

Minutes  
Buckhorn Ranch Board of Directors Meeting  
Tuesday, April 3, 2007  
At Guy-Icon Office, 111 Elk Ave., Crested Butte, CO

Board Members present: Grant Bremer (Pres.), Fran Guy (V.P.), Ross Tunkey (Secretary), Peter Nichols, Dick Landy.

Absent: Janet Wiesner.

Meeting called to order at 6:15 p.m.

Minutes from the 03/13/07 BOD meeting were read, minor corrections made, and the minutes were approved.

The DRB has requested money from the association to maintain the minimum balance in the bank account to avoid monthly fee of \$7.00.

The DRB collects a \$250 plan review fee, and holds \$1000 landscaping bond per house. Also, the architect Aleesha Lipps has been hired to review all plans; she charges \$175 per plan review.

Grant decided to table the account balance issue for now; it is likely that with plans coming in and landscape deposits being collected, the account will maintain the minimum balance required.

Next: Dogs at Buckhorn Ranch.

Dick Landy mentioned that the county has brought it to his attention in the past that dogs at Buckhorn have been a problem. It has been brought up at the annual HOA meetings and nothing gets done to remedy the issue.

Protective Covenants section 10.1 and 10.3

Fran said to deal with it on a case by case issue

Grant said to table the issue

Barton said the BOD can establish specific rules, fine structure, etc. Fines require hearings.

Next: Roads in Filing 1 and 2A

Grant stated Parker Dirtworks reports the 1/2A roads do not have enough road base to grade; 4" of road base would cost \$22,000. And chip sealing this portion of roads would cost about \$74,000. So figure about \$100,000 for 1/2A roads. As it is agreed to in the original developer plan, this is the responsibility of the owners in 1/2A.

Grant posed question: If roads in 1/2A access 49 lots in 2B, why should 1/2A have to pay the whole amount?

Dick stated that, as per the original plan, he would not pay for it.

Mike Higgins stated that the contractor (OPEC) who worked on the gas lines in 1/2A and damaged the roads needs to pay to re-improve the roads.

Dick stated he got an engineer's opinion: that damage is from regular wear and tear, not from OPEC.

Dick stated that if Buckhorn chip seals all its roads, the county might be willing to maintain the roads, as they did in Meridian Lake.

Grant stated 1/2A currently has about \$39,000 in their account.

Fran made MOTION to spend \$5,000 of 1/2A money to improve the current condition of the 1/2A roads.

Peter Nichols seconded; MOTION CARRIED 4-1 (Dick voted against).

Next: Water Rights research

Grant reported he has reviewed report from County; preliminarily it looks very, very good. HOA can go forward and have hired expert review and give opinion; it should be a quick process because it all looks very good.

Dick said he went through 8 years of legal process in water court; Buckhorn Ranch has PLENTY of water and water rights. There are currently 2 wells in operation, together producing 95 gallons per minute. Water tank is 300,000 gallons and is full. At full build-out, Upper East River Water Company will perhaps need to dig one more well; they are able to dig as many as needed, up to 224 gallons per minute.

Grant stated the water expert hired is Tyler Martineau; Grant will give the county documents to him.

Next: Grant stated that Jack Dietrich, manager of the Upper East River Water Company (UERWC), has repeated the Buckhorn water system continues to lose water somewhere. It is the water company's responsibility.

Brushcreek Airport, LLC owns UERWC. He said he is taking care of the issue and noted that it is common in new water systems to have these issues.

Next: Frozen water mains in M3

Grant reported that one area needs to have its water main lowered; it is higher than it should be due to the road getting scraped down earlier. The other problem area is at the correct depth but due to harsh frost winter with less than normal snowpack the lines froze. CB South had similar events.

Next: Grant stated that the developer's "As-Built" plans will be provided to the HOA before the county release the developer's bond money.

Fran asked Dick: Who monitors Spallone as he puts in the utilities?

