

Stonehaven at Breckenridge Golf Club Association, Inc.

Executive Board Meeting
4:00 p.m. MDT, April 18, 2008
Via Telephone Conference

Minutes

1. *Roll call and determination of quorum.*

The meeting was called to order by the President, Ms. Paige Beville, at 4:11 p.m. MDT. A quorum was declared by the presence of Mr. Bob St. Pierre, Ms. Paige Beville and Ms. Linda Schutt. Also in attendance was Mr. Michael Yearout of Year In and Yearout Management, Inc., manager of the Association.

2. *Reading of the Minutes of the Last Meeting.*

A motion was made to dispense with the reading of the Minutes of the last meeting and approve the Minutes as presented. The motion was seconded and passed unanimously.

3. *New Business.*

Ms. Beville noted that the meeting was called to discuss the ARC request from Bert and Karen Cook (152 The South Road) to install an awning on their west-facing deck. The Board had previously instructed the ARC Chairman to involve the Board in the review of any ARC matter should the Chair deem it appropriate or necessary. In this case, since this was a first-ever request to install an awning and could be precedent-setting, the ARC Chair, Bob St. Pierre requested that the Board become involved in reviewing and considering this request.

The Board discussed the request. The conclusion was that the awning would not be consistent with the look and feel of the Stonehaven community and that the application should be denied. The Board then discussed whether, as part of the denial, to suggest alternatives. The Board agreed that it was not the Board's job to suggest alternatives, that such suggestions could mistakenly be deemed "approved" without further review, and/or that such suggestions may be misinterpreted. Therefore the Board decided not offer alternatives at this time.

Mr. St. Pierre was directed to write a letter to the Cooks notifying them of the Board's decision.

4. *Old Business.*

There was no old business.

5. *Adjournment.*

A motion was made to adjourn the meeting. The motion was seconded and passed unanimously. The meeting was adjourned at 4: 30 p.m. MDT.

Respectfully submitted,

Year In and Yearout Management, Inc., Managing Agent
Michael K. Yearout



STONEHAVEN AT BRECKENRIDGE GOLF CLUB ASSOCIATION, INC.

ANNUAL HOMEOWNERS' MEETING MINUTES

August 8, 2008

I. Roll call and determination of quorum.

The Annual Meeting of the Homeowners of Stonehaven at Breckenridge Golf Club Association, Inc. was called to order by the President, Ms. Paige Beville, at 1:10 p.m., August 8, 2008 at the Mountain Thunder Lodge, Breckenridge, Colorado.

A quorum was declared by the presence of 16 homeowners either in person or by proxy. Also present was Mr. Michael Yearout of Year In and Yearout Management, Inc., Manager of the Association.

II. Proof of notice of meeting.

Mr. Yearout presented the notarized Certificate of the mailing of the Notice of the Annual Meeting to all homeowners as Proof of Notice of Meeting.

III. Reading of the Minutes of the preceding Annual Homeowners' Meeting.

A copy of the Minutes of last year's Meeting was sent to each homeowner prior to the current Meeting, so a motion was made from the floor to dispense with the reading of the Minutes of the preceding Annual Homeowners' Meeting. The motion was seconded and passed. One homeowner opposed the motion.

IV. Reports.

1. Membership Introductions

Since there were so many new homeowners, the members introduced themselves.

2. 2008 in review

a. Final Home Construction

Ms. Beville talked about the completion of the last four Stonehaven homes, noting there were some issues with BEW regarding connection of the irrigation system to these homes.

b. Dumpster Building Move

BEW submitted a request to relocate the dumpster building. The previous location of the building would have required the trash truck to drive over a portion of Lot 15's driveway. The Executive Board worked with affected homeowners to ensure that the new location, which is 42 feet south of the original location, was acceptable and that their concerns were addressed. The Board also worked with Waste Management to ensure they would not drive into any of the cul-de-sacs to access the dumpster. Ms. Beville noted she has watched them a number of times and they have been very good about staying on the roadway and not entering any cul-de-sacs.

