

**DRAFT MINUTES
ARROWHEAD IMPROVEMENTS ASSOCIATION
REGULAR BOARD MEETING
SATURDAY, AUGUST 19, 2017
ARROWHEAD VOLUNTEER FIRE DEPARTMENT, 1:00 PM**

AIA Board President, Kim Norwood, made his opening remarks welcoming all attendees and followed with an introduction to the property owners present, all new property owners and owners attending their first Association Meeting. The Annual Homeowners Meeting will follow the Regular Meeting. President Norwood also announced the retirement of Ms. Joyce Boulter, our Design and Review Liaison. He thanked Joyce for all her hard work serving the community and maintaining the Arrowhead Standards which preserve the mountain beauty we enjoy here for the past 10 years.

PLEDGE OF ALLEGIANCE was led by President Kim Norwood.

CALL TO ORDER AND DETERMINATION OF QUORUM:

President Kim Norwood called the Regular Board Meeting to order at 1:00 P.M.

Present were: Kim Norwood, President; Dick Bloss, Vice President; Dale Breckenridge, Treasurer; Bridget Isle, Secretary; Patty Greeves, Member; Becky Stilley, Member and Jim Matteson, Member. Also present for the day was Jacob With, legal advisor to our association from the Law of the Rockies. A quorum was determined.

President Kim Norwood reported on both the Special Meeting and the Executive Session held yesterday, Friday, August 18, 2017. **EXECUTIVE SESSION:** Covers issues involving personnel, delinquencies/collections, legal disputes with owners and legal advice from counsel under CCIOA (C.R.S. Section 38.33.3.308) (a), (e) and (f). President Kim reported that, per the agenda, the Special Meeting held from 1:00 PM to 3:15 PM on Friday afternoon was for the purpose of reviewing the work accomplished on the Governing Documents. Three (3) property owners were also present for this review. These Special Meeting dates and times are posted and all interested property owners are welcome to attend Governing Document review sessions.

ADDITIONS OR DELETIONS TO THE POSTED AGENDA: Moved: President Norwood moved the following two items under New Business, up on the agenda to allow Board Member, Becky Stilley, to present and answer questions, due to her planned early departure. Those items were: Item #2, Update on Friday's Governance Review Session – Patty and Becky; and Item #3 – Vote on amending and restating the AIA Articles of Incorporation - Patty. Our legal advisor, Jacob With will deliver a brief presentation and answer questions regarding Item #3, before the AIA Board Member vote.

Added to the Agenda: New Business, New Item #5 - Groomer expenses and repairs – Dale Breckenridge.

A motion made to approve the agenda by Dick Bloss was seconded by Jim Matteson and passed unanimously.

APPROVAL OF MINUTES OF SPECIAL AND REGULAR BOARD MEETINGS HELD FRIDAY AND SATURDAY, JULY 14/15, 2017:

- 1) The July 14th Special Meeting was approved as written with no changes.
- 2) The July 28th Special meeting was approved as written with no changes.
- 3) Two minor corrections were made to the July 15, 2017 Regular Meeting Minutes. A motion to approve the minutes was made by Becky Stilley, seconded by Dale Breckenridge and unanimously passed.

REVIEW OF FINANCIAL STATEMENTS: Treasurer Dale Breckenridge updated the Association on the current financial statement. Dale stated that this year's major Association expense was for the improvements and repair of the Alpine Plateau Road. Dale reported a U.S. Forest Service grant reimbursement to the Association for \$10,000.00 in prior expenditures. Dale announced that due to recent fraudulent inquiries regarding our Association budget, AIA finances will no longer be posted on our AIA website. However, any property owner may call our Arrowhead Office in Gunnison and request a copy. Dale answered several questions from property owners in the audience regarding line items on the AIA budget. Questions Dale could not immediately answer will be researched with our AIA Gunnison Office. This report is abbreviated due to the more detailed report scheduled to be given at the Annual Homeowners meeting immediately following today's Regular Board Meeting. Treasurer Dale Breckenridge's report was accepted as read.

OWNER COMMENTS: No owner comments were made at this time.

OLD BUSINESS

Held over or discussed from July 2017 meeting.

(Items moved up on the agenda as stated above)

1. **Moved item #2 of New Business: Update on Friday's Governance Review Session – Patty and Becky.** Patty mentioned that during yesterday's Friday afternoon Special Board Meeting, the BOD and interested property owners met for two hours between 1:00 PM and 3:15 PM to review the work accomplished thus far. We plan to schedule several more meetings allowing us to move through this material as quickly and efficiently as possible. Any new meetings scheduled to review this material will be posted and all interested property owners are welcome to attend. Patty reminded everyone that when finished, all material will be posted to give the homeowners the opportunity to read and review this document.
2. **Moved item #3 of New Business: Articles of Incorporation Vote – Patty.** At this time President Kim introduced our legal counsel, Jacob With, from the Law of the Rockies to the property owners and gave him the floor. Jacob explained the importance and just what the Articles of Incorporation really are. He further explained that it is a

CCIOA requirement that these articles be reviewed annually. Jacob explained that conflicting statements and duplicate items discovered in the Articles of Incorporation are being individually addressed and corrected. Jacob took questions from property owners responding to their concerns. After questions were answered, Jim Matteson made a motion to approve the corrections/changes made in the Articles of Incorporation which was seconded by Dick Bloss. A show of hands vote was taken by President Kim. All board members were in favor and the motion passed unanimously.

