

Note: These notes were generated by Tom DiCecco from a digital recording made at the time of the Board meeting. The Board may, at its discretion, adopt these notes as the Minutes of the meeting. TD

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**Board of Directors Meeting  
Shield-O Terraces Homeowners' Association  
September 25, 2007**

The meeting was called to order by President Michael Vernon at 7:08 PM, 9/25/07. All Board members were present.

Michael Vernon, President;  
Eric Hansen, Vice President;  
Kevin Michalson, Treasurer;  
Sallie Shatz, Secretary (by phone)  
Joy Hardman, Director;  
Steward Holmes, Director;  
Hawley Smith, Director  
Tom DiCecco, Counsel to the Board.

Homeowner Nancy Lowe was present as an observer.

**Tillman Application**

Tom Newland, Newland Project Resources, Inc., was present having been invited by the Board to explain details of the Application for Approval of Activity Envelope for his client, the Tillman Estate (Lot 15 of Shield-O Terraces). Mr. Newland explained the details of the application and answered questions from the Board. He further stated that this process replaces the prior 1041 process, now creating two steps: Application for Activity Envelope and Site Plan Approval, both of which include all parameters considered in the prior 1041 process. Setbacks are of prime concern to the Board which will be addressed upon a future Site Plan application for approval. The Board related the Association's need for space for a trash/mail/package building, and the corner of the Tillman property would be an excellent location for the small building. This could most likely be accomplished by a perpetual easement. Mr. Newland will discuss this with his client and inform us. Mr. Newland confirmed that the placement of the association building may require another County review and he will check that for us too.

**Upon Motion unanimously adopted, the Board directed Tom DiCecco to write a letter to the Caucus informing them that SOTHA suggests that the Caucus approve the Tillman application for Activity Envelope.**

**Certification of Notice**

The date of this meeting had been prescribed at the prior Board meeting on August 7, 2007. Tom DiCecco certified that reminder emails or mail had been sent to all Board members on 9/15/07.

### **Meeting Minutes**

Tom DiCecco reported that his notes of the August 7, 2007 meeting had been posted on the web site and at the discretion of the Board may be adopted as Minutes of that meeting.

**Upon Motion unanimously adopted, the Board adopted Tom's notes as Minutes of the meeting and waived the reading since they prior had been distributed to the Board members and posted on the association web site.**

### **Treasurer's Report**

Kevin present three reports dated September 20, 2007: Balance Sheet; P & L vs Actual Budget; A/R Aging Summary. Kevin reported that we have \$40,252.64 in cash and \$41,479.19, with total current assets at \$81,731.83. The Board discussed various accounts in arrears. Members will again be billed for the second half of the annual assessment on March 1<sup>st</sup>. Each page of the Treasurer's Report will be posted to the web site

**Upon Motion unanimously adopted by the Board, the Treasurer's Report is accepted.**

### **Audit Report – SOT/SOM Agreement**

Kevin reported that the audit relative to the agreement is under way. At this point it appears that income and disbursements are very close. More information will be forthcoming.

### **Amended Association Rules**

Tom reported that he reviewed the Association Rules for compliance with CCIOA and suggested that changes be made regarding grievance and governance policies. The suggested changes were incorporated in a draft that was prior circulated to the Board for review. There were not further comments regarding the proposed amendments.

**Upon Motion, the Board unanimously approved and accepted the amended Association Rules for recording with Pitkin County and posting to the web site.**

### **Recording of SOT/Mesa Agreement Letter for Old Pond Way Residents**

Relative to the reunification of SOTHA, particularly Old Pond Way Residents' continued use of the lower portion of Mesa Road for access to Old Pond Way, the Board had

authorized Tom DiCecco to write a letter to the Mesa Road Association delineating the stipulations and including a payment check for the road use. The letter referenced the check and the check included restrictive endorsement thereon relative to full agreement to the stipulated items. On August 8, 2007, Tom delivered the letter and accompanying check # 433, \$1,540.00, for the year 2008 privilege of OPW residents to use Mesa Road. On August 13, 2007, the Mesa Road Association negotiated the check with the restrictive endorsements. To memorialize the agreement and payment, protecting the Association and OPW residents, Tom suggested that the agreement letter and payment be recorded with Pitkin County.

**Upon Motion unanimously adopted by the Board, Tom will record the August 8, 2007 agreement letter in the records of Pitkin County.**

### **Old Pond Way Roadway Report**

Grading and upgrading of Old Pond Way has been completed. Board member and resident, Joy Hartman related that the improvements are great and the neighbors are happy.