Among the contingencies attached to the final approval were requirements to plant trees around the dumpster building, install irrigation to the trees, add stonework to the building and reinforce the main access doors. Unfortunately, BEW did not add irrigation to the landscape improvements and that will be something the Board will have to address in the future. She said she had been unable to get BEW to return any of her phone calls regarding a number of issues. The Board will continue to do their best to ensure that BEW honors their obligations to the Association.

c. 2008 Landscape Project

Last year the membership approved the landscape plan to install washed rock along The North and The South Roads. That work was begun in early spring along the South Road. However, because of the unknown cost to repair the irrigation system damage caused by BEW and its subcontractors during construction of the last four homes, Ms. Beville stopped the work until she could ensure there were sufficient funds for both projects in the Association's budget. (To date BEW has denied doing any damage and has refused to pay for any repairs.) Ms. Beville recently determined that the repairs to the irrigation system are not going to cost as much as anticipated and Neils Lunceford has been directed to finish the rock work as soon as possible.

d. Irrigation System

The irrigation system has been and will continue to be a problem. It was designed to last only until the grassy landscaping installed by Fieldstone could survive on its own. In the ensuing years the membership decided to modify the landscape to include more trees, shrubs, perennials and annuals that require permanent irrigation. For now, it appears we should be able to keep the existing irrigation system functioning until we have sufficient funds to replace/upgrade the system.

The exposed irrigation line in the drainage ditch on the east side of the project is there for BEW to connect the four new homes to the existing irrigation system. BEW chose to not do that, but told us they wanted the option to do so in the future. Ms. Beville said it is not the Association's responsibility to connect the system to the new homes, it is BEW's responsibility. We do not want to bury the lines before the connections are made, since the lines would have to be dug up again.

Ms. Beville also noted that once the four new homes are on the common system, the system will be at capacity. If a homeowner elects to add additional flower beds or plantings around their homes that require an expansion to their irrigation system, that expansion will have to be tied to the home's domestic water supply.

Following a question about new irrigation lines, Ms. Beville said the Association is not responsible for installing irrigation systems around individual homes. The developer is required to do that. The Association has installed irrigation in the major common areas, such as the area above the entrance sign, which were landscaped in the last three years. Other than that, the Association is responsible only for maintaining developer-installed irrigation.

e. Clubhouse Drive Drainage Ditch

Due to sediment buildup in the drainage ditch that captures water from the Fairways Subdivision northwest of our property, water has been pooling behind the Schutt's and Kies' homes and causing problems. Last year, we contacted the Town of Breckenridge (TOB) to see if that ditch was within the Clubhouse Drive easement and therefore their responsibility. At that time they stated that it was not their problem. Ms. Beville contacted the TOB again this summer and asked that they reconsider their initial response. Her argument was that the ditch itself certainly appeared to be within the easement and moreover, the drainage was not coming from Stonehaven. Therefore, it did not seem logical that the Association should be responsible for drainage that did not come from the Association's property and into a ditch that was not on their property. After inspecting the area, the TOB Manager of Parks and Streets determined that the ditch was within the Clubhouse Drive easement and the problem was the responsibility of the TOB. The Manager said they would eliminate the culverts in the ditch as well as the "temporary" construction access road over one of the culverts and clean out the culvert under Clubhouse Drive into which the ditch drained. Ms. Beville had asked that they also clean out the accumulated sediment and establish a gravel base in the ditch. The Manager said they would consider that.

f. Landscaping in Common Areas

At the suggestion of some homeowners, Ms. Beville looked into the wisdom of attempting to grow wildflowers on some of the bare areas above the entrance sign and in other common areas. Neils Lunceford recommended their "Sunshine" wildflower mix and said it should be mixed with topsoil, then spread and raked into the soil. They recommended that it be done as late in the fall as possible, ideally just before the first snowfall. It was agreed the membership would try to organize a "wildflower planting day" in the fall.

g. Golf Course Drainage onto Stonehaven

There are several underground drains from the golf course that were constructed prior to development of Stonehaven and that terminate on the west side of Stonehaven property. One has “daylighted” and water from that drain is pooling in a high spot behind one of the Stonehaven homes. Ms. Beville met with the Operations Manager of the golf course to determine whose responsibility it was to correct the problem. The Operations Manager talked with the TOB and because the drains were there before Stonehaven was developed, the drainage onto the property was the responsibility of the developer. Neils Lunceford has looked at the problem and believes the drainage could be re-directed into more appropriate areas at relatively little expense. Ms. Beville is going to get a proposal from Lunceford to correct the problem.

h. The Stonehaven Association Website.

All Association documents, including Board Meeting and Annual Meeting Minutes, Declarations, ByLaws and Regulations, and Guidelines are available on the site. The address is <http://www.stonehavenatbreckenrige.org>. To create a user name and password to access the account, please call Mr. Yearout for instructions.

i. Snow Storage.