- 3. 2018 Budget and Reserve Funding** – AIA Treasurer, Dale Breckenridge, reported that that we have \$60,000.00 in the Reserve Funds for Hazel Lake repairs. The question for the Association is whether the community wants to move forward with Hazel Lake improvements at this time, or hold onto these funds while we continue research on the sale of the Arrowhead Ranch Water Company. Dale reported that if we were to move forward with the repair of Hazel Lake next year, the costs are projected to be between \$68,000.00 to \$80,000.00. Several questions were asked about what type of repairs were required to stop the leaks and ensure Hazel Lake would hold water. The property owners present together with the AIA BOD agreed that the Reserve Funds should be held until the study on the possible purchase of Arrowhead Ranch Water Company has been completed and a decision made. As we move forward the Board will keep the community informed and updated as we receive new information. Questions on the protocol for repairs to the Alpine Plateau Road were answered as well as questions on whether we as a community will need to take a serious look at raising our Homeowners Dues. As our community grows we are facing a need for more services. These questions will be addressed and examined during future meetings this year.
- 4. Update on Sale of the Arrowhead Ranch Water Company** - President Kim Norwood reported that the Board has already held the first of what promises to be many Special Board Meetings regarding the sale of the Arrowhead Ranch Water Company. Our attorney, Jacob With, together with Jim Matteson and Becky Stilly have already met with the Squirrell family. They all agree that while many questions were answered, there are many more yet unanswered questions and subject matter expertise required before a course of action can be determined. The Squirrell family has hired an appraiser. While the appraisal is being completed, the AIA BOD will continue to investigate and determine our options. The Board is looking for community members with experience in this very specialized area. If you have this expertise, please contact the Board and consider participation as part of a Community Committee with the mission of assisting the AIA BOD in gathering all the facts and information to determine possible Courses of Action and a recommended plan of action. Board Member Jim Matteson reminded the community that this is a “business deal.” That is how the Board will address this opportunity and possible purchase. This is well over the \$100,000 threshold which requires a vote by property owners. The Board plan is to gather the facts needed to answer property owner questions and provide the

advantages and disadvantages of the possible courses of action. Attorney Jacob With reminded attendees that the Board will submit this to the property owners for a vote.

NEW BUSINESS:

- 1. Report on Action Without Meetings (AWM)** – President Kim Norwood reported that the BOD held two AWM regarding the acceptance and settlement of an owner dispute. One owner dispute has been settled and the second should be signed by Monday. Both issues involved the cutting of trees without permission. Kim introduced our AIA Forest Liaison, Bill Conway, for the benefit of new property owners present. Bill spoke briefly and reminded the community that he was there to assist in any way he could. Contact Bill Conway directly or go to the AIA Forest page located on our AIA website for more information regarding property owner insurance issues, defensible space, lot mitigation, Western Region Wildfire Council grants, MCH packs, hazard tree removal and other related forest management subjects:
http://arrowhead1.org/pages/forest_management.html
- 2. Review of Homeowner Complaint Forms** – Dick Bloss addressed the property owners in attendance on the protocol to follow should a property owner wish to file a formal complaint. Most importantly, a formal complaint must be in writing. Dick Bloss provided several examples of what would be reasonable grounds for filing a formal complaint. The board plans on reviewing this topic and hopes to have a form that is suitable to be posted on our website for property owners. Please contact a board member if you have any questions.
- 3. Groomer Repairs** – Heavy Equipment Liaison, Jim Matteson, addressed the AIA Groomer deficiencies and the repairs accomplished. He also reviewed the deficiencies remaining which must be repaired before this winter. The Association previously approved \$5,300.00 in parts and repairs. Jim reported a requirement for another \$3,500.00 in parts and repairs. Dick Bloss and Jim Matteson together emphasized the importance of a fully operational AIA Groomer to our community. Treasurer, Dale, said that money allocated from the budget for the AIA Groomer is nearly depleted. Dale reminded all present that we have \$20,000.00 set aside for groomer repairs in the Reserve Fund. Dale asked the board to approve additional funds of up to \$15,000.00 to finish the repairs as needed while still providing adequate money for any unanticipated emergency needs before or during the winter season. Dale made a motion to move \$15,000.00 from the Reserve Fund for this purpose. Motion seconded by Dick Bloss and the motion passed unanimously.

COMMITTEE REPORTS: All committee reports will be given during the Annual Homeowners Meeting to follow.

OWNER ANNOUNCEMENTS AND COMMENTS: a) Bob Hernandez announced that he has communicated with UPS regarding their failure to make home deliveries at Arrowhead this summer. He believes he is making progress and hopes to report the resolution of the UPS delivery problem in the near future. b) Carla Vavrik announced an Arrowhead Clean-Up Day scheduled for Saturday, August 26, 2017. Property owners and their families are invited and encouraged to participate. Following the morning work, a free lunch will be provided by Arrowhead Volunteers at 12:00 PM/noon, at the Firehouse. The lunch is provided as a thank you to all those participating in the Clean-Up Day as well as our AIA Board Members and local contractors who voluntarily give of their time in any capacity for the betterment of the community. If you have been a volunteer for any project of any kind, please come and enjoy.

BOARD ANNOUNCEMENTS: Kim advised all in attendance that after the Regular Meeting adjourned, there would be a short break before the beginning of the Annual Homeowners Meeting. Light refreshments (juice and cookies), are provided.

ADJOURNMENT: With no further announcements or business, a motion was made by Dale Breckenridge, seconded by Jim Matteson, and passed unanimously to adjourn at 3:05 PM.

Submitted by Bridget Isle, Secretary/Member, AIA Board of Directors.

Bridget Isle
Secretary/Member
AIA Board of Directors

8/23/17

During the DRAFT phase of the Meeting Minutes, some reports, letters and/or correspondences presented by employees, committee members or BOD members may not be available for posting. They will be attached upon receipt if received before the DRAFT has been approved by the Board of Directors.