### **Notification of Association Members of Board Meetings**

Kevin related that the Board should make a good faith effort to notify all members of Board meetings. A discussion ensued relating that members have opportunity to observe meeting dates since they are now posted on the web site.

**Upon Motion unanimously rejected by the Board, there will not be any commitment by the Board to notify Association Members of Board meetings**

However, as a matter of information only, when a Board Meeting is called, in addition to posting the date on the web site, Association Members will be additionally notified by a copy of the email notice sent to Board Members.

### **Lawsuit Report**

Three collection lawsuits the Association filed in Pitkin County Court were reported by an email from attorney John Lassalette prior circulated to the Board.

The **Bradtke** lawsuit was settled by agreement for Bradtke to pay about \$179.00 per month until the debt is satisfied. If the property is sold, the balance due becomes due and payable at settlement.

A default judgment against **Stonywood Trust** is supposedly being challenged. Attorney Lassalette relates that the challenge will be difficult to uphold because the six month statutory period for such challenges has long expired. Apparently Stonywood's challenge was motivated by notification of an impending Sheriff's sale.

The **Johnson** lawsuit is still stalled due to another lawsuit between Dwight (Johnson's Mother) and Johnson. The Court has continued our lawsuit pending outcome of the prior case.

### **Road Signs**

At its June 21, 2007 meeting, the Board resolved to obtain a proposal to erect a road sign at the foot of Shield-O, top of Shield-O and on the northern end of Old Pond Way. As requested by the Board, Tom obtained a proposal. The proposed signs are 18" x 24", made with 0.80 gauge aluminum, single sided with federal standard holes and corners, and cost \$39.00 each.



**Upon Motion unanimously adopted, Tom was authorized and directed to purchase and install the road signs.**

### **Harvey Application**

The original application was very denigrating to Shield-O Terraces. It has been completely re-written without denigration to SOT. Tom had promoted the revised

application at the Caucus review and suggests the Board fulfill her request for an approval letter to the County.

**Upon Motion unanimously adopted, the Board directed Tom to write a letter to the Caucus and to Pitkin County Community Development Division approving and supporting the revised Harvey Application for Constrained site TDRs.**

### **Right of Way on Upper Shield-O Road**

Upper Shield-O road was originally designated to go around the westerly side of the Crain (now Smith) property. Mr. Crain had negotiated an arrangement with all property owners beyond his ranch on Upper Shield-O Road to abandon the westerly circuitous route for an easement directly across his property on the easterly border. The general concern is that the easement was not extended to the Association. Hawley Smith, current owner, has related he would execute an easement to the Association conforming with the existing easement to the land owners south of his property. Tom will draft an easement and submit it to the Board and Hawley for review.

### **Removal of Voting Rights for Members in Arrears**

**Upon Motion adopted by the Board, with one dissenting vote, to remove all voting rights of any Association member in arrears of dues or assessment payments.**

### **Reduction of Number of Board Members From 7 to 5.**

**Upon Motion unanimously adopted by the Board, the Bylaws are to be amended reducing the number of directors from seven (7) to five (5). The amendment shall be effective on the date of the next annual meeting of the Association.**

### **The Ditch**

For about fifteen years, an irrigation ditch that traverses SOT has been inactive. Every pond within the subdivision is dry and many homeowners' well very marginally produce water. If the water flow was re-activated, there is no guarantee as to where the water actually percolates although there is a general consensus that it would replenish the aquifer within SOT. The Colorado Division of Water Resources advised us to identify the ditch, then determine our water rights to any water that may flow into the ditch. We believe but are not positive that our ditch is identified as #661, Elk Ditch #2. It is clear that a credible consultant should be hired to make the correct identification and to determine our water rights. Once these issues are determined, we should then promptly investigate all requirements to refurbish our ditch making it safe to reopen and flow.

**Upon Motion unanimously adopted, the Board allocated up to \$1,000.00 to hire a consultant to precisely identify our ditch and advise us of water rights and any other pertinent information that should be considered.**

[NOTE:] Subsequent to the Board meeting, Tom arranged a meeting for Board members with Gary Beach, a local water consultant, to occur on Tuesday, October 2, 2007, 10:00 AM at his office.

The Board discussed new signors for checks and secured new signature cards.

The Board discussed homeowners' landscape watering that may be illegal and not permitted in their well permit. The Board discussed as a policy to require the details and decrees within the well permit upon architectural review for new development within the subdivision.

The Board discussed future amendment of the Association Rules regarding timely completion of construction projects.

There being no further business to come before the meeting, adjournment occurred at 9:38 P.M.