence of five years lapse. Tom stated, according to Counsel, that this had been overturned in Colorado Courts [and by amendment to CCIOA] now allowing 67% affirmative votes for any amendment where a higher percentage was prior required. 67% of 34 members = 23 members or affirmative votes required to amend the Covenants. Although 67% of the membership was not present, the consensus of the members

was to proceed with a vote and then solicit votes from members that were not present. Two sections of the Covenants were proposed to be amended:

The Covenants as they currently exist:

8.1 Amendments. Any of the covenants and restrictions contained in this declaration may be altered or amended by unanimous approval of the members at any time. Otherwise this Declaration and the contents thereof shall remain in full force and effect for a five year period from the effective date hereof and for each successive five year period thereafter for an indefinite duration. The Board may at any time propose an alteration, amendment or addition to the covenants and restrictions contained in this Declaration with the effective date of any such change being the next succeeding five year anniversary date. Any proposed change to this Declaration or any amended declaration shall be submitted to vote by the Members and approval by two thirds of all Members shall be required for the change to become effective.

Proposed Revision to Section 8.1

8.1 REVOCATION OR AMENDMENT TO DECLARATION. Except as otherwise provided in the Act, this Declaration shall not be revoked nor shall any of the provisions herein be amended unless the Owners representing more than fifty percent (50%) of the votes of the association consent and agree to such revocation or amendment by instruments which shall be duly recorded.

A motion to amend section 8.1 of the Covenants was NOT adopted by the members via a show of hands vote - 11 affirmative, 8 opposed. [This (11) constitutes only 32% of the membership and falls far short of the required 67%.] The opposing members did not like the reduction to a simple majority of more than 50%.

Section 8.5 of the Covenants was also proposed for revision:

OLD: 8.5. Notices and Mailing Addresses. Any notice required or permitted by this declaration shall be in writing and be given by United States mail. The Secretary of the Association shall keep an accurate list of the mailing addresses of the Members and in compiling and maintaining that list may rely on records maintained by the Pitkin County Assessor.

Proposed: 8.5. Notices and Mailing Addresses. Any notice required or permitted by this declaration shall be in writing and be given by United States mail or electronic mail if the sender has employed a means to determine the intended recipient has received said notice. The Secretary of

the Association shall keep an accurate list of the mailing addresses of the Members and in compiling and maintaining that list may rely on records maintained by the Pitkin County Assessor. A notice sent by U.S. mail, upon certification by the sender, shall adequately constitute notice. A notice sent by electronic mail must result in sufficient electronic tracking data substantiating that delivery has been made to the recipient. Any notice for meetings shall be sent prior to a minimum of ten (10) days prior to the meeting date.

A motion to adopt the proposed amendment to Section 8.5 of the Covenants was unanimously passed by the attending members (19 constituting 55.8%) [The Board will solicit addition votes from non-attending members to attempt to achieve the required 67% affirmative vote for this amendment.

Based on Nancy Lowe's request for the Colorado Law citation allowing amendments to the covenants, I have placed herein the exact citation as today (8/1/07) displayed on Lexis/Nexis: Colorado Statutes : TITLE 38 PROPERTY - REAL AND PERSONAL : REAL PROPERTY : Interests in Land : ARTICLE 33.3 COLORADO COMMON INTEREST OWNERSHIP ACT : PART 2 CREATION, ALTERATION, AND TERMINATION OF COMMON INTEREST COMMUNITIES : 38-33.3-217. Amendment of declaration.

38-33.3-217. Amendment of declaration.

(1) (a) (I) Except as otherwise provided in subparagraphs (II) and (III) of this paragraph (a), the declaration, including the plats and maps, may be amended only by the affirmative vote or agreement of unit owners of units to which more than fifty percent of the votes in the association are allocated or any larger percentage, not to exceed sixty-seven percent, that the declaration specifies. Any provision in the declaration that purports to specify a percentage larger than sixty-seven percent is hereby declared void as contrary to public policy, and until amended, such provision shall be deemed to specify a percentage of sixty-seven percent. The declaration may specify a smaller percentage than a simple majority only if all of the units are restricted exclusively to nonresidential use. Nothing in this paragraph (a) shall be construed to prohibit the association from seeking a court order, in accordance with subsection (7) of this section, to reduce the required percentage to less than sixty-seven percent.

(II) If the declaration provides for an initial period of applicability to be followed by automatic extension periods, the declaration may be amended at any time in accordance with subparagraph (I) of this paragraph (a).

The Board will take up the matter of polling non-attending members to get votes to change the covenants as shown above.

Eric reported the Board will most likely continue to contract First Choice for future snow plowing since they have done a good job at a reasonable price. Eric also reminded the members that the subdivision rights-of-way allow 30 ft on each side of the centerline of the roadway. This is the area that will be used for snow plowing and snow push-back.

After two hours and twenty five minutes of deliberation, the meeting was adjourned at 9:05 PM.

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