Ms. Beville reported that the Board had been concerned that construction of the last four homes would eliminate much of our snow storage capacity. Prior to the winter of 2007-2008, Mr. Yearout identified a number of companies that would load and haul excess snow off the property. The Association contracted with Stan Miller Inc. to do so if it became necessary. This past winter, in spite of record snowfall, our snowplow contractor (PGMS) was able to stack the snow (with the use of a big snowblower) on the property. Consequently, we did not have to haul any snow. Earlier this year, Ms. Beville sent PGMS a letter, on behalf of the Association, thanking him for his good work.

j. Changes in the Executive Board

Tom Maiorano, Secretary of the Association, sold his home this summer and resigned from the Board. The Board decided that since his resignation came shortly before the Annual Meeting, they would defer appointing/electing someone to fill his remaining year on the Board until this Annual Meeting.

k. Review of the 2008 Budget

Ms. Beville reported that the Association was under budget for the year so far due to lower than expected snow removal, general maintenance, and repair and landscape maintenance costs. At the beginning of 2008, we had \$15,500 in our Reserve and Contingency Fund and were able to carry over about \$11,000 from our 2007 budget. We expect to carry over about \$21,000 at the end of 2008 barring unexpected expenses. We have asked Neils Lunceford to prepare a proposal to complete the irrigation system repairs and to establish two additional irrigation zones for the new homes should BEW or the homeowners elect to tie into the central system. We believe we can pay for that work from our Landscaping Maintenance and General Maintenance and Repair budgets. We will also try to recover the cost of the irrigation system repairs from BEW.

V. New Business.

1. Summary of Responsibilities

Because there are a number of new homeowners, Mr. St.Pierre prepared a one-page summary of significant Association and homeowner responsibilities. The summary was handed out and discussed. A copy of the summary is attached and hereby made a part of these Minutes. Homeowners were reminded that the summary does not include all of the rules and regulations and that a complete list of all rules and regulations are contained in the Association’s Declarations, Bylaws, Rules and Regulations, and Architectural Review Guidelines.

2. New Landscaping Projects

The 2009 budget will be prepared in the next few months, and Ms. Beville asked the homeowners to submit ideas for landscaping or irrigation system improvements by November 1. The Board will price those suggestions and then put them to a vote by the membership as part of the 2009 budget ratification process.

3. Rodent Infestation

The large rodent population around the Stonehaven property and what to do about them was discussed. Prior to the meeting, Ms. Beville asked the Golf Course Operations Manager how he managed the rodents. He stated that nothing the golf course had tried had been successful. Individual homeowners can undertake their own eradication programs if they so wish.

4. Association Newsletter

Tom Maiorano initiated a quarterly Association Newsletter two years ago. Ms. Beville asked whether the homeowners found it valuable and worth continuing. The homeowners indicated there was no interest in continuing the newsletter.

5. Road Repairs

Any HOA improvements to the Stonehaven roadways have been delayed until construction of the last four homes was completed and until the Breckenridge Sanitation Department repaired damage done when they repaired sewer leaks under the road several years ago. Mr. Yearout indicated the Sanitation Department said it will repair the road damage this year. The Association will wait for these repairs to be completed and consider options for additional road repair next year. BEW patched the entry road (Fieldstone Dr.) and that patch was damaged. Mr. Yearout was directed to contact BEW and request they repair the damage.

6. Trash Removal

Mr. Yearout noted that our contract with Waste Management runs through September. He said he has talked with a number of other trash removal companies and they indicated they would meet or beat Waste Management's price. Some homeowners have asked whether individual resident pickup or the use of a smaller dumpster and truck to minimize road damage would be feasible.

- The six cubic yard dumpster that we currently use requires a large truck.. Many homeowners argued that the large dumpster is necessary during busy times of the year. Mr. Yearout was directed to research using a smaller dumpster with more frequent pick ups so that a smaller truck could be used during less busy times of the year.
- Individual trash pick up would cost about \$30 per month per homeowner (total of about \$8,600 per year) , which is more than twice what the Association is paying for centralized pickup. The Association is now paying approximately \$265/month (total of \$3,200). In addition, absentee or part-time homeowners were concerned about arranging to have their trash receptacles moved out and back in on the pick-up day. Local ordinances prevent putting out trash cans prior to the day of pickup and leaving them out overnight.

A discussion of the dumpster service took place. A straw vote was taken to determine interest in individual trash pick up versus a central dumpster. There was one vote in favor of individual pick up, and 15 votes in favor of a central dumpster.

The homeowners were reminded of and encouraged to use the recycling center located on County Road 450 just north of downtown Breckenridge.