Dick answered: Schmuser Gordon Meyers engineers (SGM)

Grant said he spoke with SGM; they claim they only did pressure testing on the water and sewer lines, not monitoring installation.

Dick stated that if there are any settling problems in the roads from Spallone's work of putting the utilities in, Spallone will remedy it at his own expense.

Dick: there will be an engineer on site to monitor water service line installation and road installation.

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Next: Other Business:

Affordable Housing:

Dick stated the County will charge \$50 per review to qualify the residents of Stallion Park. That would be an expense to the developer, not the HOA.

Fran made MOTION to have the County monitor the qualification process regarding residents of Stallion Park, with the developer to pay all review fees.

Peter Nichols seconded. MOTION CARRIED 5-0.

Next: Grant stated the HOA has re-iterated to County requesting county assistance in drafting the new affordable housing document for Buckhorn; the document defines the deed restrictions and resident-qualification process at Stallion Park. The BOD learned only on February 3, 2007 that it was supposed to be involved in the process.

Next: Grant stated that last week he and Fran and David Barton met with Michael Wiener and Peter Bogardus (Wiener's local attorney); Grant and Fran signed a confidentiality agreement. Grant is willing to share that all four members agree they want to reach a global settlement, meaning a settlement that deals with the Stallion Park issues and any/all other issues that may exist at Buckhorn Ranch.

Ross asked Barton why the Board should comply with Wiener/Bogardus' request that Ross not attend the executive session scheduled to follow this BOD meeting.

Barton replied there could be a perceived conflict since Ross is a real estate broker at EagleBrooke Realty, a company owned by Feder and Landy.

Next: Dick Landy asked the Board why his settlement offer to the HOA of \$100,000, to settle the derivative aspects of the lawsuit filed by Wiener, has not been presented to the HOA as a whole. The issue should go to the HOA for formal vote. The association could be vulnerable to Wiener's legal fees.

The question was posed to Barton whether the HOA is indeed vulnerable to Wiener's legal fees.

Barton replied that it is not clear. The BOD needs to meet with litigants and their counsel before the BOD makes any settlement decision; and the chances are slim that the HOA/BOD gets hit with either side's attorney's fees.

Grant asked Barton if the HOA/BOD really needs Barton at every BOD meeting.

Barton stated that for now, while the HOA is named as a plaintiff in this lawsuit, it is probably a good idea. But it is up to the BOD. Also, no dates have been set for any trial.

Bob Santangelo, owner at Buckhorn, asked Dick Landy if Dick thinks this suit will really go to trial, and has Dick considered taking the suit to binding arbitration.

Boagardus replied that Wiener wants the buildings torn down so settlement might not be feasible. But maybe.

Barton stated the HOA is not taking an active role in the suit. Barton is not spending time or money on the litigation aspect of the lawsuit. The Colorado Court of Appeals acknowledges that a HOA can stay neutral in a lawsuit.

Arbitration can be discussed in the executive session following this BOD meeting.

It is possible for the Association to settle with the defendants on the derivative claims in the lawsuit. It needs to be determined which claims in the suit are derivative and which claims are Wiener's individual claims.

Ross asked Barton if the BOD is vulnerable since we are not insured as a Board.

Barton stated that of course it is better to be insured; and it is important that Board members work in the best interest of the association.

Next: The official Buckhorn Ranch Owner's Association website is now up and running. Visit the site at: [buckhornhoa.com](http://buckhornhoa.com)

Next: Dick Landy brought up the Design Guideline revision process. It is now clarified that it is the Design Review Board, not the Board of Directors, that reviews and votes on Design Guideline revisions.

Next: Fran asked Dick who is in charge of long-term maintenance of Stallion Park?

Dick: The Stallion Park sub-association.

Grant made MOTION to adjourn.

Pete seconded. Unanimous, meeting adjourned at 8:45 p.m.

An Executive Session is to follow, to be attended by BOD members Grant, Fran, Pete, and attorney David Barton.

These minutes have been prepared by Ross Tunkey, Secretary, and have been reviewed and adopted by the Board of Directors.

