

**Cedar Mesa Ranches HOA
Board of Directors Meeting
Ludemann Residence
September 13, 2004**

In attendance: Board Directors, Terry Micheal, Lisa Liljedahl, Steve Ludemann, Susan Bryson, Nancy Schaufele and Suzanne Duke. Lot owners, Chris Schaufele, Cindy Swan, Jackie McNeill, Jim & Ruth Bignell, Bryan & Therese Eytcheson, Gary & Cheryl Brodhagen, Janine & Gene Denny, David Nigteagle and Bruce Ball.

Meeting called to order at 7:10 pm

President's Report: See attached report.

- At the moment the Directors are also the officers; however, according to our bylaws they are structured as a separate entity. The Board elects the officers – not the membership.
- Committees are directed by the officers.
- We have one board position open due to Terri Montoya's resignation. Lisa made a motion to appoint Jim Bignell to replace Terri on the Board. Nancy seconded the motion. Motion unanimously approved.
- **Call for Board Nominations – deadline is December 30, 2004** – Please submit your nomination in writing to the Board President, Terry Micheal.
- The governing documents only require the Board to meet twice a year – General Meeting in March and another meeting to elect officers. Terry made a motion that we go to bimonthly (every other month) meetings open to the membership. Nancy seconded the motion. Motion unanimously passed. Here is the schedule for the remaining Board term:
 - November 1st – Bignell Residence
 - January 10th – location to be announced
 - March 3rd (First Thursday) – Annual Meeting (location to be announced)
- This Board believes that we need to raise dues in order to meet budget needs. We are in the process of looking at a five year budget and presentation to the membership justifying the recommendation to raise dues. We intend to mail out a proxy ballot to each member along with the Board nominations before the annual meeting in March.
- Our accounts receivable is running about 20% and customarily it should run no more than 3-4%. Please pay your past HOA dues!
- HOA attorney, Bill Rasure prepared a letter on August 25, 2004 addressing the Board's position on mobile homes. See attached letter.

Six Month Accomplishments: Susan mentioned that this board just celebrated their six month anniversary in office and she wanted to celebrate the accomplishments:

- New centralized mailboxes valued at \$9,000 (received for free)
- New road signs
- Guardrails on Road 35 (hill) and a small section of used guardrail on Road 36.7 where a vehicle rolled and was totaled last winter
- Ongoing road maintenance and improvements – considerable improvements with drainage, including bar ditches and new culverts.
- Approval of gates blocking the Fire Emergency road at the end of J.7 and proper signage
- Fire Mitigation work – applied for and received a grant with the State:
 - Slash removal
 - Fire break
 - BLM to conduct hydro-mulching beginning in October at northwest end of subdivision
 - Evacuation Plan is being developed
- Covenant Enforcement:
 - 14 thirty day covenant violation notices sent out. Majority of lot owners are now in compliance
 - One covenant violation lien filed
- Twelve liens were filed on properties for failure to pay dues/road assessment fees – total \$3,949.12 in outstanding fees
- Annual Weed Spraying was accomplished with some match money from the county
- Development of CMR HOA website making resource information much more accessible.
- Last but not least (and on the radar screen) is to form a landscape committee to work on a beautification/enhancement project at the entrance to our subdivision this next spring/early summer

Financial Report: See attached report prepared by Steve Ludemann. Steve will be sending out “past due” notices for 2004 HOA dues along with a thirty day notice to comply. Liens will immediately be filed for all those lot owners not in compliance after the thirty day notice.

- Terry made a motion to move \$875 from the contingency fund to a newly created line item, “Fire Mitigation” to cover the match contribution required under the grant. Lisa seconded the motion. Motion unanimously approved.
- Weed abatement from the county was reduced to \$250 this year from \$800 last year.
- Nancy made a motion to take the surplus from weed control, insurance and \$100 from “roads” to increase “office supplies” by that same amount. Lisa seconded the motion. Motion unanimously approved.
- Agreed to put attorney’s costs on hold and talk with Rasure about paying his bills over time.

Dissolution of HOA Board: Terry mentioned that some members have inquired into what it would take to dissolve the HOA. According to the Articles of Incorporation, Article X, it would take 2/3 or more membership vote in writing and signed by each member to dissolve the HOA. The assets have to be distributed to a public entity that has the responsibility to take on the duties that the HOA was responsible for, i.e. road maintenance. This leaves us with two choices:

1. Cedar Mesa creates its own municipal district (some HOA's in the area have done this), with the sole responsibility of maintaining the roads. The municipal district would be run by a board of directors elected by the lot owners. The HOA would be dissolved therefore there would be no enforcement of covenants. Or,
2. Somehow get the county to change the status of our roads to "green" signs and take on the job of maintaining our roads. Once again, the HOA would be dissolved, therefore no enforcement of the covenants and anyone could do as they please with their properties.

Road Committee: Lisa said that we desperately need moisture (rain) before we can blade the road. The road is also down to base in several areas. We continue to address the drainage issues. We did address the issue on J.7 in the last rainstorm. The Fire Emergency road on J.7 completely washed out and we installed a culvert and repaired that section of the road. We also have the ongoing issue with the front entrance. Steve reminded everyone that the front entrance is not asphalt pavement. Instead it is actually chip-sealed (1/2 inch thick) and patching holes is a challenge. We obtained a bid to asphalt repair the front entrance and the cost is estimated at \$13,000. . We are trying to meet this challenge with limited funding.

Design Review Board: Terry passed around a drawing submitted by the owner of lot #59 for a garage addition. He asked if there were any objections to this drawing and everyone felt that it was in compliance of our covenants. Terry will send the owner a letter.

Fire Mitigation Committee: Cindy thanked everyone for their participation in our ongoing fire mitigation work. She appreciates any work that a lot owner can do to make their lot more fire safe.

Unfinished Business:

- Summit Leadership meeting on board development. Unfortunately we don't have the money to pay the registration fees.
- The owners of Tract H do not have an RV stored on their lot.
- **Covenant #14 states, "...Individual lot numbers at least 4" in size must be mounted on each house and/or entrance to each driveway so as to be clearly seen from the adjoining road."** This Board also recommends you clearly mark your driveway with an address reflective sign (can obtain from the Mancos Fire Department for a nominal charge).

Addressing Members Concerns:

- Two letters were submitted addressing trespass issues. It is the owner's responsibility to enforce Colorado trespassing violations and the Sheriff's Department has indicated that they will respond to these calls. As for trespassing on the Emergency Fire Road – easement (between J.7 & J.8) we can offer the same thing we did for the other fire road. We have already placed signage on the road.
- The subject of the pending litigation between the HOA Board and lot owner, Torin Andrews came up and David Nigteagle agreed to act as an unbiased mediator.

Lisa made a motion to adjourn the meeting at 9:35 pm. Terry seconded the motion. Motion unanimously approved.

Respectfully submitted,

Susan Bryson
CMR HOA, Board Secretary

Attachments:

1. Board Presidents Report
2. CMR HOA Corporate Organizational Chart
3. William Rasure's letter regarding mobile homes (8.25.04)
4. Financial Report