7. Garage and Entry Lights

It was noted that the new homes do not have photocells controlling their garage and entry lights. The membership agreed the new homes should have photocells controlling those lights and directed Mr. Yearout to get an estimate for conversion of these lights to photocells and arrange to have them installed. Mr. Yearout indicated he had an estimate of \$100 to \$225 to install photo cells on the new homes. This will be done at homeowner expense.

8. Dead Trees

Some homeowners expressed concern about dead trees northwest of Stonehaven on Highlands Drive. The trees are not on Stonehaven property but belong to the owner of the large home to the northwest of Stonehaven. Mr. Yearout was directed to contact the Fairways HOA and notify them of the dead trees and the liability they might incur if the trees fall onto Stonehaven property.

9. Limitations of the Powers of the Executive Board

At last year's Annual Meeting we discussed limiting the powers of the Executive Board so that they could not levy Special Assessments or change the Rules, Regulations or Bylaws without approval from homeowners. Since then, Ms. Beville discussed this issue with the Association's attorney who informed Ms. Beville that there is a reason the Board has those powers. The Board is entrusted with ensuring the common interests of the Association are served. If the Board is required to get approval from the majority of the homeowners for every rule change or to meet a need, it could well be hamstrung from meeting that responsibility by a disinterested membership. He said we would be going against conventional wisdom and risking a lawsuit by one or more homeowners for not carrying out the requirements and responsibilities of the Directors.

Ms. Beville's concern is that a future Board might levy a large and unreasonable Special Assessment without the approval of the membership. Our attorney suggested that the homeowners limit the Board's authority to levy Special Assessments up to a specified amount without membership approval and any assessments above that level would require approval by the membership. The Attorney also said that if the homeowners do not agree with the basis for a Special Assessment or rule change, their recourse is to fire the Board.

10. HOA Management

Ms. Beville said the Board is in the process of reviewing the responsibilities and compensation of the Association's manager. The Board has prepared a list of tasks the manager is expected to perform and will be requesting proposals from Mr. Yearout and other property managers.

11. Landscaping Maintenance Contract

The Board is reviewing its landscape maintenance contract with Neils Lunceford. Ms. Schutt has agreed to take the lead to see if other landscape companies can meet our needs at a lower cost.

12. Terms of the Current Executive Board Members

Last year, the Board created staggered terms for Board members so that not all new Board members would be elected each year. This was done to ensure some continuity on the Board.. Ms. Beville's and Mr. St. Pierre's terms are up this year. Ms. Schutt's term has one year remaining and Mr. Contino's term has two years remaining. Mr. Maiorano had one year remaining on the Board prior to his resignation. At this meeting the homeowners will be electing two Board members to three year terms and one Board member to complete Mr. Maiorano's term.

13. Presentation of the Draft 2009 Association Budget.

Ms. Beville noted this was a preliminary budget based on previous years' budgets and won't be finalized until we receive proposals on trash removal, landscape maintenance and the like. The final proposed budget will be mailed out to the membership later in the year for ratification or rejection. Ms. Beville reviewed the changes in the proposed 2009 budget vs. the 2008 budget.

VI. Open Forum.

The floor was opened to the homeowners to ask questions and make suggestions.

- Rental Property

Some homeowners expressed concern about the "Vacation Home" and asked about restricting the ability to rent homes, i.e. frequency and length of rentals. Ms. Beville reminded the homeowners that the Declarations do not prohibit the rental of any property and that it was legal to rent homes without restrictions. Our Attorney has said that if we arbitrarily impose rental restrictions, the Association will be opening itself to lawsuits. Mr.

Yearout was directed to contact the Association's attorney to see what type of restrictions can be implemented to restrict the rental of the homes.

- A homeowner suggested that the Board consider creating guidelines on a number of subjects including clothes lines, realtor signs, satellite dishes, and swallow netting.

VII. Election of Inspectors of Election.

A motion was made from the floor to dispense with the election of inspectors of the election. It was seconded from the floor and the motion passed unanimously.

VIII. Election of Directors of the Executive Board.

The floor was opened to nominations to the Executive Board. The following persons were nominated and seconded:

Bob St.Pierre: 3 year term

Garth Stroble: 3 year term

Paige Beville: 1 year term

A motion was made to close nominations and seconded. Nominations were closed and the above persons were elected by acclamation.

IX. Adjournment.

A motion was made from the floor to adjourn. The motion was seconded and passed unanimously. The meeting was adjourned at 3:45 p.m.

Respectfully submitted,
Year In and Yearout Management, Inc.
Managing Agent
Michael Yearout